

OFFICE OF THE MAYOR
Telephone: (716) 286-4310

December 13, 2022

The City Council
Niagara Falls, New York

**RE: *Proposed Addendum to Agreement for Property Management - City Market
(J.R. Militello Realty, Inc./Altair Real Estate Services)***

Council Members:

Recently, the City Council approved an agreement with J.R. Militello Realty, Inc./Altair Real Estate Services (“Militello”), to provide property management at the Niagara Falls City Market. To that end, Militello is engaging in, among other things, tenant relations, lease term coordination, coordination of maintenance, and management of vendor projects and services on the City’s behalf. When required maintenance and/or services are outside the scope of the contract or of their level of expertise (e.g., landscaping, snow removal, pest control, etc.), Militello will enter agreements with third party vendors to facilitate the completion of those activities, subject to the prior approval by the City. Militello will then submit an invoice to the City for the work, which the City then pays directly to Militello. However, since the City is not a party to the vendor contracts, Militello may be exposed to potential liability issues with the vendors that were not anticipated at the time of signing its agreement with the City. Accordingly, it is submitted that it is necessary to add additional terms to the City’s agreement with Militello to address this issue.

It is hereby proposed that the City enter into an agreement with J.R. Militello Realty, Inc./Altair Real Estate Services to add an addendum to the original contract to accomplish this goal. During the remainder of the term of the original agreement, a 15% premium will be added to City-approved vendor agreements entered into by Militello for the provision of certain maintenance and tenant services done at the City Market on the City’s behalf. This premium will be paid to Militello in addition to the fees listed in the original agreement. The specific items and services subject to this premium, which are outside the scope of Militello’s general maintenance abilities, will be included in the addendum. Again, all vendor agreements entered into by Militello are subject to prior approval by the City. Funding is available from the revenue generated from the lease payments from City Market commercial tenants.

Will the Council so approve and authorize the Mayor to execute an agreement satisfactory to the Corporation Counsel in both form and content.

Respectfully submitted,

ROBERT M. RESTAINO
Mayor

Bax _____ Myles _____ Tompkins _____ Zajac _____ Spanbauer _____