

## PROPERTY EXCHANGE AGREEMENT

This Property Exchange Agreement ("Agreement") is entered into by and between the City of Douglas, an Arizona municipal corporation ("City") and Douglas Unified School District No. 27, a political subdivision of the State of Arizona ("District").

### RECITALS

**WHEREAS**, the City owns real property and improvements located within the City of Douglas, Arizona, as generally described on Exhibit A ("City Property"); and

**WHEREAS**, the District owns real property and improvements located within the City of Douglas, Arizona, as generally described on Exhibit B ("District Property"); and

**WHEREAS**, the City and the District desire to exchange ownership of their respective properties to better serve their respective public purposes; and

**WHEREAS**, A.R.S. § 9-407, § 15-341(9) and § 15-342(7) & (23) authorize municipalities and school districts to acquire, exchange, and convey property for public use; and

**WHEREAS**, the Parties agree that this exchange is in the best interest of the residents the City and students of the District; and

**WHEREAS**, the Parties' respective governing bodies have authorized this exchange, finding that the properties are of substantially equal value; and

**WHEREAS**, the City has given notice of its intent to exchange the properties as required by § 39-204; and

**NOW THEREFORE**, the District and City (collectively the "Parties") understand and agree as follows:

### 1. EXCHANGE OF PROPERTIES

The City agrees to convey the City Property to the District and the District agrees to convey the District Property to the City, free and clear of all liens, encumbrances and restrictions, except those of record and mutually accepted.

### 2. VALUATION AND EQUALIZATION

2.1 The Parties acknowledge that the properties have been independently appraised or evaluated, and the exchange is deemed of equal or approximately equal value.

2.2 The values of the properties are as follows:

City Property	\$438,058.00
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District Property

\$435,282.00

### **3. CONDITIONS PREDECENT**

The obligations of the Parties are subject to the following:

- a. Approval of the property exchange and this Agreement by the Douglas City Council by Ordinance pursuant to § 9-407.
- b. Approval of the property exchange and this Agreement by the Douglas Unified School District Governing Board.
- c. Completion of all required public hearings, publication of notice of intent or other statutory procedures.
- d. Title review confirming conveyance of marketable title.
- e. The City will obtain, at the City's cost, a survey of the City Property.
- f. The District will obtain, at the District's cost, a survey of the District Property.

### **4. TITLE AND ESCROW; CLOSING MATTERS**

4.1 An escrow shall be opened with Pioneer Title Agency, 1065 F Ave, Suite #6, Douglas, Arizona 85607, Attn: Candy Chavez ("Title Company" or "Escrow Agent") to facilitate the consummation of this exchange of properties.

4.2 The City and the District shall obtain an owner's policy of title insurance for their respective acquired properties.

4.3 The closing of the exchange ("Closing") shall occur within 30 days after the conditions precedent set forth in Section 3 have been satisfied, but in no event later than March 31, 2026, unless extended by mutual agreement of the Parties.

4.4 Each Party shall bear its own cost related to this transaction, unless otherwise agreed. Recording and escrow costs shall be shared equally.

4.5 The parties agree that the Intergovernmental Agreement Regarding Causey Park Athletic Field and Related Facilities dated March 1, 2010, between the City and District shall terminate at Closing. After Closing, the District and the City agree to enter into a new IGA to allow the City to use the baseball and football fields following the exchange of the properties, on terms mutually agreed upon between the parties.

4.6 The parties agree that the Intergovernmental Agreement for the

Construction of an Aquatic and Recreation Facility Implementation of a Community Aquatic and Recreation Program dated December 10, 1997 between the City and the District shall terminate at Closing. After Closing, the City and the District agree to enter into a new IGA to allow the District to use the aquatic and recreation facility following the exchange of the properties, on terms mutually agreed upon between the parties.

## **5. REPRESENTATIONS AND WARRANTIES**

Each Party represents and warrants that:

- a. It has full legal authority to enter into and perform this Agreement.
- b. The execution and delivery of this Agreement has been duly authorized.
- c. No other approvals are required except as stated herein.
- d. Its respective property to be exchanged herein is free and clear of all liens and encumbrances.

## **6. INDEMNIFICATION**

To the extent permitted by law, each party will indemnify and save the other party harmless, including any of the parties' departments, agencies, officers, employees, elected officials or agents, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the performance or non-performance by the indemnifying party of any of the provisions of this Agreement.

## **7. GENERAL PROVISIONS**

7.1 This Agreement and any attachments represent the entire agreement between City and District, and supersede all prior negotiations, representations, or agreements, whether expressed or implied, written, or oral. This Agreement may be modified only by mutual written agreement of the Parties.

7.2 The terms and conditions of this Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona.

7.3 This Agreement is subject to cancellation pursuant to the provisions of A.R.S. § 38-511.

7.4 Only the Parties may enforce this Agreement. The Parties do not intend to confer enforceable rights on any non-party through this Agreement and do not intend to create any third-party beneficiaries to this Agreement.

7.5 All terms, provisions and conditions hereof shall be binding upon and inure to the benefit of all parties hereto and their respective successors and assigns.

7.6 In the event any term or provision of this Agreement is held to be invalid or unenforceable, the validity of the other provisions shall not be affected, and the Agreement shall be construed and enforced as if it did not contain the particular term or provision that is deemed to be invalid or unenforceable.

7.7 Any and all notices required or permitted hereunder shall be in writing and shall be effective upon personal delivery, electronic mail transmission, or facsimile transmission (facsimile transmission must include verification of transmission) or one (1) business day after being deposited with any commercial air courier or express service providing next day delivery, addressed as follows:

To the City:	City of Douglas Attn: Ana Urquijo, City Manager 425 E. 10th Street Douglas, AZ 85607 Email: <a href="mailto:ana.urquijo@douglasaz.gov">ana.urquijo@douglasaz.gov</a>
With copy to:	Denis M. Fitzgibbons, City Attorney Fitzgibbons Law Offices, P.L.C. 1115 E. Cottonwood Lane, Suite 150 P.O. Box 11208 Casa Grande, Arizona 85130-0148 Email: <a href="mailto:denis@fitzgibbonslaw.com">denis@fitzgibbonslaw.com</a>
To the District:	Douglas Unified School District No. 27 Attn: Superintendent 1132 E. 12 <sup>th</sup> Street Douglas, AZ 85607 Email: <a href="mailto:asamaniego@douglasschools.org">asamaniego@douglasschools.org</a>
With copy to:	Udall Shumway Attn: Curtis Chipman 1138 N. Alma School Rd., Suite 101 Mesa, AZ 85201 Email: <a href="mailto:cmc@udallshumway.com">cmc@udallshumway.com</a>

**IN WITNESS WHEREOF**, the Parties to this Agreement have respectively caused this Agreement to be executed on the date below indicated.

**CITY OF DOUGLAS, ARIZONA**

By:\_\_\_\_\_

Name: Jose Grijalva

Title: Mayor

Date:\_\_\_\_\_

Attest:

\_\_\_\_\_

City Clerk

**DOUGLAS UNIFIED SCHOOL DISTRICT NO. 27**

By:\_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date:\_\_\_\_\_

Attest:

\_\_\_\_\_

## **EXHIBIT A**

### **CITY PROPERTY**

Section of Assessor's Parcel Number 410-14-001K containing the Football Field and Baseball Field known as Armando De Lucas Stadium and Copper King Stadium. Does not include parking lot or Joe Causey Park. Legal description pending a survey to be obtained by the City and approved by the parties.

## **EXHIBIT B**

### **DISTRICT PROPERTY**

Section of Assessor's Parcel Number 409-19-095 containing the Douglas Aquatic Center and Parking Lot, Douglas Indoor Racquetball Courts and Outside Basketball Court Does not include High School Softball Field, Softball Field Parking Lot or Tennis Courts. Legal description pending a survey to be obtained by the District and approved by the parties.

- Assessor's Parcel Number 409-08-003 - DOUGLAS LOTS 8 THRU 12 INC BLK 46 IPR 409-08-003A LOC ON THIS PCL
- Assessor's Parcel Number 406-05-003 - IN S2 SW BY M&B BEG AT A PT ON W LINE OF S2 SW E 295.16' S 295.16' W 295.1602N 295.16' TO BEG (INDEF DESC) SEC 8 23 28 2AC
- Assessor's Parcel Number 408-16-045 - CALUMET LOTS 6 7 8 9 10 BLK 15
- Assessor's Parcel Number 409-27-001 - MUSGRAVE LOT 2 & W 146' OF LOT 3 BLK 19
- Assessor's Parcel Number 409-27-003 - MUSGRAVE LOTS 1 THRU 4 INC BLK 20
- Assessor's Parcel Number 409-27-004 - MUSGRAVE LOTS 1 THRU 4 INC BLK 21
- Assessor's Parcel Number 409-16-033 - A POR OF THE NE4 OF SEC 18 24 28 BEING A POR OF FLLWNG SUBS: ENTERPRISE ADD POR BLKS 7 & 10; HERRICK'S 1ST ADD POR OF BLK 5 & RHONE'S ADD POR BLK 1 BEING FURTHER DESC BY M&B BEG AT INTRSEC OF ROSE AVE & W LINE OF SEC 18 S628' E35' TO POB E260.01' S486.91' W255.02' N127.27' W5' N357.29' TO POB EX THOSE PORS OF PUBLIC R/W NOT ABANDONED BY CITY OF DGLS 2.434AC