City of Austin

Recommendation for Action

File #: 26-3042, **Agenda Item #:** 11. 11/19/2026

Posting Language
Authorize negotiation and execution of an amendment to the interlocal agreement, and all other documents necessary or desirable, with the Austin Public Facilities Corporation to make improvements and other services as needed to make the following City-owned properties ready to use as public facilities: 6500 Tracor Lane, Austin, Texas 78725 for an amount not to exceed $11,375,000 and the Cap Ex Central Mitigation Boardwalk for an amount not to exceed $25,000,000. Funding: $11,375,000 is available in the Capital Budget of Austin Water and $25,000,000 is available in the Capital Budget of Austin Parks and Recreation. The Cap Ex Central Mitigation Boardwalk portion is related to Item #52.

Lead Department
Austin Financial Services.

Fiscal Note
Funding in the amount of $11,375,000 is available in the Capital Budget of Austin Water.

Funding in the amount of $25,000,000 is available in the Capital Budget of Austin Parks and Recreation.

Prior Council Action:
November 21, 2024 - Council approved an interlocal agreement with the Austin Public Facilities Corporation (APFC ILA).

For More Information:
Kimberly Olivares, Director, Austin Financial Services, 512-974-2924; Andrew Moore, Redevelopment Project Manager, 512-974-7604.

Council Committee, Boards and Commission Action:
November 16, 2026 - To be reviewed by the Austin Public Facilities Corporation Board (Austin Water Project).

June 15, 2026 - Recommended by the Austin Public Facilities Corporation Board (Austin Parks and Recreation project).

Additional Backup Information:
In March 2023, Council authorized the creation of the Austin Public Facilities Corporation (APFC) to assist the City in relation to the financing, acquisition, construction, rehabilitation, or otherwise placing public facilities into service. The purpose of this item is to request project specific amendments to the existing interlocal agreement previously approved by Council to allow APFC to do pre-development, design, and construction work for City facilities.

The Projects:
6500 Tracor Lane - $11,375,000
This site consists of approximately 142 acres, including 11 buildings totaling approximately 2,435,457 square feet of office space, warehouse facilities, parking garages, and storage areas. Council approved amending the

APFC ILA in October 2025 for pre-development and design work. This request for funding is for demolition and pre-construction work and services.

Cap Ex Central Mitigation Boardwalk - $25,000,000
The Texas Department of Transportation is completing highway improvements to Interstate Highway-35 through the City. The State, through the Texas Transportation Commission, has committed to providing $25 million in environmental mitigation funds to be used towards the design and construction of a new boardwalk segment to connect to the Ann and Roy Butler Hike and Bike Trail. The boardwalk segment will be located along the south side of Lady Bird Lake between South 1st Street and South Congress Avenue. This request for funding is for all work and services required for pre-development, design, and construction of the boardwalk segment.