



City of Austin

Recommendation for Action

File #: 25-0439, **Agenda Item #:** 37.

4/24/2025

Posting Language

Authorize negotiation and execution of all documents and instruments necessary or desirable to acquire in fee simple approximately 1.579 acres (68,786 square feet), including an eight-story Class A office building totaling approximately 206,657 square feet of office space and garage and surface parking for approximately 750 vehicles for municipal offices, located at 3300 North Interstate 35, Austin, Texas 78705, and seller's interest in five non-exclusive easements from LHREV Austin University Park, L.P., for a total amount not to exceed \$26,095,000 including closing costs. Funding: \$26,095,000 is available in the Capital Budget of the Financial Services Department. Related to Items #6 and #7.

Lead Department

Financial Services Department

Fiscal Note

Funding is available in the Capital Budget of the Financial Services Department.

For More Information:

Kimberly Olivares, Financial Services Department, 512-974-2924; Michael Gates, Financial Services Department, 512-974-5639; Brandon Williamson, Financial Services Department, 512-974-5666.

Additional Backup Information:

The proposed acquisition consists of an approximately 1.579-acre tract with an eight-story Class A office building totaling approximately 206,657 square feet of administrative office space and garage and surface parking for approximately 750 vehicles. This acquisition will address inadequate facilities and working conditions, support beneficial collaboration and future growth, and improve public access. The property is centrally located, LEED Gold Certified, and ideal for easy access to downtown. The City will work with three existing tenants as they develop their plans to leave the space at or near the end of their lease terms. The proposed acquisition will also provide relocation space for City Departments located at One Texas Center and free the property for potential redevelopment. The property is located at 3300 N Interstate Highway 35, Austin, Texas, 78705.

An independent, third-party appraisal was procured to establish the fair market value of the proposed acquisition. The appraisal report supports the purchase price of \$26,000,000. The amount of the purchase price plus closing costs is not to exceed \$26,060,000.