

IN THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI

A RESOLUTION authorizing the County Executive to execute a seven-year three-month lease with K.C. Partners Oak Tower Limited Partnership of Kansas City, Missouri, for office space for the Family Support Division of the Prosecuting Attorney's Office, effective January 1, 2013, as a sole source purchase.

RESOLUTION #17918, June 11, 2012

INTRODUCED BY James D. Tindall, County Legislator

WHEREAS, the Family Support Division is currently leasing office space on three floors in the Oak Tower building in downtown Kansas City, with that lease set to expire on December 31, 2012; and,

WHEREAS, the Family Support Division is funded by the State of Missouri through federal funds, and its rent expenses are reimbursable to the County by the State of Missouri; and,

WHEREAS, the Director of Finance and Purchasing has issued Request for Proposals No. 36-12 for leasing options for the Public Defender's Office in the downtown Kansas City area; and,

WHEREAS, during the negotiation process for the Public Defender's office space, it was determined that the County could receive more favorable negotiated lease rates for both the Family Support office space and the Public Defender's office space by negotiating

these together; and,

WHEREAS, for the Family Support Division, this negotiated arrangement will reduce the rent by \$42,437.95 for 2013; and,

WHEREAS, this arrangement is also beneficial because the Family Support Division will remain in its current location, avoiding the expense and disruption of relocating; and,

WHEREAS, for these reasons and pursuant to section 1030.1 of the Jackson County Code, 1984, the Director of Finance and Purchasing has determined that this lease arrangement is a sole source purchase; and,

WHEREAS, this lease agreement is in the best interest of the health, safety, and welfare of the citizens of Jackson County; now therefore,

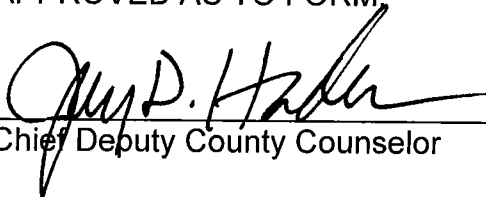
BE IT RESOLVED by the County Legislature of Jackson County, Missouri, that the County Executive be and hereby is authorized to execute a lease agreement incorporating the terms set forth in this Resolution with K.C. Partners Oak Tower Limited Partnership of Kansas City, Missouri, in a form to be approved by the County Counselor; and,

BE IT FURTHER RESOLVED that the Director of Finance and Purchase be and hereby


is authorized to make all payments, including final payment on the lease, subject to the availability of appropriated funds.

Effective Date: This Resolution shall be effective immediately upon its passage by a majority of the Legislature.

APPROVED AS TO FORM:



Chief Deputy County Counselor



County Counselor

Certificate of Passage

I hereby certify that the attached resolution, Resolution #17918 of June 11, 2012, was duly passed on June 11, 2012 by the Jackson County Legislature. The votes thereon were as follows:

Yeas 9

Nays 0

Abstaining 0

Absent 0


June 12, 2012
Date



Mary Jo Spino Clerk of Legislature

Funds for future years' obligations are subject to appropriation in the then current budget.

June 7, 2012
Date



Director of Finance and Purchasing

REQUEST FOR LEGISLATIVE ACTION

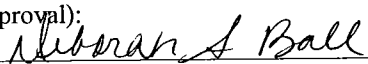

Completed by County Counselor's Office:

Res/Ord No.: 17918

Sponsor(s): James D. Tindall

Date: June 11, 2012

<p>SUBJECT</p>	<p>Action Requested <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance</p> <p>Project/Title: <u>Authorizing the County Executive to execute a seven year three month Contract for the Lease of Office Space for the Family Support Division of the Prosecutor's Office with K.C. Partners Oak Tower Limited Partnership of Kansas City, Missouri effective January 1, 2013.</u></p>												
<p>BUDGET INFORMATION <i>To be completed By Requesting Department and Finance</i></p>	<table border="1"> <tr> <td>Amount authorized by this legislation this fiscal year:</td> <td>\$0</td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td>\$0</td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td>\$0</td> </tr> <tr> <td>Amount budgeted for this item * (including transfers):</td> <td>\$0</td> </tr> <tr> <td>Source of funding (name of fund) and account code number; FROM / TO</td> <td>FROM ACCT</td> </tr> <tr> <td></td> <td>\$0</td> </tr> </table> <p>* If account includes additional funds for other expenses, total budgeted in the account is: \$</p> <p>NOTE: THIS LEASE WILL BECOME EFFECTIVE JANUARY 1, 2013; THEREFORE THERE IS NO BUDGET IMPACT IN 2012. THE EXISTING LEASE EXPENSE IS \$360,000 ANNUALLY WHICH IS INCLUDED IN THE BUDGET. THE NEW LEASE RATE WILL BE \$317,562.05 IN THE FIRST YEAR (A REDUCTION OF APPROXIMATELY \$42,000)</p> <p>OTHER FINANCIAL INFORMATION:</p> <p><input type="checkbox"/> No budget impact (no fiscal note required) <input type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract: Department: Estimated Use: \$</p> <p>Prior Year Budget (if applicable): \$360,000 FOR FY12 Prior Year Actual Amount Spent (if applicable): \$360,000 FOR FY 12</p>	Amount authorized by this legislation this fiscal year:	\$0	Amount previously authorized this fiscal year:	\$0	Total amount authorized after this legislative action:	\$0	Amount budgeted for this item * (including transfers):	\$0	Source of funding (name of fund) and account code number; FROM / TO	FROM ACCT		\$0
Amount authorized by this legislation this fiscal year:	\$0												
Amount previously authorized this fiscal year:	\$0												
Total amount authorized after this legislative action:	\$0												
Amount budgeted for this item * (including transfers):	\$0												
Source of funding (name of fund) and account code number; FROM / TO	FROM ACCT												
	\$0												
<p>PRIOR LEGISLATION</p>	<p>Prior ordinances and (date): Prior resolutions and (date):</p>												
<p>CONTACT INFORMATION</p>	<p>RLA drafted by (name, title, & phone): Teddy Ballard, Purchasing & Shelley Kneuvean, County Executive Office</p>												
<p>REQUEST SUMMARY</p>	<p>The existing lease for office space for the Family Support Division of the Prosecutor's Office will expire December 31, 2012. The Family Support Division is funded by the State of Missouri through federal funds; and the rent expense is reimbursable to the County by the State of Missouri. The Family Support Division currently occupies three floors in Oak Towers, for a total of 24,713 square feet.</p> <p>The bulk of the cases managed by the Family Support Division of the Prosecutor's Office are handled out of downtown, making proximity to the Kansas City Courthouse a major consideration as well as moving costs and business interruption impacts should they be relocated. As such, in evaluating a strategy for leasing property in the downtown area, it was determined a better overall negotiated rate could be achieved for the County by negotiating with the landlord for both the Family Support Division as well as the Public Defender's office at the same time as a "package" rather than as two separate lease agreements / tenants (prosecutors family support is</p>												

	<p>three floors and public defender is two floors).</p> <p>As reported for the Public Defender's Office, a RFP had been issued for office space in the downtown area in order to assess the ongoing lease rates and determine the best option (RPF No. 36-12) for county leased space. It was determined from this RFP that the downtown space was leasing for \$12 to \$20 per square foot.</p> <p>County staff began negotiating with the current landlord (who was one of the submitters to the Public Defender RFP) and was able to negotiate lease rates for the same current square footage (24,713 square feet on 3 floors) as well as additional improvements (carpet, paint, security improvements) in the third year, in the amount of \$12.85 per square foot for the first two years; and \$13.85 per square foot for years 3 – 4; and \$14.15 for the remaining three years. This is a significant reduction over the current lease rates being paid by Family Support which is \$14.57 per square foot. Accordingly, in the first year the Prosecutor's Office will save nearly \$42,000. The rent schedule will increased after improvements are made in the third year and again in the fifth year in order to capitalize the improvements; but in total the lease rates for all seven years are less than the current lease rate per square foot.</p> <p>Pursuant to Section 1054.6 of the Jackson County Code, the Director of Finance and Purchasing recommends the County Executive be authorized to execute a Contract for the furnishing of Office Space for the Family Support Division of the Prosecutor's Office as a sole source purchase with K.C. Partners Oak Tower Limited Partnership of Kansas City, Missouri.</p> <p>As with all county lease agreements and multi-year agreements, there is a non-appropriations clause included in the lease.</p>	
CLEARANCE	<input type="checkbox"/> Tax Clearance Completed (Purchasing & Department) <input type="checkbox"/> Business License Verified (Purchasing & Department) <input type="checkbox"/> Chapter 6 Compliance - Affirmative Action/Prevailing Wage (County Auditor's Office)	
ATTACHMENTS		
REVIEW	Department Director: Finance (Budget Approval): <i>If applicable NA</i>  Division Manager:  County Counselor's Office:	Date: Date: 6-6-12 Date: 6/6/12 Date:

Fiscal Information (to be verified by Budget Office in Finance Department)

- This expenditure was included in the annual budget.
- Funds for this were encumbered from the _____ Fund in _____.
- There is a balance otherwise unencumbered to the credit of the appropriation to which the expenditure is chargeable and there is a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made each sufficient to provide for the obligation herein authorized.
- Funds sufficient for this expenditure will be/were appropriated by Ordinance # _____
- Funds sufficient for this appropriation are available from the source indicated below.

Account Number:	Account Title:	Amount Not to Exceed:

- This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order.
- This legislative action does not impact the County financially and does not require Finance/Budget approval.
- Funds for future years are subject to appropriation in the then current budget.