

**CITY COUNCIL PROCEEDINGS**  
**BEMIDJI, MINNESOTA**  
**Special Meeting/Work Session – September 19, 2011**

Pursuant to due call and notice, a special meeting/work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Monday, September 19, 2011, at 6:30 p.m. in the Conference Room of City Hall, Mayor Larson presiding.

Upon roll call, the following Councilmembers were declared present: Larson, Waldhausen, Johnson, Hellquist, Albrecht, Thompson Absent: Negard

Staff Present: City Manager John Chattin, City Attorney Alan Felix, City Clerk Kay Murphy

Mayor Larson stated that the purpose of the special work session was to discuss the agreement for professional real estate brokerage services (for sale or lease of property) with North Central Commercial Real Estate LLC.

Chattin stated that the Council has approved separate agreements with Russ McGinty of North Central Commercial Real Estate (NCCRE) and HRDC.

Russ McGinty, North Central Commercial Real Estate, stated that he is seeking a modification to the agreement which would eliminate the retainer and increase the sale brokerage commission fee to 6% of gross sales price for sales or ground leases sourced by his group and 8% for sales that involve an outside broker. He also suggested removing the list of potential purchasers.

Chattin stated that he would not be in favor of removing Brenny, Olson or Zorbaz from the list; however, the other three could be removed. Chattin stated that he is not in favor of having an exclusive real estate broker.

Discussion continued regarding contacts made by McGinty to date. McGinty informed the Council that he has contacted 27 hotel users and of that 27, 15 have indicated an interest. Discussion continued regarding reducing the cost of the land. McGinty stated that the property is some of the nicest in the State and did not recommend it at this time.

Felix stated that both the City Council and BEDA will have to approve the agreement as it involves land owned by both entities.

**Motion by Waldhausen, seconded by Thompson, to amend the Agreement for Professional Real Estate Brokerage Services with North Central Commercial Real Estate increasing the sale brokerage commission fee to six percent (6%) for sales sourced by NCCRE and eight percent (8%) for sales involving an outside broker. Further, to remove Rautio, Johnson and DNR from the list of potential purchasers. Motion carried with the following vote: Ayes: Larson, Johnson, Waldhausen, Thompson, Albrecht. Nays: Hellquist.**

**ADJOURN**

There being no further business, motion by Waldhausen, seconded by Hellquist, to adjourn the meeting. Motion carried. Meeting adjourned at 6:58 p.m.

Respectfully submitted,



Kay M. Murphy  
City Clerk