

To: James L. App, City Manager
From: Mike Compton, Director of Administrative Services
Subject: Real Estate Brokerage Services
DATE: March 16, 1999

Need:
For the City Council to consider establishing a formal real estate brokerage relationship with Country Real Estate.

- Facts:
1. The City invited bids for the auction of surplus real property per the declaration approved by the Council.
 2. Only one bid was received and, in accordance with the auction procedures established by the Council, the auction was not held. This bid for APN 18-181-019, which is uphill from the Merryhill Water Reservoir, was subsequently awarded to Robert Miller and Blaine Rogers in the amount of \$38,000.
 3. Given the limited results of the auction process, Council directed staff to prepare and distribute "Request for Proposals" (RFP) for real estate brokerage services.
 4. A RFP was prepared, noticed in the City's official advertising paper and was distributed by U.S. Postal Service to every real estate broker/agent listed in the Paso Robles phone book. Additionally, a notice was posted to a local electronic message system used by local real estate brokers/agents.
 5. Separate RFPs were prepared and distributed for residential and commercial properties.
 6. No RFPs were received by the 3:00 p.m. deadline on Friday, February, 19, 1999 but one RFP was received the following morning from Country Real Estate.

Analysis and Conclusions:
Since only one response was received, the Fiscal Policy Committee has recommended that the award for residential and commercial surplus real estate brokerage services be awarded to Country Real Estate.

Staff would further recommend that the award be subject to a condition that if the current negotiations involving APN 09-161-017 are successfully concluded or should the inquiry made Friday, February 26, 1999 result in a sale of this same parcel, the awardee would not collect any real estate commission.

Fiscal
Impact:

None. However, the adopted budget for fiscal year 1999 contains a revenue estimate for \$295,000 in surplus property sales revenue. The sale of the 3201 Spring Street property from the City to the Redevelopment Agency will generate \$135,000 and the sale of the Merryhill property generated \$38,000. Thus, the City needs to generate \$122,000 in additional real property sales in order to meet revenue projections.

Options:

- a. That the City Council award the RFP to Country Real Estate in accordance with the RFPs, residential and commercial, dated January 26, 1999, their responses dated February 19, 1999 and per the recommendation noted above regarding APN 09-161-017; or
- b. Amend, modify or reject any of the options above.

CITY OF El Paso de Robles
RESIDENTIAL REAL ESTATE BROKER QUESTIONNAIRE

1. Name of Firm COUNTRY REAL ESTATE
- Local National Headquarters
2. Address 630 14TH STREET _____
PASO ROBLES, CALIFORNIA _____

3. Telephone No. (805 239-9566) _____ () _____
4. Primary Agent/Broker Broker/Manager in-Charge
 Name MITCH CULVER TOM ERSKINE
 Title ASSOCIATE BROKER BROKER/PRESIDENT
 Phone No. 239-9566 239-9566
- Estate Yrs. In Residential Real Estate 12 Yrs. In Residential Real Estate 20
- Years with Firm 4 Years with Firm 20

(ATTACH RESUME FOR THESE INDIVIDUALS)

5. Are you primarily a residential real estate broker () YES () NO
6. If so, how long has your local firm been specializing in residential properties?
20
7. What residential properties did your local firm sell last year?

<u>Client</u>	<u>Site</u>	<u>Listing Price</u>	<u>Selling Price</u>	<u>How Long On Market</u>	<u>Sales Date</u>
<u>ON FILE AT OFFICE</u>					

14. What warranties or guarantees would you provide the City regarding the amount and types of marketing/advertising of the property?

OUR ADVERTISING IS SPECIFICALLY DESIGNED TO ENHANCE A SPECIFIC
PIECE OF PROPERTY. WE GUARANTEE MONTHLY COLOR ADS IN LOCAL
REAL ESTATE MAGAZINES, COLOR PROPERTY BROCHURES, PROPERTY VIDEOS
FOR BUYERS TO VIEW, ON-LINE WEB SITE VIEWING, AND OTHER ITEMS TO
BE GUARANTEED ONCE THE PROPERTY HAS BEEN REVIEWED. CITY MAY REVIEW
AND APPROVE ADVERTISING STRATEGY AND CONTENT.

15. What geographic area will you target for marketing the property?

CENTRAL COAST, SOUTHERN CALIFORNIA INVESTOR MARKET,
AND THE SAN JOSE INVESTOR MARKET

16. Will this property be place in multiple accepting residential listings throughout San Luis Obispo County?

() NO Attach Explanation (XX) YES

17. Please identify your public-sector clients in our geographical area who are most comparable to our City. If you have not had dealings with public-sector clients please list private-sector clients.

<u>Entity</u>	<u>Contact Person</u>	<u>Phone No.</u>	<u>Client Since</u>
FANNIE MAE	ON FILE		5 YEARS
FREDDIE MAC	ON FILE		5 YEARS
BELTWAY PMI	ON FILE		5 YEARS
HOUSEHOLD FINANCE	ON FILE		2 YEARS
WELLS FARGO	ON FILE		2 YEARS

18. What is your proposed compensation for selling this property? _____
6%

19. How will this compensation be split between your firm and the buyers' firm?

3% TO SELLING OFFICE

3% TO LISTING OFFICE


20. Please provide audited financial statements for the firm's last completed fiscal year. If audited financial statement are not available the City will accept financial statements prepared by an independent accountant or the chief financial officer of the firm. ON FILE

21. Please provide any other information that would assist us in making this contract award decision.

OUR FIRM HAS AN OUTSTANDING REPUTATION THROUGHOUT THE
COMMUNITY OF PASO ROBLES. WE STRIVE NOT ONLY TO ENHANCE THE
COMMUNITY WHICH WE WORK IN BUT ALSO TO LEAD AND PROMOTE OUR
AREA. EACH OF OUR AGENTS ARE HIGHLY VISIBLE THROUGHOUT THE
COMMUNITY AS THEY WORK TO GIVE BACK THAT WHICH THEY HAVE BEEN
GIVEN. THIS CENERGY WITH OUR COMMUNITY ALLOWS US TO PROMOTE OUR
CITY AND IT'S PROPERTIES WITH PRIDE. OUR INTERNAL AGENCY STRENGTH
ALLOWS US TO PORMOTE EACH PROPERTY TO ITS FULLEST!

I attest to the accuracy of our responses to your questionnaire.

Signed: _____



Date: 02-19-99

Countersigned: _____

Date: _____

NOTE: Completion of Questionnaire is only part of the City of El Paso de Robles's process and does not guarantee that the applicant will be approved to do business with the City of El Paso de Robles.

COUNTRY REAL ESTATE

Country Real Estate was established in 1959 and is the oldest brokerage firm in Paso Robles. Our company strategy revolves around the concept of **ADDED VALUE**. The principals of Country Real Estate, Tom Erskine and Pete Dakin, are financially committed to enhancing the performance of the agents associated with the firm through technology and exposure. Strategically augmenting the personnel of Country Real Estate will yield the highest possible level of service to our clients.

Community involvement and service are cornerstones of the Country Real Estate philosophy. Our company offices are located in the historic Le Grande Building in downtown Paso Robles. In order to dominate a real estate market, a brokerage operation must give back to the community more than it receives. All Country Real Estate personnel are active in local community affairs.

All of the members of Country Real Estate are full time agents or brokers. Each is equipped with a state of the art computer system which is networked throughout the building. Leading edge software drives the technology and enhances the efficiency of our office personnel. We also have a full time secretary and support staff.

Country Real Estate is committed to being the highest quality service provider of real estate brokerage in North San Luis Obispo County. This leadership role is achieved through a culture that is unique to Country Real Estate and is based on mutual respect, teamwork and an extended family feeling.

Our Policy is "QUALITY"

OUR PEOPLE

Adding value to our clients requires a commitment to staff our office with industry leaders. Information is the currency of our business. Every member of Country Real Estate has a core specialization, that taken together as a group, enables us to field a team dedicated and able to provide the highest level of brokerage service in the North County. The sum total of our company is greater than the individual parts. Each agent adds value to our company, and ultimately to our clients through specific product knowledge and community involvement.

Every member of our firm is committed to the successful sale of your property. Our team is well versed in the features and benefits of the product we represent. Providing excellent service to the active market segments in the North County gives Country Real Estate a first look at the most candidate buyers and sellers in the marketplace. Time is of the essence. Country Real Estate has the people and the technology necessary to rapidly disseminate information and thereby responses, quicker than any brokerage operation in the North County. Our company understands the time value of money and our goal is to sell your property for the highest value in the shortest period of time.

Quality People Doing Quality Business

COUNTRY REAL ESTATE AGENTS

- **JAN KEEFER** is a graduate of U.C. Davis and has had a long time interest and involvement in agriculture and land. She has lived in the North County for 26 years and has been a full time Realtor for 15 years. She loves real estate because of the diversity of transactions and the wide scope of personalities that she meets. Since purchasing real estate is generally the largest financial commitment a person makes, Jan uses her knowledge and professionalism to make all aspects of the transaction run smoothly.
- **MICHELE SMITH** was raised in a real estate family in South Africa. She has been successful in selling ranches and residential properties in Templeton and Paso Robles. She offers great service to her clients and works very hard to see each deal close successfully. Michele makes deals happen.
- **CAROLYN MCNAIRN** graduated from Cal Poly in 1980. For the past 14 years she has been a full time Real Estate Broker in North San Luis Obispo County. Carolyn has consistently been a top producer and is well versed in equine, agricultural and single family residential properties. Carolyn McNairn epitomizes the work ethic!
- **JAMES LIPTAK** is a well known figure in the local, regional and statewide Real Estate industry. He is a full-time Broker and offers his clients expertise in all phases of real estate practice including residential, ranches, acreage and investments. Jim believes product knowledge coupled with professionalism creates its own opportunities for his clients! He is a member of the Paso Robles Vintners and Grapegrower's Association and currently serves as Chairman of the California Association of Realtors Legislative Committee.

- ***SYDNEY LIPTAK*** is highly experienced in representing foreclosed properties for the Federal National Mortgage Association, FNMA, in San Luis Obispo County. She is an accomplished horsewoman and cattle breeder. Sydney “knows the territory” and offers her clients dedicated professionalism and attention to detail as the corner stone of her business practice. She places each of her clients in a Win/Win position!
- ***GARY BOATMAN*** is a native of Paso Robles and his knowledge of local history and trends gives him special insight in today’s changing real estate market. He has been involved in real estate since 1975 and is committed to making each deal a success story.
- ***TOM ERSKINE***, a graduate of U.C.L.A. and a licensed Real Estate Broker for 19 years is the owner/broker of Country Real Estate. He has developed and sold residential, income, and development property. He is currently marketing Oak Knoll Estates of Paso Robles, Phase II of Petersen Ranch, 12 one & two acre parcels in Conover Estates. In the development pipeline are a 220 acre equestrian oriented subdivision and 60,000 square foot of industrial use property.
- ***PATTI HAMILTON*** has been in the real estate business for 17 years and has had a great deal of success in marketing homes, ranches and acreage. She is very active in many local organizations such as the Chamber of Commerce and Hospice. As a rancher in the Adelaide area she grows Pistachios and Walnuts. She has served as President of the local Chamber of Commerce and been honored as the Woman of the Year in 1991.
- ***CAROLYNNE POTTS*** has built her fine reputation in the marketing of properties in the Lake Nacimiento and Heritage Ranch area. She is well versed in home and ranch sales as well as equestrian properties throughout the Paso Robles area. Carolynne gives abundantly to her clients with the goal of creating successful transactions.
- ***VICKI SILVA*** has been in real estate over 20 years in Paso Robles. Her vast knowledge in the area of ranches, homes and acreage, as well as Commercial/Industrial properties, adds to the strength of Country Real Estate. She was selected as the 1994 Woman of the Year in Paso Robles. She has served as the Pioneer Day Committee Chairman in 1994 & 1995. Vicki is a community leader.
- ***MITCH CULVER*** is a native Paso Roblan and graduated from Cal Poly majoring in Business with a minor in Real Estate Finance. He has worked full time as a Realtor for 10 years and has an extensive background in ranch and ocean front estates. Mitch is a Multi-Million Dollar producer. He is a pilot and an active Deputy Sheriff with the San Luis Obispo County Sheriff’s Aero Squadron Search & Rescue Team.

- ***DON VAUGHN*** has been in the Real Estate business for over 20 years and has owned his own brokerage firm as well as a lending establishment. His knowledge of our business will be a bonus to our clients. Don has lived in San Luis Obispo County for twenty five years.
- ***LIBBY GARRITY*** - LIBBY, LIBBY, LIBBY - as she is known locally, has 20 years of Real Estate experience. She moved to the area in 1983, making her home at Heritage Ranch where she not only enjoys the lake and her many friends, but also specializes in lake property sales.
- ***CLIVE RUPERT*** - Clive was born and raised in a real estate family in South Africa. Clive's high energy and extensive marketing/advertising background are a great asset to Country Real Estate and in servicing your real estate needs.

ORGANIZATION AFFILIATIONS

1. Paso Robles Chamber of Commerce
2. Paso Robles Vintners and Grapegrowers Association (PRVGA)
3. Acorn Library Foundation
4. Hospice
5. Economic Development Council- Paso Robles
6. Paso Robles Board of Realtors
7. City of Paso Robles Redevelopment Agency
8. Pioneer Day Committee
9. Paso Robles Golf & Country Club
10. St. Rose Church
11. Paderewski Celebration
12. Rotary
13. Quota Club
14. SLO County Sheriff's Search & Rescue Team

We believe that each of us should give back more to the community than we receive. Country Real Estate is proud of the role our staff plays in the above organizations. Several of our staff are involved in the leadership of these community groups.

CITY OF El Paso de Robles
COMMERCIAL REAL ESTATE BROKER QUESTIONNAIRE

1. Name of Firm COUNTRY REAL ESTATE

Local National Headquarters

2. Address _____
630 14TH STREET
PASO ROBLES, CA 93446

3. Telephone No. 805,239-9566 () _____

4. Primary Agent/Broker Broker/Manager in-Charge

Name <u>MITCH CULVER</u>	Name <u>TOM ERSKINE</u>
Title <u>BROKER-ASSOCIATE</u>	Title <u>BROKER-PRESIDENT</u>
Phone No. <u>805-239-9566</u>	Phone No. _____
Yrs. In Commercial Real Estate <u>12</u>	Yrs. In Commercial Real Estate <u>20</u>
Years with Firm <u>4</u>	Years with Firm <u>20</u>

(ATTACH RESUME FOR THESE INDIVIDUALS)

5. Are you primarily a commercial real estate broker () YES () NO
6. If so, how long has your local firm been specializing in commercial properties? _____
7. What commercial properties did your local firm sell last year?

<u>Client</u>	<u>Site</u>	<u>Listing Price</u>	<u>Selling Price</u>	<u>How Long On Market</u>	<u>Sales Date</u>
	822 10TH STREET		\$ 57,500.		
	7695 EL CAMINO REAL		\$244,500.		
	722 OLIVE		\$165,000.		
	2200 SPRING STREET		\$375,000.		
	HARBOR & EMBARCADERO		\$665,000.		
	1237 PARK STREET		\$210,000.		
	1301 RIVERSIDE AVE		\$350,000.		
	1227/1229 PINE, 822 13TH		\$320,000.		
	3440 SPRING ST		\$155,000.		
	514 ARLEEN		\$137,000.		
	4401 EL CAMINO REAL		\$477,221.		
	ADDITIONAL PROPERTIES ON FILE				

8. Is the firm owned by a Holding Company? If so, what is its name and capitalization?
NO

9. Please provide the experience of the firm in providing similar services.

WE ARE A FULL SERVICE FIRM. WE HAVE SIXTEEN AGENTS THAT
WORK TOGETHER TO GIVE EACH PROPERTY THE FULLEST EXPOSURE.
OUR 1998 COMMERCIAL SALES WERE OVER \$4.4 MILLION DOLLARS
AND WERE A VARIETY OF COMMERCIAL PROPERTIES.

10. Identify all agents/brokers who are licensed to sell commercial property and will be working on the sale.

<u>Name</u>	<u>Title</u>	<u>Phone No.</u>
TOM ERSKINE	BROKER-PRESIDENT	(805) 239-9566
VICKI SILVA	ASSOCIATE BRKR	(805) 239-9566
MITCH CULVER	ASSOCIATE BRKR	(805) 239-9566
PATTI HAMILTON	ASSOCIATE BRKR	(805) 239-9566
		()
		()

(ATTACH RESUMES OF ALL THE ABOVE PERSONS)

11. Has this firm or any agent/broker currently working in the firm had their license revoked or received disciplinary action from the Department of Real Estate?

(X) NO () YES Attach Explanation

12. What services or information do you anticipate requiring from the City?

NONE

13. Describe the approach your firm will take in marketing/advertising this property.

ANALYSIS AND PLACEMENT OF THE PROPERTY WITH THE PROPERTY
ADVERTISING AGENCIES. OUR FIRM HAS THE HIGHEST ADVERTISING BUDGET
IN THE COUNTY - YOUR PROPERTY WILL HAVE MAXIMUM EXPOSURE THROUGHOUT
THE LOS ANGELES TIMES, WALL STREET JOURNAL, LACMA JOURNAL,
REAL ESTATE MONTHLY, HOMES & LAND MAGAZINE, TELEGRAM TRIBUNE WEEKLY,
ON-LINE WEB SITE, MULTIPLE LISTING SERVICE, AND OTHER VARIOUS FORMS
THAT WILL PRODUCE THE BEST EXPOSURE AVAILABLE.

14. What warranties or guarantees would you provide the City regarding the amount and types of marketing/advertising of the property?

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PIECE OF PROPERTY. WE GUARANTEE MONTHLY COLOR ADS IN LOCAL
REAL ESTATE MAGAZINES, COLOR PROPERTY BROCHURES, PROPERTY VIDEOS
FOR BUYERS TO VIEW, ON-LINE WEB SITE VIEWING, AND OTHER ITEMS TO
BE GUARANTEED ONCE PROPERTY HAS BEEN REVIEWED. CITY MAY REVIEW
AND APPROVE ADVERTISING STRATEGY AND CONTENT.

15. What geographic area will you target for marketing the property?

CENTRAL COST, SOUTHERN CALIFORNIA INVESTOR MARKET,
AND THE SAN JOSE INVESTOR MARKET

16. Will this property be place in multiple accepting commercial listings throughout San Luis Obispo County?

() NO Attach Explanation (X) YES

17. Please identify your public-sector clients in our geographical area who are most comparable to our City. If you have not had dealings with public-sector clients please list private-sector clients.

<u>Entity</u>	<u>Contact Person</u>	<u>Phone No.</u>	<u>Client Since</u>
FANNIE MAE	ON FILE		5 YEARS
FREDDIE MAC	ON FILE		5 YEARS
BELTWAY PMI	ON FILE		5 YEARS

18. What is your proposed compensation for selling this property? _____

6% OF SALES PRICE

19. How will this compensation be split between your firm and the buyers' firm?

3% TO SELLING OFFICE

3% TO LISTING OFFICE

20. Please provide audited financial statements for the firm's last completed fiscal year. If audited financial statement are not available the City will accept financial statements prepared by an independent accountant or the chief financial officer of the firm. ON FILE

21. Please provide any other information that would assist us in making this contract award decision.

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THE COMMUNITY WHICH WE WORK IN BUT ALSO TO LEAD AND PROMOTE
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THE COMMUNITY AS THEY WORK TO GIVE BACK THAT WHICH THEY HAVE
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PROMOTE OUR CITY AND IT'S PROPERTIES WITH PRIDE. OUR INTERNAL
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I attest to the accuracy of our responses to your questionnaire.

Signed:  _____

Date: 02-19-99

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CITY OF EL PASO DE ROBLES

"The Pass of the Oaks"

January 26, 1999

Re: Request for Proposals for Commercial and Residential Real Estate Brokerage Services

To All Interest Persons:

The City of El Paso de Robles is seeking to retain the services of a qualified real estate broker(s) to sell surplus City real property.

The public notice regarding the Request for Proposals was published in the official public advertising newspaper for the first time on January 26, 1999. The deadline for submitting a proposal is 3:00 p.m. on Friday, February 19, 1999. Request for Proposal packages may be acquired by contacting Cheri Adams at City Hall located 1000 Spring Street in Paso Robles or by calling (805) 237-3999.

While the City has advertised and prepared separate Request for Proposal packages for real estate brokerage services for residential and commercial real property, this will not preclude the City from awarding both proposals to the same broker given the adequacy of the proposal response.

Respectfully yours,

City of Paso Robles

**Notice Requesting Proposals for
Commercial Real Estate Brokerage Services
for Selling Surplus City Property**

The City of El Paso de Robles is requesting sealed proposals for real estate brokerage services for selling City owned commercial properties. These properties have been declared as surplus by the City Council. All proposals must be received by the Department of Administrative Services by Friday, February 19, 1999 at 3:00 p.m. when they will be opened publicly in City Hall, 1000 Spring Street, Paso Robles, CA 93446.

Proposal packages may be obtained by contacting the Department of Administrative Services located at 1000 Spring Street, Paso Robles, CA 93446.

Proposals received after said time will not be considered. To guard against premature opening, each proposal shall be submitted to the Department of Administrative Services in a sealed envelope plainly marked with the proposal title, proposer name, and time and date of the proposal opening. Proposals shall be submitted using the forms provided in the specification package.

A pre-proposal conference will be not be held. However, prospective proposers may request a City guided tour of the site and/or City will answer any questions that the prospective proposers may have regarding the City's request for proposals.

Additional information may be obtained by contacting Mike Compton, Director of Administrative Services at (805) 237-3999.

EXHIBIT "A"

Schedule of Surplus
COMMERCIAL Real Property

APN 08-246-019*	Generally described as a 9,580 sq. ft. vacant lot at 21 st & Pine Streets.
APN 09-037-003*	Generally described as a 4,800 sq. ft. vacant lot at 1314 Oak Street.
APN 09-261-004	Generally described as 2.5 acre lot w/block building at 801 4 th Street.
APN 09-161-017	Generally described as 2.79 acres commercial rental property - Blocks 92 & 93.

* These properties are included on both lists as they could be residential or commercial.

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DESCRIPTION OF WORK

The City is requesting proposals for commercial real estate brokerage services to sell surplus City property as identified in the attached schedule. It is our intent to market said properties solely for uses that are consistent with current zoning or for zoning uses which would be consistent with current policy. The City's primary goal for selling this site is economic, and as such, we are striving for the highest sales price possible. In anticipation of this sale the City has completed the following items:

- Resolution No. 98-68 was adopted on April 21, 1998 by the City Council declaring said real property as surplus property.
- A letter to other local government agencies informing them of the availability of the sites and soliciting their interest in purchasing said surplus properties has been mailed. No responses were received from any agency.
- An appraisal report has been prepared by Market Dynamics and is available for inspection upon request.

It is the intent of the City of El Paso de Robles to use a professional real estate brokerage firm that specializes in selling commercial property. This firm will be responsible for providing the City with:

- A market analysis with a recommended sales price.
- A Professional marketing plan specifically designed for each property. This plan will include specific forms of advertising media and targeted geographic areas.
- Monthly status reports including the sales activity. This report will detail all contacts and inquiries related to this property.
- A detailed cost analysis and the net proceeds to the City for all offers or purchase proposals received from potential buyers.

GENERAL TERMS AND CONDITIONS

PROPOSAL TERMS AND CONDITIONS

1. **Requirement to Meet All Provisions.** Each individual or firm submitting a proposal (proposer) shall meet all of the terms, and conditions of the Request for Proposal (RFP) specifications package. By virtue of its proposal submittal, the proposer acknowledges agreement with and acceptance of all provisions of the RFP specifications.
2. **Proposal Submittal.** Each proposal must be submitted on the form(s) provided in the specifications and accompanied by any other required submittals or supplemental materials. Proposal documents shall be enclosed in an envelope which shall be sealed and addressed to the Department of Administrative Services, City of El Paso de Robles, 1000 Spring Street, Paso Robles, CA 93446. In order to guard against premature opening, the proposal should be clearly labeled with the proposal title, specification number, name of proposer, and date and time of proposal opening. No FAX submittals will be accepted.
3. **Proposal Withdrawal and Opening.** A proposer may withdraw its proposal, without prejudice prior to the time specified for the proposal opening, by submitting a written request to the Director of Finance for its withdrawal, in which event the proposal will be returned to the proposer unopened. No proposal received after the time specified or at any place other than that stated in the "Notice Requesting Proposals" will be considered. All proposals will be opened and declared publicly. Proposers or their representatives are invited to be present at the opening of the proposals.
4. **Submittal of One Proposal Only.** No individual or business entity of any kind shall be allowed to make or file, or to be interested in more than one proposal, except an alternative proposal when specifically requested.
5. **Communications.** All timely requests for information submitted in writing will receive a written response from the City. Telephone communications with City staff are not encouraged, but will be permitted. However, any such oral communication shall not be binding on the City.

CONTRACT AWARD AND EXECUTION

6. **Proposal Retention and Award.** The City reserves the right to retain all proposals for a period of 60 days for examination and comparison. The City also reserves the right to waive non-substantial irregularities in any proposal, to reject any or all proposals, and to make award as the interest of the City may require based on the criteria identified in the Special Terms and Conditions. See the "Special Terms and Conditions" in Section C of the specifications for proposal evaluation and award criteria.
7. **Competency and Responsibility of Proposer.** The City reserves full discretion to determine the competence and responsibility, professionally and/or financially, of proposers. Proposers will

provide, in a timely manner, any and all information which the City deems necessary to make such a decision.

8. **Contract Requirement.** The proposer to whom the award is made shall execute a written contract with the City within ten (10) calendar days after notice of award has been sent by mail to it at the address given in its proposal. The contract shall be made in the form adopted by the City and incorporated in these specifications.
9. **Failure to Accept Agreement.** The following will occur if the proposer to whom the award is made fails to enter into the agreement: the award will be annulled and an award may be made to the next responsive proposer who shall fulfill every stipulation as if it were the party to whom the first award was made.
10. **Insurance Requirements.** The proposer shall provide proof of insurance in the form, coverages, and amounts specified in Section F of these specifications within ten (10) days after notice of contract award as a precondition to contract execution.
11. **Business Tax.** The proposer must have a valid City of El Paso de Robles business tax certificate prior execution of the contract. Additional information regarding the City's business tax program may be obtained by calling (805)237-3999.

CONTRACT PERFORMANCE

12. **Ability to Perform.** The proposer warrants that it possesses, all capital and other equipment, labor, materials, and licenses necessary to carry out and complete the work hereunder in compliance with any and all federal, state, county, city, and special district laws, ordinances, and regulations.
13. **Laws to be Observed.** The proposer shall keep itself fully informed of and shall observe and comply with all applicable state and federal laws and county and City of El Paso de Robles ordinances, regulations and adopted codes during its performance of the work.
14. **Permits and Licenses.** The proposer shall procure all permits and licenses, pay all charges and fees, and give all notices necessary.
15. **Immigration Act of 1986.** The proposer warrants on behalf of itself and all subcontractors engaged for the performance of this work that only persons authorized to work in the United States of America pursuant to the Immigration Reform and Control Act of 1986 and other applicable laws shall be employed in the performance of the work hereunder.
16. **Proposer Non-Discrimination.** In the performance of this work, the proposer agrees that it will not engage in, nor permit such subcontractors as it may employ, to engage in discrimination in employment of persons because of age, race, color, sex, national origin or ancestry, sexual orientation, or religion of such persons.
17. **Interests of Proposer.** The proposer covenants that it presently has no interest, and shall not acquire any interest direct or indirect or otherwise, which would conflict in any manner or degree with the performance of the work hereunder. The proposer further covenants that, in the performance of this work, no subcontractor or

person having such an interest shall be employed. The proposer certifies that no one who has or will have any financial interest in performing this work is an officer or employee of the City. It is hereby expressly agreed that, in the performance of the work hereunder, the proposer shall at all times be deemed an independent contractor and not an agent or employee of the City.

18. **Hold Harmless and Indemnification.** The Proposer agrees to defend, indemnify, protect and hold the City and its agents, officers and employees harmless from and against any and all claims asserted or liability established for damages or injuries to any person or property, including injury to the Proposer's employee, agents or officers which arise from or are connected with or are caused or claimed to be caused by the acts or omissions of the Proposer, and its agents, officers or employees, in performing the work or services herein, and all expenses of investigating and defending against same; provided, however, that the Proposer's duty to indemnify and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers or employees.
19. **Contract Assignment.** The Proposer shall not assign, transfer, convey or otherwise dispose of the contract, or its right, title or interest, or its power to execute such a contract to any individual or business entity of any kind without the previous written consent of the City.
20. **Termination.** If, during the term of the contract, the City determines that the Proposer is not faithfully abiding by any term or condition contained herein, the City may notify the Proposer in writing of such defect or failure to perform; which notice must give the Proposer a 10 (ten) calendar day notice of time thereafter in which to perform said work or cure the deficiency. If the Proposer has not performed the work or cured the deficiency within the ten days specified in the notice, such shall constitute a breach of the contract and the City may terminate the contract immediately by written notice to the Proposer to said effect. Thereafter, neither party shall have any further duties, obligations, responsibilities, or rights under the contract. In said event, the Proposer shall be entitled to the reasonable value of its services performed from the beginning date in which the breach occurs up to the day it received the City's Notice of Termination, minus any offset from such payment representing the City's damages from such breach. "Reasonable value" includes fees or charges for goods or services as of the last milestone or task satisfactorily delivered or completed by the Proposer as may be set forth in the Agreement payment schedule; compensation for any other work, services or goods performed or provided by the Proposer shall be based solely on the City's assessment of the value of the work-in-progress in completing the overall workscope. The City reserves the right to delay any such payment until completion or confirmed abandonment of the project, as may be determined in the City's sole discretion, so as to permit a full and complete accounting of costs. In no event, however, shall the Proposer be entitled to receive in excess of the compensation quoted in its proposal.

SPECIAL TERMS AND CONDITIONS

1. **Term.** The services identified in this RFP package will be used by the City for six (6) months.
 2. **Extension.** The term may be extended by mutual consent on a per month basis, not to exceed one (1) additional year.
 3. **Dual Agency.** The firm chosen to market the surplus commercial properties identified in the attached schedule will be representing the City as the "seller" in sales negotiations. As such, dual agency representation will be considered but must be approved by the City Attorney prior to any negotiations beginning.
 4. **Proposal Content.** Your proposal must include the following documents:
 - a. Completed "Commercial Real Estate Broker Questionnaire". If you prefer, you may attach separate pages to respond to open-ended questions rather than respond directly on the questionnaire form.
 - b. Audited financial statements for the firm's last completed fiscal year. If audited financial statements are not available, the City will accept financial statements compiled by an independent accountant or the chief financial officer of the firm.
 - c. Any additional documentation that will provide meaningful information regarding the caliber or the agents/brokers and or firm.
 5. **Proposal Evaluation and Selection.** Proposals will be evaluated by a review committee based on the following criteria:
 - a. Understanding of the services required by the City and our sale objectives.
 - b. Quality and responsiveness of the proposal.
 - c. Demonstrated competence and professional qualifications.
 - d. References.
 - e. Background and related experience of the specific agents/brokers, including working with public agencies.
 - f. Proposed approach to marketing and advertising the property.
 - g. Proposed compensation.
- As reflected above, contract award will not be based solely on compensation, but on a combination of factors as determined to be in the best interest of the City. After evaluating the proposals and discussing them further with the finalists or the tentatively selected Proposer, the City reserves the right to further negotiate the proposed work and/or method and amount of compensation.
6. **Office Location Preference.** It is the preference of the City to use a local firm, and accordingly, we plan to focus our RFP efforts in the Paso Robles area.
 7. **Release of Reports and Information.** Any reports, information, data, or other material given to, prepared by or assembled by the Proposer as part of the work or services under these specifications shall be the property of City and shall not be made available to any

individual or organization by the Proposer without the prior written approval of the City.

8. **Copies of Reports and Information.** If the City requests additional copies of reports, drawings, specifications, or any other material in addition to what the Proposer is required to furnish in limited quantities as part of the work or services under these specifications, the Proposer shall provide such additional copies as are requested, and City shall compensate the Proposer for the costs of duplicating of such copies at the Proposer's direct expense.
9. **Attendance at Meetings.** Included as part of the sales commission, attendance is required at as many closed session City Council meetings as necessary to present and discuss the sale of the old headquarters fire station. Additionally, Proposer shall attend as may "working" meetings with staff as necessary in performing workscope tasks.
10. **Proposal Review and Award Schedule.** The following is an outline of the anticipated schedule for proposal review and award:

Issue RFP	1/26/99
Receive proposals	2/19/99
Complete proposal evaluation	2/24/99
Review proposal evaluation w/ad hoc committee	3/5/99
Award contract	3/16/99
Execute contract	3/17/99

Pre-proposal Conference. A pre-proposal conference will not be held. However, prospective proposers may request a City guided tour of the site and/or City will answer any questions that the prospective proposers may have regarding the City's request for proposals.

**CITY OF El Paso de Robles
COMMERCIAL REAL ESTATE BROKER QUESTIONNAIRE**

1. Name of Firm _____

Local National Headquarters

2. Address _____

3. Telephone No. () _____ () _____

4. Primary Agent/Broker Broker/Manager in-Charge

Name _____

Title _____

Phone No. _____

Yrs. In Commercial Real Estate _____ Yrs. In Commercial Real Estate _____

Years with Firm _____ Years with Firm _____

(ATTACH RESUME FOR THESE INDIVIDUALS)

5. Are you primarily a commercial real estate broker () YES () NO
6. If so, how long has your local firm been specializing in commercial properties? _____
7. What commercial properties did your local firm sell last year?

<u>Client</u>	<u>Site</u>	<u>Listing Price</u>	<u>Selling Price</u>	<u>How Long On Market</u>	<u>Sales Date</u>

8. Is the firm owned by a Holding Company? If so, what is its name and capitalization?

9. Please provide the experience of the firm in providing similar services.

10. Identify all agents/brokers who are licensed to sell commercial property and will be working on the sale.

<u>Name</u>	<u>Title</u>	<u>Phone No.</u>
_____	_____	() _____
_____	_____	() _____
_____	_____	() _____
_____	_____	() _____
_____	_____	() _____
_____	_____	() _____

(ATTACH RESUMES OF ALL THE ABOVE PERSONS)

11. Has this firm or any agent/broker currently working in the firm had their license revoked or received disciplinary action from the Department of Real Estate?

() NO () YES Attach Explanation

12. What services or information do you anticipate requiring from the City?

13. Describe the approach your firm will take in marketing/advertising this property.

14. What warranties or guarantees would you provide the City regarding the amount and types of marketing/advertising of the property?

15. What geographic area will you target for marketing the property?

16. Will this property be place in multiple accepting commercial listings throughout San Luis Obispo County?

() NO Attach Explanation () YES

17. Please identify your public-sector clients in our geographical area who are most comparable to our City. If you have not had dealings with public-sector clients please list private-sector clients.

<u>Entity</u>	<u>Contact Person</u>	<u>Phone No.</u>	<u>Client Since</u>

18. What is your proposed compensation for selling this property? _____

19. How will this compensation be split between your firm and the buyers' firm?

20. Please provide audited financial statements for the firm's last completed fiscal year. If audited financial statement are not available the City will accept financial statements prepared by an independent accountant or the chief financial officer of the firm.

21. Please provide any other information that would assist us in making this contract award decision.

I attest to the accuracy of our responses to your questionnaire.

Signed: _____

Date: _____

Countersigned: _____

Date: _____

NOTE: Completion of Questionnaire is only part of the City of El Paso de Robles's process and does not guarantee that the applicant will be approved to do business with the City of El Paso de Robles.

AGREEMENT

THIS AGREEMENT is made and entered into in the City of El Paso de Robles on this _____ day of _____, by and between the CITY EL PASO DE ROBLES, a municipal corporation, hereinafter referred to as City, and _____ hereinafter referred to as Firm.

W I T N E S S E T H:

WHEREAS, on January 26, 1999, City requested proposals for commercial real estate brokerage services to sell surplus commercial real property.

WHEREAS, pursuant to said request, Firm submitted a proposal which was accepted by City for said commercial real estate brokerage services.

NOW THEREFORE, in consideration of their mutual promises, obligations, and covenants hereinafter contained, the parties hereto agree as follows:

1. TERM. The term of this Agreement shall be from the date of this Agreement is made and entered, as first written above, for a period of nine (9) months. The term may be extended by mutual consent on a per month basis, not to exceed one (1) additional year.
2. INCORPORATION BY REFERENCE. City's Request for Proposal Specifications and Firm's proposal dated _____, are hereby incorporated in and made a part of this Agreement.
3. CITY'S OBLIGATIONS. For providing an acceptable buyer and completing the sale (a closed escrow) on the old headquarters fire station as specified in this Agreement, City will pay and Firm shall receive therefor compensation as stated in the Firm's proposal.
4. FIRM'S OBLIGATIONS. For and in consideration of the payments and agreements hereinbefore mentioned to be made and performed by City, Firm agrees with City to do everything required by this Agreement.
5. AMENDMENTS. Any amendment, modification, or variation from the terms of this Agreement shall be in writing and shall be effective only upon approval by the Director of Administrative Services.
6. COMPLETE AGREEMENT. The written Agreement, including all writings specifically incorporated herein by reference, shall constitute the complete Agreement between the parties hereto. No oral agreement, understanding, or representation ~~not~~ reduced to writing and specifically incorporated herein shall be of any force or effect, not shall any such oral agreement, understanding, or representation by binding upon the parties hereto.
7. NOTICE. All written notices to the parties hereto shall be sent by United States mail, postage prepaid by registered or certified mail addressed as follows

City

Director of Administrative Services

El Paso de Robles

1000 Spring Street

Paso Robles, CA 93446

Firm

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8. **AUTHORITY TO EXECUTE AGREEMENT.** Both City and Firm do covenant that each individual executing this agreement on behalf of each party is a person duly authorized and empowered to execute Agreements for such party.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year first above written.

ATTEST:

City of El Paso de Robles,

A Municipal Corporation

Madelyn Paasch, City Clerk

By: _____

James L. App, City Manager

APPROVED AS TO FORM:

Firm

Iris Yang, City Attorney

By: _____

INSURANCE REQUIREMENTS: Consultant Services

The Firm shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Firm, its agents, representatives, employees, or subproposers.

Minimum Scope of Insurance. Coverage shall be at least as broad as:

1. Insurance Services Office Commercial Liability coverage (occurrence from CG 0001).
2. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
4. Errors and Omissions Liability insurance as appropriate to the consultant's profession.

Minimum Limits of Insurance. Firm shall maintain limits of no less than:

1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
3. Employer's Liability: \$1,000,000 per accident for bodily injury or disease.
4. Errors and Omissions Liability: \$1,000,000 per occurrence.

Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officials, employees and volunteers; or the Firm shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1. The City, its officers, officials, employees, agents and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the Proposer; products and completed operations of the Firm; premises owned, occupied or used by Firm; or automobiles owned, leased, hired or borrowed by the Firm. The coverage shall contain no special limitations on the

scope of protection afforded to the City, its officers, officials, employees, agents or volunteers.

2. For any claims related to this project, the Firm's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, agents or volunteers. Any insurance of self-insurance maintained by the City, its officers, officials, employees, agents or volunteers shall be excess of the Firm's insurance and shall not contribute with it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officers, officials, employees, agents or volunteers.
4. The Firm's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) day's prior written notice by certified mail, return receipt requested, has been given to the City.

Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

Verification of Coverage. Firm shall furnish the City with a certificate of insurance showing maintenance of the required insurance coverage. Original endorsements effecting general liability and automobile liability coverage required by this clause must also be provided. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. All endorsements are to be received and approved by the City before work commences.