

ORDINANCE NO. 180950

Authorizing a Third Amendment to Property Management Contract with HOMKOR of Missouri, Inc., for continued property management services for the Kansas City Assessment Triage Center, by extending two terms of services, first by four months to April 30, 2019, and second for an additional twelve months to April 30, 2020, the second renewal term being subject to appropriation for the next fiscal year, continuing the monthly management fee to \$2,800.00 per month, plus reimbursement of certain maintenance costs; appropriating \$145,000.00 from the Unappropriated Fund Balance of the Health Levy Fund; authorizing the Director of General Services to expend \$145,000.00 for the management fee and reimbursement of maintenance costs and recognizing an accelerated effective date.

WHEREAS, City and HOMKOR of Missouri, Inc. (“HOMKOR”) entered into a Property Management Contract with an effective date of April 19, 2016 (“Initial Contract”), by which City appointed and engaged HOMKOR as the exclusive property manager for certain real property and improvements located at 2600 E. 12th Street in Kansas City, Missouri known as the Kansas City Assessment Triage Center (“Property”) and for a parking lot located at the northeast corner of Prospect and Peery in Kansas City, Missouri, as more particularly described in the Contract (“Parking Area”); and

WHEREAS, the City and HOMKOR previously entered into a First Amendment with an effective date of September 28, 2017, which extended the term of the Initial Contract through April 30, 2018 (“First Amendment”); and

WHEREAS, the City and HOMKOR previously entered into a Second Amendment with an effective date of May 1, 2018, which extended the term of the Contract through December 31, 2018 (“Second Amendment”), of which the Initial Contract, the First Amendment and the Second Amendment are collectively referred to as “Current Contract”; and

WHEREAS, Committee Substitute for Ordinance No. 160125 which authorized the Initial Contract directed that property maintenance agreements to be in effect starting May 1, 2018 would be pursued in an open and competitive bidding process, and additional time is still needed to completed such contemplated competitive bidding process; and

WHEREAS, the City and HOMKOR wish to extend the Current Contract in two increments, with the first further renewal being through April 30, 2019, the end of the current fiscal year based on funds appropriated below, and a second renewal through April 30, 2020, subject to appropriation for the next fiscal year, in order to allow the City to pursue thereafter the open and competitive bidding process contemplated by the Committee Substitute for Ordinance No. 160125; and

WHEREAS, City and Contractor wish to further amend the Current Contract as hereinafter provided; NOW, THEREFORE,

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BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Director of General Services is hereby authorized to enter into a Third Amendment to Property Management Contract with HOMKOR for continued property management services by HOMKOR for the Kansas City Assessment Triage Center at 2600 E. 12th Street, extending the term of services by four months to April 30, 2019, and continuing the monthly management fee of \$2,800.00 per month, plus reimbursement of certain maintenance costs as specified in the Current Contract. Such extension will also allow either party to terminate with sixty days' notice for cause only. A copy of this Third Amendment is on file with the Department of General Services.

Section 2. That the following amount is hereby appropriated from the Unappropriated Fund Balance of the Health Levy Fund to the following account:

19-2330-071728-B	KC-ATC	\$145,000.00
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Section 3. That the Director of General Services is authorized to expend the amount of \$145,000.00 for Account No. 19-2330-071728-B from funds previously appropriated.

Section 4. That the Director of General Services is hereby authorized to include in such Third Amendment to Property Management Contract, a further extension to renew at the City's election for a second renewal term from May 1, 2019 to April 30, 2020, continuing at the same monthly management fee of \$2,800.00 per month, plus reimbursement of certain maintenance costs as set forth in the Current Contract; subject to available appropriations in the corresponding fiscal year.

Section 5. The City Manager is directed to account for and budget a future appropriation of sufficient funds for the one year period commencing May 1, 2019 to April 30, 2020 subject to Council Approval. The City will give written notice of its election to extend to HOMKOR within twenty (20) days from the inclusion of a sufficient amount in an approved budget for such fiscal year for the corresponding further extended renewal term, as more fully set forth in the Third Amendment. The Third Amendment as to the further extension renewal term won't be effective until there are sufficient encumbered funds available in an amount to pay the monthly management fee and expenses for such one year period from May 1, 2019 to April 30, 2020.

Section 6. Any agreement entered into May 1, 2020 or thereafter shall be pursued in an open and competitive bidding process for such terms and conditions as deemed reasonable in the judgment of the Director of the General Services Department.

Section 7. That this ordinance is recognized as having an accelerated effective date within the provisions of Section 503(a)(C) of the City Charter in that it appropriates money, and shall take effect in accordance with that section.

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I hereby certify that there is a balance in the amount of \$145,000, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.

Randall J. Landes
Director of Finance

Approved as to form and legality:

Amelia McIntyre
Associate City Attorney