

## A G E N D A



## Recommendation for Council Action (Real Estate)

Austin City Council	Item ID:	32117	Agenda Number	12.
Meeting Date:	May 15, 2014			
Department:	Office of Real Estate Services			
Subject				
Authorize the negotiation and execution of a lease amendment to lease an additional 7,697 square feet of office space, located at 1124 South Interstate Highway 35, from the HOUSING AUTHORITY OF THE CITY OF AUSTIN for Communications & Technology Management, for the remainder of the first renewal term and the entire second renewal term ending December 31, 2023, in an amount not to exceed \$1,505,904.				
Amount and Source of Funding				
Funding in the amount of \$287,543 is available in the Fiscal Year 2013-2014 Operating Budget of the Communications and Technology Management Department. Funding for the remaining 51 months of the first extension option and the remaining extension option is contingent upon available funds in future budgets.				
Fiscal Note				
There is no unanticipated fiscal impact. A fiscal note is not required.				
Purchasing Language:				
Prior Council Action:	September 27, 2012 - Council approved ratification of a construction contract payment for renovation services on the 3rd floor, 1124 S. IH-35 to re-locate staff. August 21, 2008 - Council approved negotiation and execution of a lease with the Housing Authority of the City of Austin.			
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Boards and Commission Action:				
MBE / WBE:				
Related Items:				
Additional Backup Information				

The Riverside Building has served as the main campus for Communications & Technology Management (CTM) employees since 2009. CTM leases the entire 3rd floor of the facility, which includes 37,857 square feet of rentable space. The space is at 1124 South Interstate Highway 35 and is leased from the Housing Authority of the City of Austin (HACA). Council authorized an agreement with HACA on August 21, 2008, for a five-year lease with two five-year extension options not to exceed \$10,386,067.

In September 2012, CTM relocated Geographic Information System (GIS) staff from One Texas Center (OTC) to the Riverside Building and reconfigured the space to accommodate 50 additional employees resulting in annual rent savings of \$180,000. The construction costs for the reconfiguration were ratified by Council on September 27, 2012.

CTM now requires additional office space in the HACA building for 42 staff members currently located in other facilities. HACA has offered a portion of the second floor (7,697 square feet) of the building to house these individuals. CTM needs to move 14 employees from the Combined Transportation Emergency Communication Center, six employees from Rutherford Lane, eight employees from Central Purchasing, four new full time employees, and 10 employees from the Corporate Planning Office moving from City Hall. CTM is responsible for reimbursing HACA for the construction of dividing the space in half by building a wall and any required doors, completing necessary electrical and heating, ventilation and air conditioning (HVAC) changes, and providing security and network access with cabling and any other related equipment, for an amount not to exceed \$25,000.

The proposed lease rate for the additional 7,697 square feet of office space is \$17.29 per square foot plus the City's pro rata share of electric utilities.

This move will consolidate CTM employees and will facilitate effective, efficient communication by providing critical adjacencies for personnel who work together on projects.