



June 25, 2025
AGENDA ITEM #25

Authorizing the Executive Director
and Executive Committee to take all
actions necessary to terminate
existing business tenant leases at the
Mobility Authority's new
headquarters building

Strategic Plan Relevance:	Stewardship
Department:	Executive
Contact:	James M. Bass, Executive Director
Associated Costs:	To be determined
Funding Source:	FY 2025 Operating and Capital Budget
Action Requested:	Consider and act on draft resolution

Project Description/Background: The Central Texas Regional Mobility Authority (CTRMA or the Authority) has purchased a long-term real estate solution for the organization via the acquisition of a freestanding office building within the Austin metropolitan area. CTRMA completed the property purchase in December 2024. Upon securing ownership, the Authority has provided for certain ongoing maintenance activities consistent with the prudent ownership of a freestanding office building, including engaging a property manager. To commence the redesign of the property to facilitate occupancy by staff and to serve as a Board meeting location, the Board expanded the December 18, 2024, resolution to provide for the procurement of architectural services. An architectural firm has been engaged, and the redesign process has commenced.

At the time of the building purchase, there were three suites that were leased to third parties. Since the purchase, one lease has terminated, and two leases remain in effect. One of the leased spaces is in a location that is desirable for a future Board meeting room. It would benefit the Authority to negotiate an early termination of that lease, thereby avoiding incremental costs associated with a phased approach to retrofit construction. There are also operational benefits to an early termination of the second remaining lease.

To accomplish the negotiation of the proposed early lease terminations expertly and expeditiously, specialized real estate consulting services are warranted. Therefore, including the expected direct costs associated with the early lease terminations and the costs to use of a real estate consultant to negotiate the terminations are recommended as authorized expenses and actions by Executive Director subject to approval by the CTRMA Executive Committee.

Previous Actions & Brief History of the Program/Project: Having officed in leased space since its inception, the Authority has considered purchasing or building a new location for the CTRMA headquarters in lieu of leasing as a more long-term economical means for office space. The Executive Director informed the board of the procurement of a real estate consultant service at the June 26, 2023 board meeting. After evaluating several properties, the Authority staff narrowed the search to a property that best meets the organization's future space needs. On June 26, 2024 the Board authorized the Executive Director to pursue all diligence actions necessary to investigate the building contemplated for purchase, including construction integrity and adequacy of the mechanical systems. The purchase of the future CTRMA headquarters was completed on December 30, 2024. The authority to procure architectural services within the scope of the December 18, 2024 resolution was granted by the Board on February 26, 2025.

Financing: FY25 Operating and Capital Budget – due to a staff vacancy, funding is available within the Administration department operating budget and funding also remains in the building purchase capital budget allocation to pay for the early lease termination and real estate consulting services costs on the CTRMA headquarters building. Beginning in FY26, the budgets approved by the Board will include items related to the ease termination costs and real estate consulting services authorized under this action item.

Action requested/Staff Recommendation: Approve the addition of early lease termination costs and real estate consulting services as authorized costs and activities necessary to occupy, operate, manage and maintain a new headquarters building approved under Resolution No. 24-081, dated December 18, 2024.

Backup provided: Draft Resolution

**GENERAL MEETING OF THE BOARD OF DIRECTORS
OF THE
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

RESOLUTION NO. 25-0XX

**AUTHORIZING THE EXECUTIVE DIRECTOR AND EXECUTIVE COMMITTEE TO
TAKE ALL ACTIONS NECESSARY TO TERMINATE EXISTING BUSINESS
TENANT LEASES AT THE MOBILITY AUTHORITY’S NEW HEADQUARTERS
BUILDING**

WHEREAS, on December 30, 2024, the Mobility Authority acquired a freestanding office building within the Austin area to serve as the Mobility Authority's headquarters (the “Headquarters Building”); and

WHEREAS, by Resolution No. 24-081, dated December 18, 2024, the Mobility Authority’s Board of Directors (“Board”) (1) authorized the Executive Director to take certain actions associated with occupying and maintaining the Headquarters Building (the “Ownership Responsibilities”), and (2) delegated authority to the Executive Committee to approve certain expenditures and waive provisions of the Policy Code related to procuring services for the Ownership Responsibilities; and

WHEREAS, by Resolution No. 25-007, dated February 26, 2025, the Board approved the addition of architectural services to the Ownership Responsibilities identified in Resolution No. 24-081; and

WHEREAS, in the course of planning the Mobility Authority’s relocation to the Headquarters Building, the Executive Director has determined that the termination of existing business tenant leases and related consulting services (“Lease Termination Responsibilities”) not originally contemplated in Resolution No. 24-081 would be necessary to facilitate a functional workspace and meeting space at the Headquarters Building to the benefit of the Mobility Authority staff and other individuals that may occupy and/or visit the Headquarters Building; and

WHEREAS, the Executive Director requests that the Board approve the addition of the Lease Termination Responsibilities to the Ownership Responsibilities identified in Resolution No. 24-081 and authorize himself and the Executive Committee to treat the Lease Termination Responsibilities in the same manner as the Ownership Responsibilities identified in Resolution No. 24-081; and

WHEREAS, the Executive Director recommends that beginning in FY 2026, the Ownership Responsibilities Costs identified in Resolution No. 24-081 be approved by the Board as a part of the Mobility Authority’s annual budget.

NOW THEREFORE, BE IT RESOLVED that the Board hereby approves the addition of the Lease Termination Responsibilities to the Ownership Responsibilities identified in Resolution No. 24-081; and

BE IT FURTHER RESOLVED that the Board hereby authorizes the Executive Director and the Executive Committee to take the same actions with respect to the Lease Termination Responsibilities for the Headquarters Building as were authorized for the Ownership Responsibilities pursuant to Resolution No. 24-081; and

BE IT FURTHER RESOLVED that the Board hereby approves that, beginning in FY 2026, the Ownership Responsibilities Costs identified in Resolution No. 24-081 be approved by the Board as a part of the Mobility Authority's annual budget.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 25th day of June 2025.

Submitted and reviewed by:

Approved:

James M. Bass
Executive Director

Nikelle Meade
Vice Chair, Board of Directors