



City of Columbus

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
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Legislation Text

File #: 0736-2017, **Version:** 1

BACKGROUND: Paradigm Properties of Ohio was the successful responder to a Request for Proposal issued in January 2012. Subsequently, the City and Paradigm entered into a Facilities Management Agreement (FMA) for a five year term (May 1, 2015 - April 30, 2017) for professional building management services to assist the City in properly maintaining and operating the Jerry Hammond Center (JHC) at 1111 E. Broad Street and the Franklin County Municipal Court Building (MCB) at 375 S. High Street. The FMA was approved by City Council via Ordinance 0767-2012.

This legislation authorizes the modification of the contract Paradigm Properties of Ohio to extend it for a two (2)-year term. Due to significant construction and renovation projects currently underway at both the JHC and MCB, it is deemed in the City's best interest to extend the current management contract with Paradigm Properties to ensure continuity of building management for efficient operation of the buildings through the completion of these renovation and construction projects. The management fee for the extended two-year term has been negotiated and will remain at the same cost as the present management fee. The original amount for the five year contract term was \$3,256,330.00; the modification for the first year (current) is \$688,358.00, for a total (original plus modification 1st year) of \$3,944,688.00.

All other terms and conditions of the FMA will remain unchanged. Payment to Paradigm Properties of Ohio, LLC is authorized for the period May 1, 2017 - April 30, 2018 of: \$1,028,611.00 from the Property Management Fund for operating expenses associated with the JHC of which \$750,852.00 is for payment of 2017 JHC building operating expenses and \$277,759.00 is payment of the building management fee; and \$1,159,110.00 from the 2017 General Fund for the operating expenses of the Municipal Court which includes \$748,511.00 for payment of 2017 MCB building operating expenses and payment of \$410,599.00 for the building management fee. It is the intent of the Department of Finance and Management to re-bid this contract within the next 18 months.

Emergency action is requested to ensure that daily building services to the JHC and MCB will continue without interruption.

Fiscal Impact: This ordinance authorizes an expenditure of \$1,028,611.00 from the Property Management Fund and \$1,159,110.00 from the General Fund with Paradigm Properties of Ohio for professional building management services at the Jerry Hammond Center and the Franklin County Municipal Court Building pursuant to a Facilities Management Agreement. The Real Estate Management Office budgeted \$1,028,611.00 in the Property Management Fund and \$1,159,110.00 in the General Fund for the management services.

To authorize the Director of the Department of Finance and Management, on behalf of the Real Estate Management Office, to modify the existing Facilities Management Agreement with Paradigm Properties of Ohio, LLC, for professional building management services and building operating expenses at the Jerry Hammond Center and the Municipal Court Building; to authorize the expenditure of \$1,028,611.00 from the Property Management Fund and \$1,159,110.00 from the General Fund; and to declare an emergency. (\$2,187,721.00)

WHEREAS, Ordinance No. 0767-2012, passed by City Council, April 16, 2012, authorized the original Facilities Management Agreement (FMA) contract with Paradigm Properties of Ohio; and

WHEREAS, it is necessary to modify and extend the Facilities Management Agreement (FMA) with Paradigm Properties of Ohio to ensure professional, cost effective, and efficient daily operations of the Jerry Hammond Center at

1111 E. Broad Street and the Franklin County Municipal Court Building at 375 S. High Street: and

WHEREAS, it is necessary to authorize the expenditure of \$1,028,611.00 from the Property Management Fund and \$1,159,110.00 from the from the 2017 General Fund Budget, to provide payments to Paradigm Properties of Ohio, LLC for building operating expenses at the Jerry Hammond Center (1111 E. Broad Street) and the Municipal Court Building (375 S. High Street) for the period May 1, 2017 - April 30, 2018; 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 Director to modify and extend the existing FMA with Paradigm Properties of Ohio and the related expenditure of \$2,187,721.00 to ensure that daily building services to both the JHC and MCB will continue without interruption, thereby immediately 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 hereby authorized to modify and extend an existing contract with Paradigm Properties of Ohio, LLC for professional building management services and operating expenses for the Jerry Hammond Center and Municipal Court Building.

SECTION 2. That the Finance and Management Director is authorized to establish purchase orders to make payments for building operating expenses at the Jerry Hammond Center and Municipal Court Building and continuance of a Facilities Management Agreement for the term May 1, 2017 to April 30, 2018.

SECTION 3. That the expenditure of \$2,187,721.00, or so much thereof as may be necessary in regard to the action authorized in SECTION 2, is hereby authorized in the Property Management Fund 2294 (\$1,028,611.00) and the General Fund 1000 (\$1,159,110.00) in Object Class 03 Contractual Services, per the accounting codes in the attachment to this ordinance.

SECTION 4. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated and the City Auditor shall establish such accounting codes as necessary.

SECTION 5. That the expenditures above shall be paid upon order from the Director of Finance and Management and that no order shall be drawn or money paid except by voucher, the form of which shall be approved by the City Auditor.

SECTION 6. That the City Auditor is authorized to make any accounting changes necessary to ensure that this contract is property accounted for and recorded accurately on the City's financial record. The City Auditor is authorized to make any changes to revise the funding source for any contract or contract modification associated with this ordinance.

SECTION 7. 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.