



Corporate Services Department

Item: FA-08-232
Meeting Date: October 21, 2008

October 16, 2008

To: Finance and Administration Committee

From: Rick Stockman, Commissioner
Corporate Services Department

Subject: Disposal of Cullen Miniatures

Council directed on October 15, 2007 that the funding request for the services of an external consultant to assist staff in developing the business plan for the Cullen Miniature Village Collection be denied and the collection be sold.

Staff issued a tender that closed on January 25, 2008 to sell the miniatures. No responsible bid was received.

Staff met with members of the Cullen family to identify potential bidders who were interested in the collection at the time the City was involved in negotiations to acquire the collection. Nothing positive arose out of that.

Subsequent to this effort, staff received an offer to purchase the collection from Beasley Amusements for \$30,000 with the potential of some revenue sharing to improve the offer price depending upon the business' success. Staff met with Beasley Amusements to try to negotiate a more favourable bid for Council to consider. No improvement was made. This option is not recommended, although it is still open to October 31, 2008.

Staff continued to follow-up on leads and interest, but to-date, no positive reaction has been received.

Staff recently contacted the Commercial Council Members of the Durham Region Association of Realtors to see if there was any interest among the members to work with the City to locate a buyer.

Three agents expressed interest and agreed to meet with staff. One subsequently withdrew his desire to meet.

Staff met with the remaining two agents to discuss their proposed strategy for marketing the collection.

- Tony Slavin, Broker, proposes an internet campaign, wherein he would market the collection online with national and international exposure. He would create an interactive website that would include pictures of each of the items, history behind some/most of the pieces, and internet links where appropriate to the history of some/most of the pieces. The website would be created at no charge, and payment (based on 10% of the selling price would only be payable if the collection was sold.
- Bill Thompson, Broker, suggests that the collection could be marketed through the Multiple Listing Services (MLS), with national exposure. Fees of \$12,000 or 10%, whichever is greater would apply if the collection was sold. He suggests listing the collection at \$150,000, and that the City would see multiple bids.

Based on Council's direction that "the collection be sold", staff will undertake to work with Tony Slavin, and failing any success within a six to nine month window of that option, move on to the next option of listing the collection through MLS.


Rick Stockman, Commissioner
Corporate Services Department