

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date	June 22, 2009
	Agenda Item No. 12 Roll Call No. <u>09-</u> Communication No. <u>09-411</u> Submitted by: Jeb E. Brewer, P.E., City Engineer; and Don Tripp, Parks and Recreation Director	

AGENDA HEADING:

Accepting proposal from Terrus Real Estate Group for the provision of commercial real estate listing services for the lease or sale of City-owned property located at 3226 University Avenue; authorizing the Department of Parks and Recreation to negotiate; and the City Manager to execute a contract for the provision of same.

SYNOPSIS:

Recommend acceptance of a proposal from Terrus Real Estate Group, Randy Minear, President & CEO, 616 10th Street, Des Moines, Iowa 50309 for the provision of commercial real estate listing services for the lease or sale of City-owned property located at 3226 University Avenue (formerly the Parks and Recreation Administration office building); authorizing the Department of Parks and Recreation to negotiate a listing agreement with Terrus Real Estate Group; and upon approval as to form by the Legal Department, authorizing the City Manager to execute the listing agreement. Any future proposed sale of the property will be subject to City Council approval.

FISCAL IMPACT:

Amount: Estimated range of real estate commission to be paid is between \$25,000 to \$30,000.

Funding Source: The real estate commission will be paid out of the eventual lease or sales price obtained for the property.

ADDITIONAL INFORMATION:

On May 14, 2009, a Request for Proposal was sent to thirteen (13) commercial real estate brokerage firms. Two (2) submittals were received on June 2, 2009:

1. Ferguson Commercial Real Estate Services (Clive)
2. Terrus Real Estate Group (Des Moines)

On June 3, 2009, an evaluation and selection committee was convened consisting of staff from the Parks and Recreation Department, Office of Economic Development and the Engineering Department - Real Estate Division. Each member of the evaluation and selection committee individually reviewed and rated the proposals. The proposals were reviewed and evaluated based on the following criteria: Experience, Qualifications, and Expertise (45 points); Quality of Market Analysis (25 points); Cost of

Service (25 points); and References (5 points). Based on the scoring criteria, the committee recommends hiring Terrus Real Estate Group for commercial real estate listing services for the lease or sale of City-owned property located at 3226 University Avenue. The duration of the contract will be for an initial period of six months with an option for the City of Des Moines to renew for two additional six-month periods.

Any future proposed sale of the property will be subject to City Council approval.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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