



City of Columbus

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
columbuscitycouncil.org

Legislation Text

File #: 0479-2008, Version: 1

In December 2006, the City purchased 1111 East Broad Street (now the Jerry Hammond Center, "JHC") as authorized by Ordinance #1005-2006 passed by City Council on June 8, 2006. As part of the requirements of the purchase agreement, the City assumed a five year Facility Management Agreement ("FMA") with Jones Lang LaSalle Americas, Inc. for the professional management of the JHC. The FMA allows the management company to terminate the agreement by providing the City a minimum of 120 days written notice. On February 27, 2008, Jones Lang LaSalle Americas, Inc. submitted notice to the City of its intent to terminate the FMA contract effective June 28, 2008.

The JHC is a multiple tenant building housing both City offices and outside tenants including the Central Ohio Workforce Investment Corporation and Franklin County Job and Family Services. Due to the complexity of issues with lease administration, tenant relations, ongoing City renovation projects, the size of the complex, and the intricacies of its related mechanical and security systems, the JHC requires full time professional management.

This legislation authorizes the Finance and Management Director to assign all duties in the current FMA, under the same conditions and at the same cost, to Paradigm Properties of Ohio, LLC (Paradigm), a national property management company with a large presence in Columbus.

This legislation also authorizes the waiving of the competitive bidding provisions of the Columbus City Codes and authorizes the cancellation of the balance of the funds remaining on the existing purchase order (EL007786) originally established in the 1111 East Broad Street Fund for the FMA with Jones Lang LaSalle Americas, Inc. The Purchase Order was originally drawn in the amount of \$750,500.00 for operating expenses and management fee for the property, and will now be used to fund the FMA with Paradigm Properties of Ohio, LLC. The 120 day notice time frame does not allow sufficient time to conduct a full bid process to seek a fully qualified management company and award of a final contract. Two building management firms were contacted to determine if either would accept the terms and current fee structure. Those firms were CB Richard Ellis-Asset Services and Paradigm Properties of Ohio, LLC. CB Richard Ellis declined to accept the terms of the existing contract. Paradigm Properties of Ohio, LLC has the resources to immediately assume all management responsibilities, provide first class management activities, and is willing to accept the FMA providing the same services at the same cost.

Emergency action is requested to allow the FMA to be Paradigm to begin immediate planning to assume management activities by no later than June 1, 2008 and effect an orderly transition of management duties from Jones Lang LaSalle.

Paradigm Properties of Ohio, LLC Contract Compliance Number 31-1609350, expiration date 03/25/2010.

Fiscal Impact: From the 2008 funds, \$139,962.47 has been paid to Jones Lang LaSalle Americas, Inc. The Finance and Management Department has a need to cancel the balance of the existing purchase order (EL007786) originally established for the 1111 East Broad Street Fund for the Jones Lang LaSalle Americas, Inc. contract in the amount of \$750,500.00 and establish a new purchase order with Paradigm Properties of Ohio, LLC. This assignment will not increase expenditures.

To authorize the Finance and Management Director to assign all duties currently under a Facilities Management Agreement with Jones Lang LaSalle Americas, Inc., for the management of the Jerry Hammond Center to Paradigm Properties of Ohio, LLC, at the same cost; to waive the competitive bidding provisions of the Columbus City Codes; to authorize the balance cancellation of the existing purchase order (EL007786) originally established for the 1111 East Broad Street Fund in the amount of \$750,500.00; and to authorize a new purchase order with Paradigm Properties of Ohio, LLC using these existing funds to cover the contract expenditures, and to declare an emergency.

WHEREAS, the Finance and Management Director wishes to assign the existing Facility Management Agreement duties under contract with Jones Lang LaSalle America, Inc. originally authorized by Columbus City Council on June 8, 2006 by Ordinance 1506-2006, to a new Facility Management Agreement with Paradigm Properties of Ohio, LLC; and

WHEREAS, it is necessary to cancel the remaining balance on purchase order EL007786 to use those funds to establish a new purchase order with Paradigm Properties of Ohio, LLC; and

WHEREAS, it is in the best interest of the Finance and Management Department to waive the competitive bidding provisions of the Columbus City Codes to allow this assignment; and

WHEREAS, an emergency exists in the usual daily operation of the City of Columbus, in that it is immediately necessary to authorize the Director of Finance and Management to execute those documents necessary to assign the Facility Management Agreement with Jones Lang LaSalle Americas, Inc., to Paradigm Properties of Ohio, LLC. to begin immediate planning to assume management activities by no later than June 1, 2008 and effect an orderly transition of management duties from Jones Lang LaSalle and for the immediate preservation of the public health, peace, property and safety; now, therefore:

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

SECTION 1. That the Finance and Management Director is authorized to cancel the the remaining balance on the existing purchase order EL007786 for Jones Lang LaSalle Americas, Inc., and establish a new purchase order with Paradigm Properties of Ohio, LLC.

SECTION 2. That Finance and Management Director be and is hereby authorized to execute a new Facility Management Agreement with Paradigm Properties of Ohio, LLC.

SECTION 3. That the expenditure of the remaining amount of funds on purchase order EL007786 for fiscal year 2008, in an amount not to exceed \$610,538, or so much thereof as may be necessary, be and is hereby authorized, to pay the cost thereof, as follows:

\$610,538 1111 E. Broad Street Fund No. 294, Dept-Div. 45-07, OCA Code 294001, and Object Level 3 No. 3370

SECTION 4. That it is in the best interest of the City of Columbus to waive the provisions of Section 329.06 of the Columbus City Code, and such provisions are hereby waived.

SECTION 5. That for the 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 nor vetoes the same.