

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON NOVEMBER 26, 2013
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	EXTENSION OF REALTY SERVICES AGENCY OF RECORD AGREEMENT

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, on the advice of the Manager of Realty Services, with respect to the Agreement dated the 20th day of October, 2010 between the Corporation of the City of London and CB Richard Ellis Limited, the following actions be taken:

- a) the Civic Administration **BE DIRECTED** to provide written notice to CBRE extending the term of the agreement for an additional (3) three years as provided for in the Agreement.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Board of Control September 29, 2010

Finance and Administration Committee – August 17, 2011

BACKGROUND

Purpose

In August 2010, an RFP was issued for an Agency of Record to support Realty Services in the following activities:

- Strategic Advisory and Consulting
- Transaction Management, Brokerage
- Research and Analysis
- Project Management

In October, 2010, the proposal of CB Richard Ellis (CBRE) was accepted for a term of 3 years expiring on December 31, 2013 including an option to renew for an additional (3) three years.

CBRE is the largest commercial real estate company in Canada and is a leading provider of real estate outsourcing services and provides real estate and economic consulting services to public, private and not for profit sector clients throughout Canada, including municipal, provincial and federal entities.

CBRE has provided assistance to Realty Services in the following activities; Options for the renovation or relocation of City Hall; Community Services Decentralization planning and Site Location Analysis; Normal School Renovation and Building Code/AODA Cost Estimate and review of the new Real Property Acquisition policy.

At present there is no specific project for which CBRE's services have been identified. Renewing CBRE as the City's continued Agency of Record allows for future needs to be addressed as they arise.

Continuing the relationship as provided for by the extension provisions in the Agreement will avoid any potential service interruptions associated with the services provided by CBRE should they be called upon to act.

Financial Impact:

Services and the associated costs are stipulated in the agreement and will be incurred only as required. Any utilization of CBRE to provide specified services will be applied against current operating budgets. No further funding is required.

Extension of the current agreement allows for the continuation of rates stipulated in the original agreement without escalation.

Recommendation:

It is recommended to execute the extension option included in the agreement by providing written notice to CBRE of the City's intent to extend the term. The extension would make the agreement current through December 31, 2016.

PREPARED BY:	SUBMITTED BY:
BRYAN BAAR MANAGER, REALTY OPERATIONS	BILL WARNER MANAGER, REALTY SERVICES
RECOMMENDED BY:	
MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

November 12, 2013
Attach.

cc: Art Zuidema, City Manager
Harvey Filger, Director Corporate Investments
Dave Munteer, Solicitor
John Freeman, Manager Purchasing & Supply