



Legislation Text

File #: 0487-2010, Version: 1

In December 2006, the City purchased 1111 East Broad Street (now the Jerry Hammond Center, "JHC") as authorized by Ordinance No. 1005-2006, and passed by City Council on June 8, 2006. Pursuant to the terms of the purchase agreement, the City assumed a Facility Management Agreement ("FMA") for the professional management of the building and grounds that had five years remaining on its term. Paradigm Properties of Ohio, LLC (Paradigm), per Ordinance 0479-2008, is the company currently providing building management services under the FMA. This legislation authorizes funding for the fourth year of the five year FMA contract.

The FMA sets the annual building management fee and details the duties of the management company in the oversight of the daily building operations and maintenance of the JHC, the payment of all operating expenses except utilities (paid directly by City), and establishes standards for procuring services, preparing RFP's and soliciting bids for outside maintenance and repair services, and requires certain accounting and reporting procedures for all expenditures of building operating funds. The terms of the FMA require the management company to establish and maintain a separate JHC building operating account from which all building services are paid. Per the terms of the FMA, each August the management company prepares and submits to the City an annual building operating budget projecting building operating expenses for the next contract year.

The 2010 funding for building operations, for the term May 1, 2010 through April 30, 2011, is \$925,000.00 which is the same funding level provided for the 2009-2010 term. The funding includes \$240,366 for payment of Paradigm Properties of Ohio, LLC for building management, \$634,634 for payment of building operating expenses, and a contingency of \$50,000 for any unforeseen and unbudgeted building expenses. Any expenditure from the contingency amount will require prior City approval.

Paradigm's Contract Compliance Number is 311609350, expiration 3/25/2010. It is currently in the process of being renewed.

Fiscal Impact: This ordinance authorizes the expenditure of \$925,000 for 2010 - 2011 building operating expenses to Paradigm Properties of Ohio, LLC, and includes a \$50,000 contingency for unforeseen building expenses and repairs. The funds have been appropriated for this purpose and are available in the 1111 East Broad Street Operations Fund.

Emergency action is requested to ensure that daily building services to the JHC continue without interruption. Earlier action was not possible due to the necessity of finalizing and prioritizing some capital projects that will require attention in 2010 and 2011.

To authorize the Director of Finance and Management to establish a purchase order for an ongoing contract with Paradigm Properties of Ohio, LLC for the continuance of a Facilities Management Agreement for the Jerry Hammond Center; and to declare an emergency. (\$925,000)

WHEREAS, it is necessary to authorize the expenditure of \$925,000.00 from the 1111 East Broad Street Operating Fund to provide payments to Paradigm Properties of Ohio, LLC for the third year of a four-year term building maintenance service contract for 1111 East Broad Street, known as the Jerry Hammond Center, for payment of operating expenses for the building, except utilities; and

WHEREAS, an emergency exists in the usual daily operation of the Finance and Management Department, Real Estate Management Office, in that it is immediately necessary to authorize the expenditure of \$925,000.00 for the fourth year of a building maintenance services contract for 1111 East Broad Street, the Jerry Hammond Center, and to ensure consistent and accurate accounting, thereby preserving the public health, peace, property, safety and welfare; now, therefore:

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Finance and Management Director is authorized to establish a purchase order to make payments for the continuance of the Facilities Management with Paradigm Properties of Ohio, LLC, for the fourth year of a five year term.

SECTION 2. That the expenditure of \$925,000.00, or so much thereof as may be necessary, be and is hereby authorized and approved as follows:

Dept./Div.: 45-07

Fund: 294

Subfund: 001

OCA: 294001

Object Level 01: 03

Object Level 03: 3370

Amount: \$925,000.00

SECTION 3. That for reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves or vetoes the same.