

**BUSINESS OF THE CITY COUNCIL
WINDSOR HEIGHTS, IOWA
AGENDA STATEMENT**

Item No. 11
For Meeting of 09.07.10


ITEM TITLE: Consideration of a resolution authorizing the mayor to enter a brokerage agreement with Ruhl and Ruhl for the marketing of city owned property along Hickman Road that would include provisions to negotiate with two current, prospective buyers.

CONTACT PERSON: Marketa George Oliver, City Administrator

SUMMARY EXPLANATION

In June, the City Council approved a request for qualifications for brokers to solicit proposals on how to best market and sale the property the city owns on Hickman Road. Proposals have been submitted and reviewed by the Community & Economic Development Committee. At the most recent meeting, the Council authorized the mayor to enter into an agreement with the Ruhl and Ruhl based on its response to the City's RFQ. The response contained a proposal on fees which included a 6% real estate commission on the properties at 6300 and 6322 Hickman, with a 50-50 split with other brokerage firms and a 5% real estate commission on the properties at 6336 and 6400 Hickman, with a 50-50 split with other brokerage firms. After the Council approved the Ruhl & Ruhl proposal, staff met with the Ruhl & Ruhl representatives and discussed with them two, current prospective buyers. Ruhl & Ruhl made some suggestions regarding undertaking negotiations with the current prospective buyers, which would add value to those agreements. They proposed a 2% real estate commission fee for this work.

The Community & Economic Development Committee met with Ruhl and Ruhl on August 23rd and discussed the City's vision for the area and some of the brokers' ideas in that area. The committee also discussed the 2% commission fee arrangement for negotiating with the City's current, prospective buyers. While the Council has already authorized the mayor to enter into an agreement based on the original proposal (that included the six and five percent commissions), the Council would need to agree to the two percent commission for the negotiations with prospective buyers. The purpose of this resolution is to authorize the execution of the agreement with Ruhl and Ruhl with both the original commission proposal and the new proposal of two percent to add value to negotiations with current prospective buyers. The Community and Economic Development Committee recommends approval of this arrangement.

<input checked="" type="checkbox"/> Resolution _____ Ordinance _____ Contract _____ Other (Specify) _____
Funding Source _____ NA _____
APPROVED FOR SUBMITTAL _____ <div style="text-align: right;"> City Administrator</div>

STAFF RECOMMENDATION:

COUNCIL ACTION:

RESOLUTION NO. 10-0907-

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER A BROKERAGE AGREEMENT WITH RUHL AND RUHL FOR THE MARKETING OF CITY OWNED PROPERTY ALONG HICKMAN ROAD THAT WOULD INCLUDE PROVISIONS TO NEGOTIATE WITH TWO, CURRENT PROSPECTIVE BUYERS

WHEREAS, the City currently owns:

6300 Hickman Road (and parcel just south of 6300 Hickman Road)
6322 Hickman Road
6336 Hickman Road
6400 Hickman Road; and

WHEREAS, the City requested request for qualifications for brokers; and,

WHEREAS, the City's Community & Economic Development Committee reviewed the proposals and was pleased with the caliber of proposals; and

WHEREAS, the initial proposal included fees of a 6% real estate commission on the properties at 6300 and 6322 Hickman, with a 50-50 split with other brokerage firms and a 5% real estate commission on the properties at 6336 and 6400 Hickman, with a 50-50 split with other brokerage firms; and

WHEREAS, subsequent to the initial proposal, Ruhl and Ruhl has offered to negotiate on the City's behalf with two, current prospective buyers for a two percent commission; and

WHEREAS, recommends approval of the proposal submitted by Ruhl and Ruhl, including the initial fee arrangement and the new proposal of two percent commission to add value to negotiations with current prospective buyers.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Windsor Heights, Iowa, that the City Council hereby authorizes the mayor to execute the documents necessary to enter into a brokerage agreement with Ruhl and Ruhl, per the proposal submitted in July, 2010 and the additional proposal of a two percent commission to add value to negotiations with current, prospective buyers.

PASSED AND APPROVED THIS 7th DAY OF SEPTEMBER, 2010.

Diana Willits, Mayor Pro Tem

ATTEST:

Marketa George Oliver, City Administrator/Clerk