City of Austin

Recommendation for Action

File #: 26-3063, **Agenda Item #:** 48. 11/19/2026

Posting Language
Authorize negotiation and execution of a lease agreement with Good Work Austin, a Texas non-profit corporation, on behalf of Austin Facilities Management, for approximately 1,260 rentable square feet of City-owned space located at 2400 Grove Boulevard, Austin, Texas 78741, for a term of five years, with one 5-year extension option, at an annual lease rate of $100. Funding: This item is projected to result in an annual revenue of $100 in the Operating Budget of Austin Facilities Management.

Lead Department
Austin Financial Services.

Fiscal Note
This item is projected to result in an annual revenue of $100 in the Fiscal Year 2026-2027 of the Operating Budget of Austin Facilities Management.

For More Information:
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Additional Backup Information:
The proposed lease agreement allows Good Work Austin (GWA), a Texas non-profit corporation, to use the commercial kitchen in the City-owned Grove office building located at 2400 Grove Blvd., Austin, Texas, to support workforce development, food access, economic opportunity, and emergency preparedness, consistent with the Austin/Travis County Food Plan. The proposed lease will activate an existing public asset to deliver measurable community benefits. Over the five-year lease term, GWA anticipates producing more than 1.1 million nutritious meals for shelters, food-insecure residents, City departments, and emergency response operations. Additionally, GWA will provide no-cost workforce training, upskilling opportunities for incumbent workers, and transitional living-wage culinary positions while reinvesting approximately $5 million in Austin's local restaurant economy. GWA will incorporate values-based purchasing, local food procurement, food recovery, composting, and waste-reduction practices that align with the City's climate action and circular economy goals. As a member of the Austin Resilience Network, GWA will continue supporting emergency meal delivery and improving the City's disaster response capacity.

In addition to the annual rent of $100, GWA will cover its share of operating expenses, currently estimated at $8.75 per square foot and projected to increase 3% annually.

The community benefits that GWA will provide justify the proposed below-market rental rate. Each year, GWA will be required to attain the following Performance Measures with increasing annual targets that will culminate in the following over the initial 5-year term:

- 250 Culinary Workforce Training participants and alumni trained over five years.
- 1,750 workers will receive upskill and workforce development.
- 30 paid transitional culinary positions.

- Approximately 1,050,000 Community Kitchen meals prepared over five years, consistent with performance targets.
- 250 cumulative restaurant partners engaged.
- Approximately $5 million reinvested into the local restaurant economy over the lease term.
- 95 professional development training courses over five years.
- 350 volunteer engagements.

The Strategic Facilities Governance Team has reviewed and approved this request.