

RESOLUTION NO. 2007-172

A RESOLUTION OF THE LODI CITY COUNCIL  
AUTHORIZING THE CITY MANAGER TO ISSUE A REQUEST FOR  
PROPOSAL FOR BROKERAGE SERVICES TO SELL SURPLUS  
CITY-OWNED REAL ESTATE PROPERTIES, UTILIZING A TWO-  
TIERED BROKERAGE FEE STRUCTURE

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WHEREAS, the City-owned property located at 500 South Guild Avenue (APN 049-250-61) was recently identified as one of the City of Lodi's underutilized properties, consisting of approximately 9.09 acres; and

WHEREAS, staff recommends utilizing the services of a professional commercial brokerage firm in order to obtain qualified proposals in a timely manner; and

WHEREAS, the request for proposal (RFP) will describe the brokerage services, fees, and general land use; and

WHEREAS, for purposes of minimizing the expense related to brokerage fees, a two-tiered brokerage fee structure is proposed; and

WHEREAS, within the first tier (property sales price is less than or equal to appraised value), the City is soliciting proposals where it would pay up to a limited fixed amount reflecting the actual/expected cost of advertisement and marketing incurred by the brokerage company; and

WHEREAS, for the second tier (sales price in excess of appraised value), the RFP indicates the City's willingness to pay a conventional fee of up to six percent (6%) of the sale price exceeding the appraised value. Bidders will be allowed to propose lower fees if desired; and

WHEREAS, although not encouraged, alternate proposals will be considered if deemed advantageous to the City; and

WHEREAS, the RFP for brokerage services will be used initially in marketing/selling the property at 500 South Guild Avenue and then applied to other unutilized real estate properties owned by the City as identified below:

- 1119-1120 Awani Drive (APN 041-250-38 & 041-410-01) 3.65 acres with appraised value of \$1.2 million;
- 217 East Lockeford (APN 041-220-02), 1.36 acres with appraised value of \$340,000; and
- Lease of Century Boulevard right-of-way, (west of Stockton Street) 3.06 acres with appraised value of \$400,000\*.

***\*Annual lease payment of \$40,000 for this property based on appraised value.***

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council hereby authorizes the City Manager to issue an RFP for brokerage services to sell the 9.09-acre real estate property located at 500 South Guild Avenue; the 3.65-acre parcel at 1119-1120 Awani Drive; the 1.36-acre parcel at 217 East Lockeford Street; and lease the 3.06-acre right-of-way on Century Boulevard (west of Stockton Street); and

BE IT FURTHER RESOLVED that the City Council hereby authorizes the two-tiered brokerage fee structure as outlined above; and

BE IT FURTHER RESOLVED that, although not encouraged, alternate proposals will be considered if deemed advantageous to the City.

Dated: August 15, 2007

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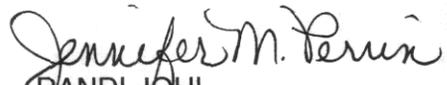
I hereby certify that Resolution No. 2007-172 was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 15, 2007, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Katzakian, and Mayor Johnson

NOES: COUNCIL MEMBERS – Hitchcock

ABSENT: COUNCIL MEMBERS – Mounce

ABSTAIN: COUNCIL MEMBERS – None

  
for RANDI JOHL  
City Clerk