

Legislation Text

File #: 15-6748, Version: 2

CATS BLE Property Manager and Leasing Agent Contract

Action:

- A. Approve a contract with NAI Southern Real Estate for an initial term of three years to provide Property Management and Contract Services for all parking decks on the Blue Line Extension (BLE) and Leasing Services for the retail spaces in the JW Clay and University City Boulevard parking decks, and**
- B. Authorize the City Manager to renew the contract for up to two additional, one year terms and to approve other amendments consistent with the purpose for which the contract was approved, including price adjustments.**

Staff Resource(s):

John Lewis, CATS
Olaf Kinard, CATS
Tony Korolos, Engineering and Property Management

Explanation

- The Blue Line Extension (BLE) includes three parking decks. Two of these parking decks, JW Clay and University City Boulevard, incorporate approximately 25,265 square feet of leasable retail and office space at North Tryon Street level per Transit Oriented Development ordinance. The Sugar Creek Parking Deck has no leasable space.
- The leasable spaces provide opportunities for retail and business firms to offer services and goods to future customers using the LYNX Blue Line along with walk-up customers from the surrounding areas.
- On June 22, 2017, CATS and EPM issued a Request for Proposals (RFP) for Leasing and Property Management Services; two firms responded with proposals.
- City staff evaluated both proposals and selected NAI Southern Real Estate as the service provider that will best meet the City's needs in terms of qualifications, project approach, cost effectiveness and value, and acceptance of the terms of the contract.
- The contract with NAI Southern Real Estate will provide for:
 - Administration of tenant leases, including addressing tenant service requests and locating suitable retail tenants;
 - Management of the day-to-day operations of each parking deck, including developing the annual budget, with oversight and participation by CATS' Facilities Management Section; and
 - Administration of vendor contracts for services, such as heating, ventilation, and air conditioning maintenance, pest control, and exterior lighting.
- NAI Southern Real Estate will be paid \$102,698 annually, which consists of a management fee, staff and administrative costs.
- In addition to the management fee, NAI Southern Real Estate will be reimbursed for expenses paid on behalf of the CATS to maintain the three parking decks for services including landscaping, HVAC, plumbing, cleaning, and lighting, pest control, etc. CATS estimates these reimbursable

expenses to approximate \$1,426,000 a year.

- Over the life of the contract, NAI Southern Real Estate will also be paid commissions for fixed initial and renewal leasing percentage commissions and construction management fees outlined in the table below.
- CATS currently uses NAI Southern Real Estate to provide these types of services at the Charlotte Transportation Center.

Charlotte Business Inclusion

No subcontracting goals were established because there are no subcontracting opportunities (Part C: Section 2.1(a) of the Charlotte Business INClusion Policy).

Fiscal Note

CATS Operating Budget

Attachment(s)

Management Fee Table