



News Release

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Teacher Retirement System Board Approves Plan to Save on Long-Term Operations Costs, Leave Downtown Austin

AUSTIN—Teacher Retirement System of Texas' (TRS) Board of Trustees voted unanimously to approve the agency's headquarters relocation plan at its regular meeting September 16-17 pending final negotiations that will take place over the next few weeks. The plan would move TRS into a more efficient space outside of downtown Austin to better serve members and is projected to save the pension trust fund an estimated \$15 million over the next 20 years.

Along with creating a new capital asset for the pension trust fund, the property purchase would avoid expensive maintenance projects at TRS' current Red River headquarters. Further, the purchase is expected to have no impact on the actuarial health of the pension trust fund.

The project involves moving TRS' current headquarters to the Mueller Business District, north of downtown Austin. The move would reunite the investments team, now leasing offices downtown, with the rest of the agency into one campus owned by TRS and its members. It would also eliminate the need for future office leases to address space constraints.

"TRS is a nearly \$200 billion financial institution that serves 1.7 million Texans. Keeping up with member service demands while avoiding costs related to needed renovations and other lease expenses makes sense to me as a fiscal steward of the pension fund," said **Board of Trustees Chair Jarvis Hollingsworth**.

The board first approved talks with developer finalists in a public meeting in December 2019. The process was temporarily halted in spring of 2020 due to uncertainties around the COVID-19 pandemic. The board approved resumption of negotiations in September 2020.

The plan is considered a generational solution for the pension trust fund and factors in the sale of the agency's current 47-year-old campus located in downtown Austin's Red River Cultural District and close to the Dell Seton Medical Center at the University of Texas at Austin.

"I believe it is prudent to make this move now and take advantage of returns from Austin's booming commercial real estate market," said **TRS Executive Director Brian Guthrie**. "A new headquarters building will position TRS for success in serving our members in the coming decades."

TRS staff are expected to sign a Purchase Sale Agreement later this month for the so-called Alpha Bravo buildings in the Mueller Business District. It is estimated that TRS personnel could begin occupying the new space by 2023.

Contact TRS Media Relations at: mediarequests@trs.texas.gov

The Teacher Retirement System of Texas (TRS) is one of the largest retirement systems in the nation. The system's core mission is to make a positive difference in the lives of Texas educators by prudently investing and managing trust assets and delivering member benefits. As of 6/30/2021, the TRS pension fund had a market value of \$193.1 billion.

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