



Report to: General Committee

Date Report Authored: March 28, 2013

SUBJECT:	Request for Proposals: Real Estate Brokerage Services
PREPARED BY:	David Pearce, Manager of Real Property ext. 5988

RECOMMENDATION:

- 1) THAT the report entitled “Request for Proposals: Real Estate Brokerage Services” be received;
- 2) AND that staff be authorized to release a Request for Proposals for Real Estate Brokerage Services;
- 3) And that Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

N/A

PURPOSE:

The purpose of this report is to obtain Council approval to release a Request for Proposal for the retention of real estate brokerage services for the purpose of i) submitting offers to purchase real property on behalf of the City, ii) listing surplus lands for disposition, and iii) providing staff with updated market information.

BACKGROUND:

The City is actively involved in numerous real property transactions annually. As the City is not a member of the Canadian or Ontario Real Estate Association, it does not have access to MLS listings and is normally advised of the availability of properties by way of local real estate agents and brokers. These brokers/agents often end up acting in a dual role as both listing agent and selling agent, resulting in “double ending” of the commission which can often create the perception of a conflict of fiduciary duty (agents are permitted to work for both the seller and buyer provided that they make full disclosure and get consent from both parties through a dual agency agreement). In other instances, available properties are presented to staff from more than one agent, creating a difficult and potentially litigious situation in terms of a “finder’s fee” or commission.

OPTIONS/ DISCUSSION:

Staff are currently in the process of preparing a report for Council’s consideration on updated “Policies and Procedures” for City Real Property transactions. These policies require updating to streamline those processes and in order to ensure transparency and equity in the City’s real property processes. Given the issues around “dual agency”, commissions, and introducing listings, it is recommended that we retain a real estate broker on an annual or longer basis to ensure transparency, fairness and proper representation at the negotiating table.

Rather than releasing RFPs for individual properties, it is recommended that the City retain a single real estate brokerage firm via a Request for Proposal to act on the City’s

behalf in submitting offers and in selling surplus assets through the Multiple Listings Service (MLS). The RFP will request additional value-added service such as market advice and information (from the MLS or other real estate on-line services such as Realtrack, Realnet etc., which tracks, investigates and summarizes market transactions).

Proposals from individual sales representatives or brokers will not be considered. Only those proposals submitted by the Broker/Owner or Broker/Owner and Manager will be considered.

FINANCIAL CONSIDERATIONS AND TEMPLATE: (external link)

There are no financial implications associated with the recommendations of this report. Individual purchases and sales will be brought to Council for approval and subject to identified funding sources at that time.

HUMAN RESOURCES CONSIDERATIONS

Not applicable

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable

BUSINESS UNITS CONSULTED AND AFFECTED:

Finance

RECOMMENDED BY:

17/04/2013

17/04/2013

X 

Catherine M. Conrad
City Solicitor

X 

W. Andy Taylor
Chief Administrative Officer

ATTACHMENTS:

None