

## Legislation Text

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**File #:** BILL NO. 23-062, **Version:** 1

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An Ordinance authorizing the execution of an agreement between the City of Lee's Summit, Missouri and McCown Gordon Construction Company for pre-construction services for the Downtown Market Plaza Project. (First read by Council on March 14, 2023. Passed by unanimous vote.)

Issue/Request:

An Ordinance authorizing the execution of an agreement between the City of Lee's Summit, Missouri and McCown Gordon Construction Company for Pre-Construction Services for the Downtown Market Plaza Project.

Key Issues:

Execution of an agreement for McCown Gordon Construction Company to serve as the Construction Manager for the Downtown Market Plaza Project.

A selection committee comprised of representatives from Lane4, the Downtown CID, and City Staff determined that McCown Gordon would be best suited to see the project through to completion.

It is anticipated that if McCown Gordon performs as expected under this contract, amendments to the contract will be brought to the Council at a later date for additional construction-related activities, including a full Guaranteed Maximum Price (GMP).

Proposed City Council Motion:

First Reading: I move for second reading of an Ordinance authorizing the execution of an agreement between the City of Lee's Summit, Missouri and McCown Gordon Construction Company for Pre-Construction Services for the Downtown Market Plaza Project.

Second Reading: I move for approval of an Ordinance authorizing the execution of an agreement between the City of Lee's Summit, Missouri and McCown Gordon Construction Company for Pre-Construction Services for the Downtown Market Plaza Project.

Background:

On April 20, 2021, the City Council passed Ordinance No. 9123 which approved a Development Structure Agreement for the Downtown Market Plaza Project (the "Downtown Project") between the City, Lane4 Property Group, Inc. (the "Developer") and Biederman Redevelopment Ventures ("BRV"). That Agreement was executed on May 21, 2021.

On April 20, 2021, the City Council also passed Ordinance No. 9124 which approved Amendment #12 to the Fiscal Year 2022 City Budget. This ordinance appropriated \$3,530,000 to the Green Street Improvements Fund for the Downtown Project, from funds previously accumulated by the City from the sale of surplus property

and the release of a property acquisition option.

On May 3, 2021, the City Council approved Ordinance No. 9142, which approved a Cooperative Agreement between the City and the Downtown Lee's Summit Community Improvement District for the Downtown Project. That Cooperative Agreement established the contractual relationship between the City and the CID for the CID's formal participation in the Downtown Project. Under this Cooperative Agreement, the CID has committed \$120,000 for the design and engineering of the Farmer's Market Pavilion, and has also committed \$4 million for construction of the Farmer's Market Pavilion.

On January 4, 2022, the City Council passed Ordinance No. 9316 which approved an Amended and Restated Development Structure Agreement for the Downtown Project. That amended Agreement included approval of a contract between the City and GLMV Architects ("GLMV") for the architectural work associated with the Downtown Project. The Amended & Restated Agreement was executed by the parties on January, 2022.

After the Amended & Restated Development Structure Agreement was executed, GLMV held meetings involving interested citizens and businesses to gather input on the design, layout and functionality of the public improvements within the Downtown Project, focusing significantly on the Farmer's Market Pavilion. BRV also held a series of meetings with interested citizens and elected officials to gather input on the programming for the public improvements that are planned for the Downtown Project.

On March 8, 2022, the City Council approved Ordinance No. 9350 which authorized an application to be filed with the Missouri Development Finance Board ("MDFB") to seek participation in MDFB's Tax Credits for Contributions program. City staff is planning to file that application after the City Council approves the Chapter 353 Redevelopment Plan, which is the subject of this public hearing.

On March 8, 2022, the City Council also approved Ordinance No. 9351, which authorized City staff to file documents with the Missouri Secretary of State to form the Downtown Market Plaza Redevelopment Corporation (the "Redevelopment Corporation"). The Redevelopment Corporation is the implementing entity that will carry out the Chapter 353 Redevelopment Plan, and will be responsible for the implementation steps for the Downtown Project according to the City Council's legislative directives for the project.

On September 13, 2022 the City Council approved Ordinance No. 9496, authorized the City to enter into a Development Services Agreement with Lane4 Property Group, Inc. for the Downtown Market Plaza Project.

The Development Agreement authorized Lane4 to act in conjunction with and on behalf of the City for the preparation of a construction management services agreement.

In October 2022, Lane4 issued a Request for Qualifications for Pre-Construction Services and Construction Manager at Risk to identify qualified companies which could construct the projects as a Construction Manager at Risk.

A selection committee comprised of representatives from Lane4, the City, and the Downtown CID held Interviews with selected firms in December 2022. McCown Gordon was selected as the most qualified respondent and negotiations of a pre-construction services agreement took place.

This agreement is a key step towards the construction of the Downtown Market Plaza Project.

Impact/Analysis:

If approved, the agreement would authorize the expenditure of \$50,000 from the Downtown Market Plaza Fund for pre-construction services.

Timeline:

Start: March 2023

Finish: Construction is currently anticipated to be complete in March 2025. This agreement will be in place until construction is completed.

Other Information/Unique Characteristics:

This agreement will be amended in the future with a Guaranteed Maximum Price contract amendment for the full construction of the public improvements.

Ryan A. Elam, PE, Assistant City Manager

Recommendation: Staff recommends approval of the ordinance.