

Memorandum

TO: City Council

FROM: Tom Simonson , Assistant City Manager and Community Development Director

DATE: May 18, 2026

SUBJECT: Approval of Listing Agreement with IAG Commercial for the city-owned Fire Station 140

ITEM NUMBER: 10.a

SECTION: GENERAL BUSINESS

REQUESTED MOTION

To approve the Exclusive Representation Agreement (Property Listing Agreement - Sale) with IAG Commercial for the Fire Station 140 property, and authorizing the city manager to execute said agreement.

INTRODUCTION

The city-hired professional real estate consulting firm IAG Commercial has completed the first phase analysis on the repurposing of the city-owned Fire Station 140, located on Victoria Street next to Island Lake County Park. IAG president Jeff LaFavre presented the findings of their report to the economic development authority and city council on May 4, 2026. Staff is now seeking formal city council action of approval to enter into an Exclusive Representation Agreement (Property Listing Agreement - Sale) with IAG Commercial as phase two in the city's efforts to find a re-use of the property.

DISCUSSION

Phase 1 analysis

Attached for review, you will find the Stakeholder Engagement Report and the Broker Opinion of Value (BOV) prepared by IAG. The report summarizes their observations from the stakeholder meetings that were held, interprets the feedback received, and provides possibilities for the site. It also prompts the city to consider options moving forward.

The BOV provides IAG's professional opinion of the market value and the details of our analysis. Staff would note that while the BOV provides an estimated value of the property, the sale price (if the City elects to sell) will be determined by the market interest and our flexibility to secure a preferred use for the site.

EDA/Council discussion

The EDA board and city council reviewed the findings of the IAG assessment of the property, and defined the target buyer by agreeing on the "book ends" of potential desired and acceptable users setting general parameters for when the property goes on the market for sale.

Upon defining the vision and preferences desired for the property, the second phase of the process is to list the property for sale and approach the market to solicit potential buyers. As such, staff is recommending that the city continue our partnership with IAG Commercial to enter into a formal Listing Agreement for their services. Attached for council consideration is a Exclusive Representation Agreement (Property Listing Agreement - Sale), outlining the terms for representing the city. As stated in the proposed agreement, a commission fee will be based on the sale price but the fee minimum would be \$60,000 if the city were to accept a price for the property less than the estimated value.

The EDA board unanimously voted to approve the Listing Agreement, and recommended formal approval by the city council.

RECOMMENDATION

It is recommend that the city council approve the Exclusive Representation Agreement (Property Listing Agreement - Sale) with IAG Commercial for the Fire Station 140 property, and authorizing the city manager to execute said agreement.

ATTACHMENTS

[Exclusive Representation Agreement \(Listing Agreement\) IAG Commercial - City of Shoreview](#)
[Stakeholder Engagement Report_City of Shoreview \(FINAL\)](#)
[FINAL_BOV \(City of Shoreview Fire Station 140\) March 2026](#)