



REQUEST FOR PROPOSAL

Solicitation #2023-EcDev-001

PROPOSAL: [Provision of Drumheller Real Estate Services]

DATE: [February 17, 2023]

INITIATOR: [Reg Johnston, Manager of Economic Development]

DATE PROPOSAL REQUIRED:

YEAR: [2023] MONTH: [March] DAY: [21] TIME: 2:00 PM Local Time

Submit Proposal via email to: purchasing@drumheller.ca

With the subject line: "RFP - [Drumheller Real Estate Services 2023-EcDev-001]"

All submissions must be provided in PDF format and not exceed 100MB in size. Zip files will not be accepted.

This Request for Proposal document is comprised of:

- RFP General Instructions
- Schedule A – Evaluation Criteria
- Schedule B – Technical Specifications
- Schedule C – Sample Agreement

If you do not have all of these components the RFP package is incomplete - please contact the Initiator.

Your firm is invited to submit a Proposal, pursuant to the general conditions for the scope of work as described. This Proposal shall not be considered authorization to proceed with work herein described. All Procurement processes must comply with Town of Drumheller Purchasing Policy C-09-20.

SECTION #1 - SCOPE OF WORK:

The Town of Drumheller invites Proposals for licenced Alberta Real Estate Brokers to act as:

- A. the Listing Agent for Town owned Residential property
- B. the Listing Agent for Town owned Industrial/Commercial property
- C. the Listing Agent for Town owned Residential **and** Industrial/Commercial property

Proponents may choose to provide a submission for options A, B, or C.

The Town will accept a Listing Agent commission of a minimum 6% and a maximum of 12% for the Listing Agent.

The Listing Agent should demonstrate the following in their Proposal(s):

- 1. MLS Board and Members per Board
- 2. Experience in years selling residential or industrial/commercial property
- 3. Experience in dollar value in residential or industrial/commercial property sold in the last 3 years
- 4. Any designations or education that is applicable to land sales (certifications, memberships, etc.)
- 5. Marketing Plan (i.e., signage, MLS, advertising, website, etc.)
- 6. A local office

The supplier is required to complete all necessary sections of this Request for Proposal.

SECTION #2 - PROPOSAL AMOUNT:

All Proposal pricing must be specified in Canadian Funds and exclude GST.

Proposal Item – choose one	Total Cost (excluding GST)
A. Residential property	% on first \$ 100,000.00
A. Residential property	% on remainder above \$ 100,000.00
B. Industrial/Commercial property	% on first \$ 100,000.00
B. Industrial/Commercial property	% on remainder above \$ 100,000.00

Proposal submission price shall be in effect for **30** days from date of acceptance from the Town of Drumheller.

SECTION #3 - SUBMISSION REQUIREMENTS:

The Town of Drumheller requires that all submissions shall include the following:

1. All pages of this Request for Proposal;
2. All issued Addenda;
3. Workers Compensation Board (WCB) Coverage Letter;
4. Proof of Commercial Liability Insurance;
5. Town of Drumheller Business Licence – to be obtained within three (3) business days upon award of project;
6. Proposals should not be more than four (4) pages (double sided) excluding above material for option A or B (i.e.: option C eight (8) page limit).

SECTION #4 - INELIGIBILITY:

The Town of Drumheller shall deem a submission to be ineligible under the following situations:

- a) Submissions that are unsigned, incomplete, improperly signed or sealed, conditional, illegible, obscure, contain arithmetical errors, erasures, alterations or irregularities of any kind shall be considered ineligible.

- b) Submissions that do not include the items listed in Section #3 Submission Requirements, and;
- c) Submissions that are not received prior to the closing date and time, as determined by the time keeping of the Town of Drumheller computer system.

SECTION #5 - INSURANCE:

Insurance

The Town of Drumheller requires that all Proposals include proof of \$ 5,000,000.00 Commercial Liability Insurance.

SECTION #6 - EVALUATION CRITERIA:

The lowest, or any evaluated Proposal, may not necessarily be accepted. The Town of Drumheller reserves the right to reject any or all Proposals or to accept the Proposal evaluated to be in the best interest of the Town of Drumheller.

The Town's evaluator shall score each submission on the basis stated in Schedule A - Evaluation Criteria. The Town of Drumheller will have the sole and unfettered discretion to award up to the maximum number of points for each criterion listed in Schedule A - Evaluation Criteria.

By submitting a Proposal, you acknowledge and agree to waive any right to contest through legal proceedings. The decision to award points in respect to the criteria noted below will be at the sole discretion of the Town of Drumheller.

By submitting a Proposal, you acknowledge that you have reviewed the Ineligibility Criteria contained herein and you confirm that your Proposal meets all requirements of the Town.

SECTION #7 – REFERENCES:

The Town of Drumheller must not be listed as a professional reference.

Reference #1

Company Name: _____

Contact Name: _____

Contact Title: _____

Contact Phone Number: _____

Contact Email: _____

Reference #2

Company Name: _____

Contact Name: _____

Contact Title: _____

Contact Phone Number: _____

Contact Email: _____

Reference #3

Company Name: _____

Contact Name: _____

Contact Title: _____

Contact Phone Number: _____

Contact Email: _____

SECTION #8 - INTENT:

The undersigned contractor hereby provides a Proposal to supply the services as described herein in its entirety for the cost as described in Section 2.

COMPANY: _____

Print name of authorized personnel: _____

Signature: _____ Corporate Seal: _____

Email Address: _____

Telephone number: _____

TOWN OF DRUMHELLER:

Print name of authorized personnel: [_____]

Signature: [_____]

DATE: YEAR [2023] MONTH [] DAY []

Upon completion of signatures above, this document will represent a contract agreement between the contractor and the Town of Drumheller.

SCHEDULE A – EVALUATION CRITERIA

Section A.1 – Evaluation Criteria Breakdown:

RESIDENTIAL SERVICE	
EVALUATION BASED ON:	100%
Commission	30%
MLS Board and Members per Board	20%
Experience in years selling Residential property locally	10%
Total experience in dollar value in Residential property land and improvements sold in the last 3 years locally	20%
Value of Residential vacant land sold in the last 3 years locally	20%

INDUSTRIAL/COMMERCIAL SERVICE	
EVALUATION BASED ON:	100%
Commission	30%
MLS Board and Members per Board	20%
Experience in years selling Industrial/Commercial property locally	10%
Total experience in dollar value in Industrial/Commercial property land and improvements sold in the last 3 years locally	20%
Value of Industrial/Commercial vacant land sold in the last 3 years locally	20%

Section A.2 – Evaluation Criteria Definitions:

Mandatory Criteria:

A local office and Business Licence are mandatory criteria. The service provider needs an understanding of the local real estate market, and responsiveness to potential buyers to provide the service quality required.

Evaluation:

Proposals will be assessed in accordance with the evaluation criteria and will be assessed by an evaluation committee formed by the Town of Drumheller. The Town of Drumheller will be under no obligation to receive further information, whether written or oral, from any Proponent.

Each criterion will be assigned a value of 0 to 5, with 5 being the highest mark possible. Full scoring of five (5) for commission shall be given to the lowest value submission. A score of zero (0) shall be given to the highest value submission. All other submissions shall be awarded a pro-rated value between these two amounts.

SCHEDULE B – TECHNICAL SPECIFICATIONS

INTRODUCTION

The Town of Drumheller invites Proposals for licenced Alberta Real Estate Brokers to act as:

- A. the Listing Agent for Town owned Residential property
- B. the Listing Agent for Town owned Industrial/Commercial property
- C. the Listing Agent for Town owned Residential **and** Industrial/Commercial property

Proponents may choose to provide a submission for options A, B, or C.

The Town will accept a Listing Agent commission of a minimum 6% and a maximum of 12% for the Listing Agent.

The Listing Agent should demonstrate the following in their Proposal(s):

1. MLS Board and Members per Board
2. Experience in years selling residential property
3. Experience in dollar value in residential property sold in the last 3 years
4. Any designations or education that is applicable to land sales (certifications, memberships, etc.)
5. Marketing Plan (i.e., signage, MLS, advertising, website, etc.)
6. A local office

The supplier is required to complete all necessary sections of this Request for Proposal.

BACKGROUND

The Town of Drumheller is the owner of many properties:

- Rosedale Industrial Park,

- Elgin Hill,
- Consortium,
- Old Health Centre,
- Former Nacmine Hotel,
- Hillsvieiw,
- Etc.

These lands provide economic growth opportunities for the Drumheller Valley. They also provide an opportunity to achieve goals within the Town's Downtown Area Revitalization Plan, and the Housing Strategy. To achieve future growth, real estate services are required so property can be listed publicly for sale.

To ensure the Town of Drumheller is receiving fair value for its assets, real estate professional(s) is/are being sought to support Administration in the preparation and sale of property.

GEOGRAPHIC REGION

The Drumheller Valley spans thirty (30) kilometres along the Red Deer River, and includes seven (7) urban and rural communities:

- Nacmine;
- Drumheller;
- Rosedale;
- Wayne;
- Cambria;
- Lehigh;
- East Coulee.

SCOPE OF WORK

The services will adhere to:

1. The Town's Broker is instructed to co-operate with all Brokers and that no "exclusive listings" will be permitted. The Broker markets the Town's property using various methods, including the use of the Multiple Listing Service.
2. Brokers are required to provide a Letter of Opinion of Value prior to execution of the Listing Agreement.

3. Brokers retained by the Town of Drumheller are required to execute a Listing Agreement which incorporates by reference a set of "Instructions to Listing Broker" to be followed when acting in the capacity as the Town's agent. In addition, the Listing Agreement requires the Broker to provide to each potential purchaser the standardized "Instructions to Prospective Purchasers" document to be drafted by Administration.
4. The list price may be based on an appraisal report prepared by or commissioned by Administration together with the Broker's Opinion of Value. From time to time, a property is listed for sale without a list price.
5. Brokers are instructed to keep a written record of all showings and inspections and to provide Administration with a monthly report or another frequency of reporting as determined by Administration. Brokers are instructed not to reveal information as to the number of offers submitted or expected to be submitted.

The Town of Drumheller is considering Proposals on an "if, as and when required" basis to support the land sales program by optimizing revenue from real estate assets. These Services further support the Town of Drumheller policy of ensuring that the lands to be disposed of are demonstrating their highest and best use.

The Town of Drumheller reserves the right, at any time and at its sole discretion, to expand or to reduce the scope of Services that are to be performed by the Real Estate Broker. The service provider shall not be entitled to a minimum guarantee of work in association with any Contract.

CONTRACT ADMINISTRATION

The Town of Drumheller will be the contract administrator.

MEETINGS

Startup and Report Meetings proposed by the Proponent, and as per required for individual listings.

PROFESSIONAL RESPONSIBILITY

The agent shall comply with generally accepted standards for similar work.

SCHEDULE C – SAMPLE AGREEMENT

SAMPLE AGREEMENT

BROKER SALE AGREEMENT – RESIDENTIAL PROPERTIES

THIS AGREEMENT (the “agreement”) made as of the _____ day of _____ 2023

BETWEEN:

THE TOWN OF DRUMHELLER, a municipal corporation governed by the laws of Alberta (herein called the “Seller” or “the Town”)

-and-

XXXXXXXXXX, a licensed and registered real estate agent in good standing in the Province of Alberta (herein called the “Designated Agent”)

In consideration of the Brokerage listing the Seller’s Property, the Seller hereby gives the Brokerage the right to offer Town owned Property for sale at fair market value or as directed.

1. THE PROPERTY

1.1 Residential properties as identified by an authorized Town of Drumheller employee.

2. TERM OF THE AGREEMENT

2.1 This Agreement will commence on March 1, 2023, and expire on December 31st, 2024.

3. MLS® SERVICES

3.1 All MLS Listings must:

- a) must be continuous until the Property is sold;
- b) provide compensation to the Broker for the sale of the property;
- c) not exclude any licensed industry member from acting as a cooperating Broker;
- d) compensation to a cooperating Broker is the responsibility of the Brokerage listing the property.

3.2 Seller’s Information:

- a) The Designated Agent will use the Sales Agreement provided by the Town of Drumheller;
- c) Should the Seller not wish its name to be entered into the MLS® System, this is permissible upon receipt of a written request from the Seller through its Brokerage;
- d) The Seller maintains the right to request that information such as the address and legal description of the property not be displayed on ICX.ca or REALTOR.ca.

3.3 Advertising:

- a) The Seller’s name and contact information may appear on ICX.ca or REALTOR.ca or in the public remarks section of the MLS® System as directed by the Town of Drumheller;

b) If Seller's Rights Reserved apply to a listing, that fact shall be disclosed to other members of the Board via the MLS® System.

Note: *MLS® Listing means a property listed for sale on the Board's MLS® System. The trademarks MLS®, Multiple Listing Service® and the associated logos are owned by The Canadian Real Estate Association (CREA) and identify the quality of services provided by real estate professionals who are members of CREA.*

4. APPOINTMENT OF DESIGNATED AGENT

- 4.1 The Town of Drumheller designates **XXXXXXXXXXXX** to serve as the agent for the Seller;
- 4.2 The Brokerage and/or the Designated Agent agrees that the Town of Drumheller shall, in the course of economic development activities where the Designated Agent has no interest, act as its own agent and no compensation will be payable to the Designated Agent or Brokerage;
- 4.3 If the Designated Agent ceases to be registered with the Brokerage, the agreement becomes void the date and time the Designated Agent ceased to be registered with the Brokerage;
- 4.4 The Seller agrees the Brokerage and Designated Agent responsibilities will be limited to:
 - a) treating the interests of the Seller and buyers interested in the property represented by the Brokerage in an even-handed, objective, ethical and impartial manner;
 - b) ensuring compliance by the Designated Agent with the Brokerage's policies and procedures governing designated agents and the Town of Drumheller's governing policies on land transactions. Governing policies of the Town of Drumheller will always take precedence;
 - c) supervising the Designated Agent and support staff to ensure the Designated Agent fulfills its mandate under this Agreement;
- 4.5 The Designated Agent's knowledge will not be attributed to the Brokerage or to its designated agents representing buyers or other sellers.
- 4.6 The Brokerage and the Designated Agent undertake that they will not disclose any confidential information concerning the Seller to any other member of the Brokerage or any other person unless authorized by the Seller or required by law. The Designated Agent will be required to sign a Non-Disclosure Agreement.

5. DESIGNATED AGENT'S MANDATE

- 5.1 Obligations
The Designated Agent will fulfill the following duties:
 - a) to use best efforts to market the Property and to promote the interests of the Seller;
 - b) to market the Property through the MLS® of the Board in accordance with the requirements of the Board;
 - c) to cooperate with Brokerages working with buyers;
 - d) Act as the Seller's agent and fulfill the duties of loyalty, confidentiality and full disclosure of all relevant facts affecting the transaction known to the Brokerage. This includes disclosing all conflicts of interest that may arise between the Seller's interest and those of the Brokerage or buyers;
 - e) to disclose to all buyers all material latent defects affecting the Property known to the Brokerage;

- f) to present, in a timely manner, all offers and counter-offers to the Seller even when the Property is already the subject of a sales agreement;
- g) to comply with the provisions of any rules, regulations, policies, bylaw and laws of the Town of Drumheller, Province of Alberta and Canada.

5.2 Other Services

The Seller requests, and the Designated Agent agrees to provide the following services:

- a) to advertise the Property; Yes No
- b) to place a "for sale" sign on the Property; Yes No
- c) to show the Property at times acceptable to the Seller and, if any, the tenant(s); Yes No

6. BROKERAGE'S REMUNERATION

6.1 Commission

The Seller will pay the Brokerage **X% of the first one hundred thousand (\$100,000.00) and X% of the remaining balance** on any residential property identified for sale by the Town of Drumheller during the term of the Agreement.

6.2 Payment of Commission

- a) The Seller will pay the Commission to the Brokerage within ten (10) business days of receipt of the total amount payable to the Seller.

6.3 Limitation on Other Remuneration

The Brokerage agrees not to accept any other remuneration, whatever its form (including finder's fees, referral fees and gifts) and from whatever source (including the buyer, a mortgage lender, another Brokerage or contractor), directly or indirectly related to its agency under this Agreement unless, before accepting such remuneration, the Brokerage has fully disclosed in writing to the Seller all relevant facts relating to the offer of remuneration, including the maximum amount to be received, and obtained the Seller's written consent to the Brokerage receiving such remuneration.

7. DUTIES OF THE SELLER

7.1 The Seller will;

- a) make its best efforts to insure the Property and its contents against loss or damage due to perils that are normally insured against for similar properties. The Seller will make best efforts to ensure that such insurance will be effective even when the property is vacant;
- b) make reasonable efforts to communicate and cooperate with the Designated Agent in a timely manner;
- c) provide the Designated Agent with all the information necessary for the listing and marketing of the Property; and,
- d) immediately advise the Designated Agent of any material change in the physical condition or status of the Property or in the information provided by the Seller.

8. IMPORTANT INFORMATION

- 8.1 Sellers are required by common law to disclose defects that are hidden, not visible or discoverable through a reasonable inspection of the Property, and that render the Property dangerous or potentially dangerous to the occupants or unfit.

9. ADVICE TO THE SELLER

- 9.1 If the Seller has entered into any long-term contracts that relate to the Property, for example, agreements for gas or utility services or security monitoring, the Seller should verify termination policies and any possible financial penalties with the other contracting party.
- 9.2 The Seller is advised that the Designated Agent is being retained as a real estate Broker, not as a lawyer, tax advisor, lender, appraiser, surveyor, structural engineer, property inspector, public servant or other professional service provider.

10. SELLER'S WARRANTIES

- 10.1 The Seller warrants the following:
- a) The Seller has the authority to sell the Property and enter into this Agreement;
 - b) All information provided to the Designated Agent is accurate to the best of the Seller's knowledge.
- 10.2 The Seller warrants that, to the best of the Seller's knowledge, the following are truthful and accurate:
- a) The current use of the Land and Buildings complies with the existing municipal land use bylaw;
 - b) The Buildings and other improvements on the Land are not placed partly or wholly on any easement or utility right-of-way and are entirely on the Land and do not encroach on neighbouring lands, except where an encroachment agreement is registered on title, or in the case of any encroachment into municipal lands or a right-of-way, the municipality has endorsed encroachment approval directly on the real property report;
 - c) The location of Buildings and other improvements on the Land complies with all relevant municipals, regulations or relaxations granted by the appropriate municipality prior to the sale being completed, or the Buildings and other improvements on the Land are "non-conforming buildings" as that term is defined in the *Municipal Government Act (Alberta)*; and
 - d) The current use of the Land and Buildings and the location of the Buildings and other improvements on the Land comply with any restrictive covenant on title.

11. SELLER'S CONFIDENTIAL INFORMATION WILL BE PROTECTED

- 11.1 The Brokerage and the Designated Agent undertake that they will:
- a) not use confidential information received from the Seller, or obtained as a result of providing services under this Agreement, for its own gain or the gain of its employees or to the prejudice of the Seller's interests; and
 - b) not disclose any confidential information concerning the Seller to any other Brokerage or other person unless authorized by the Seller or required by law.

12. USE AND DISTRIBUTION OF SELLER'S INFORMATION

- 12.1 The Seller consents to the collection, use and disclosure of applicable information by the Brokerage and the Designated Agent for the Purpose of this Agreement and such other use as is consistent with listing and marketing the Property including, but not limited to:
- a) Listing and advertising the Property using any medium including electronic media, interior and exterior photographs and video;
- 12.2 Subject to Section 3 of this Agreement, the Seller consents to placement of the listing and sales information by the Brokerage into the database(s) of the appropriate listing service(s) of the Board and acknowledges that the database of the Board is the property of the Board.
- 12.3 The Seller further acknowledges that the Brokerage, the Designated Agent and the Board may:
- a) distribute the information to any persons authorized to use such service which may include other Brokers, government departments, appraisers, municipal organization and others;
 - b) market the Property, at its option, in any medium, including electronic media;
 - c) compile, retain and publish statistics including historical listing service data which may be used by the Brokerage and licensed Board member to conduct comparative market analyses; and
 - d) make such other use of the information as the Brokerage, the Designated Agent and the Board, as authorized by the Seller, in connections with the listing, marketing and sell of real estate.

13. INDEMNIFICATION

- 13.1 The Seller will hold harmless and indemnify the Brokerage and the Designated Agent for any claims that may arise from its reasonable and good faith reliance on representations made, or information provided, by the Seller.

14. ADDITIONAL TERMS

- 14.1 The Seller agrees that:
- a) the Designated Agent may represent other sellers and buyers;
 - b) the Brokerage and the Designated Agent cannot disclose to the Seller confidential information obtained through any other agency relationship to which the Brokerage or the Designated Agent is or has been a party;
- 14.2 No amendment to the terms of this Agreement shall be effective unless it is in writing and signed by the Seller and the Brokerage.
- 14.3 If there is conflict or discrepancy between any provision added to the Agreement and any provision in the standard portion hereof, the added provision will supersede the standard provision to the extent of such conflict or discrepancy.

15. ENDING THE AGREEMENT

- 15.1 Without prejudice to the acquired rights of the Seller or the Brokerage, this Agreement will end upon:
- a) the expiration of the term of the Agreement as specified in clause 2.1;
 - b) the suspension or cancellation of the Brokerage's licence to trade in real estate;
 - c) the Brokerage ceasing to be a member in good standing of a real estate board/association; or

- d) the bankruptcy or insolvency of the Brokerage or if it is in receivership;
 - e) Breach of any part of the agreement;
 - f) Upon 30 days written notice by either party.
- 15.2 When this Agreement ends, the Brokerage and the Designated Agent will immediately remove the Property and active listing on any listing service, cease all marketing activities on behalf of the Seller, remove all signs and any lockbox from the Property, and return documents and other materials provided at the Seller's expense to the Seller.
- 15.3 Ending this Agreement for whatever reason does not relieve the Brokerage and the Designated Agent of their duty of confidentiality to the Seller and their duty to account for all monies received by the Brokerage.

16. AGENCY DISCLOSURE AND TRANSACTION BROKERAGE

- 16.1 The Seller has entered into an agency relationship with the Designated Agent. The Designated Agent is obligated to protect and promote the interests of the Seller. Specifically, the Designated Agent owes the Seller the duties of loyalty, obedience, confidentiality, reasonable care and skill, full disclosure and full accounting.
- 16.2 The Seller and potential buyers may be represented by different designated agents or different Brokerages. Each owes its client the full agency duties listed in 19.1. Designated agents or Brokerages representing buyers will not have an agency relationship with the Seller.
- 16.3 If the Designated Agent is the agent of a buyer who wishes to make an offer on the Property, the Designated Agent will obtain the Seller's consent prior to presenting the buyer's offer to the Seller.
- 16.4 Should either the Designated Agent or the Brokerage decide not to enter into transaction Brokerage or should either the Seller or the buyer refuse to consent to transaction Brokerage, unless otherwise agreed to in writing by the parties, the Designated Agent will continue to represent the party, be it the Seller or the buyer, with whom it first entered into an agency relationship. Should the Brokerage or Designated Agent agree to represent the buyer, the Seller reserves the right to approve another member of the Brokerage to represent the seller or designate another Brokerage or other Designated Agent as deemed appropriate by the Seller.

17. DEFINITIONS

- 17.1 For the purposes of this Agreement:
- a) "Business Day" means every day but Saturday, Sunday and statutory holidays.

18. SELLER'S ACKNOWLEDGMENT

- 18.1 The Brokerage and/or Designated Agent, having received and read this Agreement, and having been given the opportunity to request further information concerning this Agreement and the representation relationships described in clause 19.1, acknowledges this Agreement accurately sets out the terms agreed to by the Seller and the Brokerage

19. SIGNATURES

19.1 This Agreement may be signed by the parties and transmitted by fax. This procedure will be as effective as if the parties had signed and delivered an original copy.

This Agreement was signed on _____, 20____

FOR THE TOWN OF DRUMHELLER:

FOR THE DESIGNATED AGENT:

Authorized Signing Officer

Designated Agent

Print Name of Authorized Signing Officer

Print Name of Designated Agent