

000029

REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

1. CERTIFICATE NUMBER
(FOR AUDITOR'S USE) 202
10/15

TO: CITY ATTORNEY

2. FROM (ORIGINATING DEPARTMENT):
Real Estate Assets Department

3. DATE:
September 25, 2007

4. SUBJECT:
Residential Real Estate Broker Commissions

5. PRIMARY CONTACT (NAME, PHONE, & MAIL STA.)
James F. Barwick 236-6145, MS 51A

6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.)
B. Lane MacKenzie 236-6050, MS 51A

7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED

8. COMPLETE FOR ACCOUNTING PURPOSES

| | | | | | |
|----------------|--|--|--|--|---|
| FUND | | | | | 9. ADDITIONAL INFORMATION / ESTIMATED COST: |
| DEPT. | | | | | |
| ORGANIZATION | | | | | |
| OBJECT ACCOUNT | | | | | |
| JOB ORDER | | | | | |
| C.I.P. NUMBER | | | | | |
| AMOUNT | | | | | |

10. ROUTING AND APPROVALS

| ROUTE (#) | APPROVING AUTHORITY | APPROVAL SIGNATURE | DATE SIGNED | ROUTE (#) | APPROVING AUTHORITY | APPROVAL SIGNATURE | DATE SIGNED |
|-----------|-------------------------|--------------------|-------------|-----------|---|---|-------------|
| 1 | ORIGINATING DEPARTMENT | <i>A. Blank</i> | 9/25/07 | 8 | DEPUTY CHIEF | <i>W. H. H.</i> | 9/28/07 |
| 2 | E.O.C.P. MEMO 5-3-96 | | | 9 | | | |
| 3 | LIASON | | | 10 | CITY ATTORNEY | <i>B. S. S.</i> | 9/1/07 |
| 4 | | | | 11 | ORIGINATING DEPARTMENT | | |
| 5 | | | | | DOCKET COORD: <i>L. S. O. H.</i> | COUNCIL LIAISON: <i>[Signature]</i> | |
| 6 | | | | | <input checked="" type="checkbox"/> COUNCIL PRESIDENT | <input type="checkbox"/> SPOB <input type="checkbox"/> CONSENT <input checked="" type="checkbox"/> ADOPTION | |
| 7 | | | | | <i>[Signature]</i> <input type="checkbox"/> REFER TO: _____ | COUNCIL DATE: 10/15/07 | |

11. PREPARATION OF: RESOLUTION(S) ORDINANCE(S) AGREEMENT(S) DEED(S)

1. Authorize the real estate broker commissions, listed on Attachment A, for those City properties approved for sale by the City Council on May 21, 2007.

11A. STAFF RECOMMENDATIONS:

Approve the resolution

12. SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION.)

COUNCIL DISTRICT(S): MULTIPLE

COMMUNITY AREA(S): MULTIPLE

ATTACHMENTS: ATTACHMENT A, INDIVIDUAL BROKER COMMISSIONS

Attachment A
Broker Commission – Residential Property

| <u>Site</u> | <u>Address</u> | <u>Appraised Value</u> | <u>Commission %</u> | <u>Broker</u> |
|-------------|--------------------|------------------------|---------------------|------------------------|
| 3 | Nautilus House | \$ 850,000 | 5% | Abernathy Group |
| 6 | 6216 Beaumont | \$1,670,000 | 5% | Abernathy Group |
| 7 | 904 33rdStreet | \$ 295,000 | 5% | Abernathy Group |
| 10 | 327 Langley Street | \$ 160,000 | 6% | Abernathy Group |
| 9 | Otsego & Brookes | \$ 175,000 | 5½% | Initiative Real Estate |

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EXECUTIVE SUMMARY SHEET

DATE ISSUED: _____ REPORT NO.: _____

ATTENTION: Council President and City Council

ORIGINATING DEPT: Real Estate Assets Department

SUBJECT: Residential Real Estate Broker Commission

COUNCIL DISTRICT(S): Multiple

STAFF CONTACT: James F. Barwick, Director 236-6145 or
B. Lane MacKenzie, Asset Manager 236-6050

REQUESTED ACTION: Approve the real estate broker commissions identified on Attachment A.

STAFF RECOMMENDATION: Approve the requested actions.

SUMMARY:

On May 21, 2007, the City Council approved the sale of seventeen properties excess to the City needs, five of which were residential. Also approved was the "payment of a real estate broker's commission relating to the sale of the Properties, in each instance, at the discretion of the Mayor or his designee, and in conformance with San Diego Municipal Code Section 22.0905".

The City's Purchasing & Contracting Department issued a Request for Proposal (RFP) seeking bids for "Professional Residential Real Estate Brokerage Services". The RFP was advertised on the City's official web site and in the Daily Transcript. Twenty-one individual residential brokers were individually contacted based on their zip code and that of the residential properties. The City received responses from six companies: Ascent, Starbanc, Initiative and 3 Prudential offices (Jeanie Gleeson, George Abernathy and John Silva).

A Technical Evaluation Committee, consisting of members of the Real Estate Assets Department, reviewed the proposals for technical merit and ranked them according to Qualifications and Experience of Assigned Staff; References and Past Performance; Financial Capability to Perform; Marketing plan; Assessment of property sales opportunities and Broker/Sales Licenses.

The top three qualifiers were the Prudential George Abernathy Group, Prudential Jeannie Gleeson Group and Initiative Real Estate.

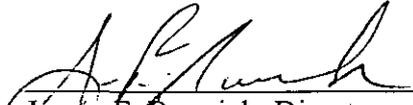
41001-1
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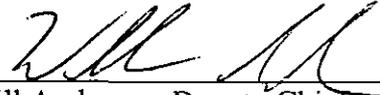
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This action requests approval of the best value proposals which do reflect, in this case, the lowest commission percentages that were received through the bid process described above (Attachment A), for the properties.

FISCAL CONSIDERATIONS: All commissions are paid from the proceeds of the sale of the individual properties.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: The sale and payment of broker commission was approved by Council on May 21, 2007.


James F. Barwick, Director
Real Estate Assets Department


Bill Anderson, Deputy Chief
Land Use and Economic Development

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____

APPROVING A SCHEDULE OF REAL ESTATE BROKERAGE COMMISSIONS FOR THE SALE OF EXCESS CITY-OWNED RESIDENTIAL REAL PROPERTIES PREVIOUSLY APPROVED FOR SALE BY THE CITY COUNCIL ON MAY 21, 2007.

WHEREAS, on May 21, 2007, the City Council approved the sale of seventeen certain excess City-owned real properties [Approved Properties]; and

WHEREAS, in each instance, the Council approved the payment of real estate brokerage commissions in conformance with San Diego Municipal Code [Code] section 22.0905; and

WHEREAS, pursuant to Code section 22.0905, the Council must adopt a commission schedule prior to the sales of the Approved Properties; and

WHEREAS, the Mayor has presented to the Council a commission schedule for the sale of five residential real properties that are part of the Approved Properties, and designated for reference only as "Nautilus House," "6216 Beaumont," "904 33rd Street," "327 Langley Street," and "Otsego & Brookes;" NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the commission schedule related to the sale of certain excess City-owned real properties designated for reference

only as "Nautilus House," "6216 Beaumont," "904 33rd Street," "327 Langley Street," and "Otsego & Brookes," , a copy of which is filed in the Office of the City Clerk as Document No.

_____, is approved.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Brock Ladewig
Chief Deputy City Attorney

BL:bas
09/26/07
Or.Dept:READ
R-2008-266
MMS #5385

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor