

# Redevelopment of City-Owned Properties: Status Update

Strategic Facilities Governance Team

November 29, 2022 – Council Work Session



# Council Status Update Request

- Strategic Facilities Governance Team (SFGT) Overview
- City-Owned Facilities - Status
  - 505 Barton Springs Road (One Texas Center)
  - 124 W. 8<sup>th</sup> Street (Old Municipal Building)
  - 3002 Guadalupe Street
  - 411 Chicon Street
- Austin Economic Development Corporation (AEDC) and City of Austin Facility Coordination and Partnership

# SFGT Overview

- Strategic Facilities Governance Team (SFGT)
  - Launched in 2013 to establish policies and processes to create a proactive and holistic corporate strategy for facility and space solutions for the City
  - Principles:
    - Continuously **improve work environments for City employees** and enhance productivity and efficiency in workflow for individuals and departments;
    - **Decrease overall occupancy costs** and exercise improved stewardship of taxpayer dollars;
    - **Improve the public facing experience** in City facilities and advance customer service;
    - Improve City facilities and amenities to **attract and retain talent** throughout the City's workforce; and,
    - Plan for **flexible and resilient facilities** to accommodate current and future changes to our environment and the City's needs.

# SFGT Overview

- Executive Oversight by ACM Veronica Briseño – Government that Works for All
- Membership
  - Kimberly Olivares, FSD - Deputy CFO
  - Darrell Alexander, Building Services Officer
  - Michael Gates, FSD - Real Estate Officer
  - Subject Matter Experts from FSD, Building Services, and EDD

## SFGT Overview – Key Admin. Responsibilities

- Implementation of the Strategic Administrative Office Occupancy Plan
- Internal review of leases, proposed sales of City property
- Administrative oversight of all department requests for facility and space requirements
- Frequent communications to the City Manager's Office and department/office leadership
- Work collaboratively with all departments to achieve facility and space needs

*\* Staff continues to request Council approval of sales/leases in compliance with Charter and State Law*

# SFGT Accomplishments & Active Projects

- Accomplishments
  - Permitting and Development Center
  - Austin Energy Headquarters
- Active Projects
  - Town Lake Center
  - Austin Energy Service Center
  - Public Safety Administrative Facility
  - Fleet/ARR Service Center
    - Directly relates to Fleet's ability to relocate from Hargrave site
  - Administrative Space Planning



## 505 Barton Springs Road (One Texas Center)

- Constructed in 1983 and includes approximately 213,745 sq. ft.
- Housed nearly 1,000 City employees pre-pandemic from 6 departments
- Provides important administrative office space near City Hall
- Options under consideration include tear-down/rebuild, renovation, or relocation of staff to alternative facility
  - **Recommendation:** Continue discussion for more collaborative mixed-used approach for affordable housing, cultural space, and municipal space to include childcare and other Council priorities
- All options include affordable housing on site and collaboration with AHFC and AEDC



# 124 W. 8<sup>th</sup> Street (Old Municipal Building)

- Current configuration built in 1938 and includes 48,900 sq. ft.
- Historical property
- Houses Financial Services Department staff
- As noted during DACC relocation discussions, the building requires a comprehensive renovation regardless of prospective use
- AEDC recognizes time and cost associated with needed renovation and facility is not under consideration for immediate needs
- **Recommendation:** Pursue opportunities to make building available for cultural space; Assess impact on overall long-term office space needs





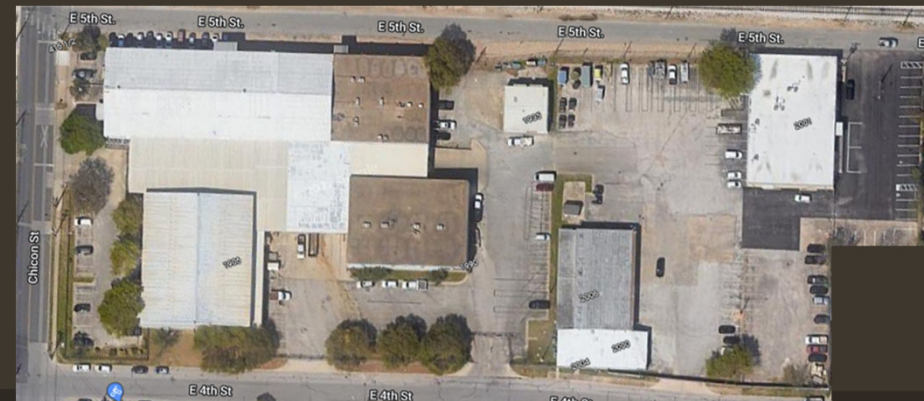
## 3002 Guadalupe Street

- Home to Austin Fire Department – Arson Investigation Unit (25 FTEs)
- Historical property
- Approximately 7,600 sq. ft.
- **Recommendation:** Make space available for cultural purposes
  - Staff in active discussions with AEDC
- Will collaborate with AFD for relocation of its staff



## 411 Chicon Street

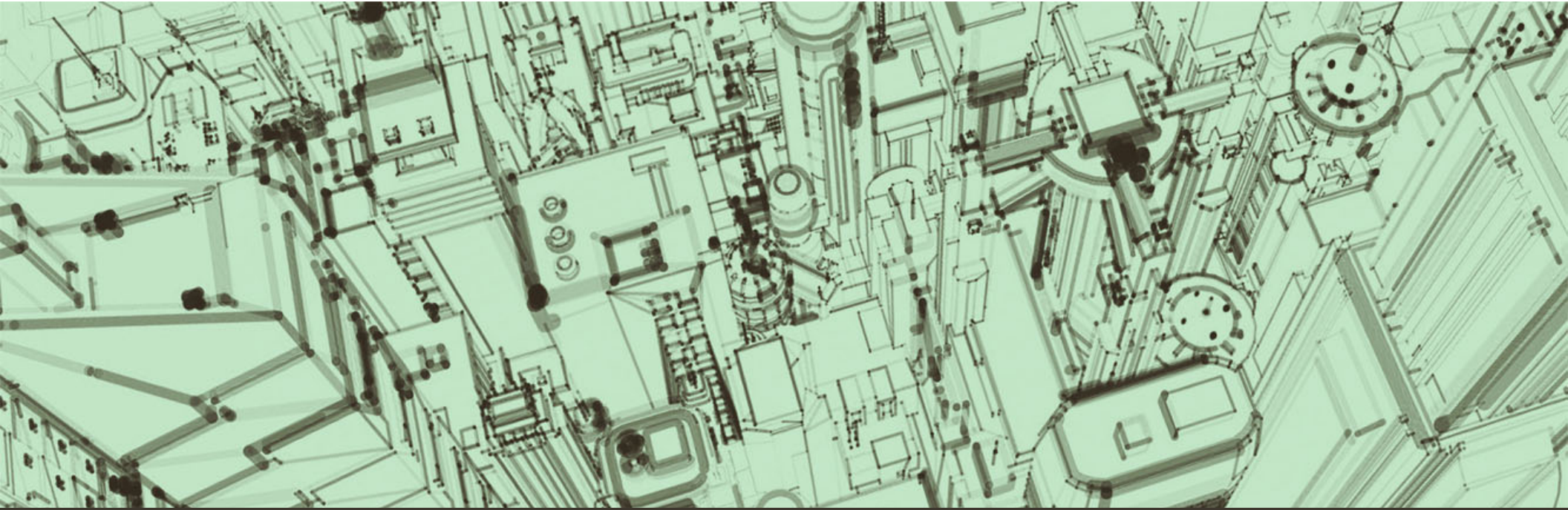
- Currently in use by Building Services, APD SWAT, some EMS and Watershed staff, and mail distribution center functions (301 FTEs)
- 5.1 acres with multiple buildings and warehouses (67,260 sq. ft.)
- AEDC has expressed interest in property but recognizes the City must identify a new space to relocate current operations before it could be redeveloped OR redevelopment must incorporate existing City operations
- **Recommendation:** AEDC/SFGT/AHFC partner to conduct a feasibility study to assess potential/compatibility for cultural space, affordable housing, and municipal purposes



# AEDC/COA Facility Coordination and Partnership

- AEDC and City staff began bi-weekly real estate meetings in July 2022
- FSD and Law collaborating with AEDC on Cultural Trust deal structures to address ownership/lease requirements and maintain tax-exempt status of Bond dollars
- Currently developing an inclusive MOU to establish goals, roles, etc. for additional site evaluations and conceptual feasibility studies of City-owned sites
  - Staff's assessment of future space needs for these locations is pending due to wide-spread adoption of hybrid working environments
  - If AEDC needs to move immediately with assessing sites for potential cultural space, staff would request that any proposed redevelopment retain the City's current footprint as a baseline
  - There are no funds budgeted to support such assessments





Questions?

