

No: 22-011
Date: March 2, 2022

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

TITLE: AGREEMENT FOR EXCHANGE OF REAL PROPERTY WITH BRIDGE STREET, LLC

WHEREAS: On August 20, 2020, upon approval of Resolution 20-037, Declaration of Value of Property, City Council declared their intent to exchange City-owned real property at Farmin's Landing for property owned by Bridge Street, LLC, adjacent to public right-of-way on Bridge Street and scheduled a public hearing;

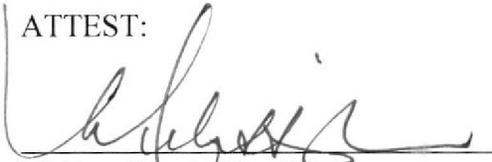
WHEREAS: On September 16, 2020, after duly considering the public testimony, along with the information that had been provided by City staff, and with all of the necessary steps having been taken under Chapter 14 of Title 50, Idaho Code, City Council determined that it was in the City's best interest that the City-owned parcel of land .31 acre in size, described as 22-57N-2W Kelch's Additional All Walkway (Parcel RPS0215000001AA), be offered for exchange and that Council do all things necessary to exchange this property for real property and other consideration of equal value, pursuant to the terms that had been negotiated; and

WHEREAS: For the purpose of effecting this property exchange, an agreement has been prepared and fully reviewed and approved by City Legal Counsel to formalize the terms of the exchange, including but not limited to payment, draft warranty deeds, and timelines for construction, with the Agreement reflecting terms in alignment with the staff report presented on September 16, 2020, where, specifically, the City will obtain a public access easement over and across the property to be acquired by Bridge Street, LLC, dependent upon the City's future approval of a building permit.

NOW, THEREFORE, BE IT RESOLVED THAT: On behalf of the City, the Mayor or his designee is hereby authorized to sign the Agreement for Exchange of Real Property with Bridge Street, LLC, the Warranty Deed reflecting the City of Sandpoint as Grantor, and any other documents necessary to carry out this exchange.



Shelby Rognstad, Mayor

ATTEST:


Melissa Ward, City Clerk

Instrument # 1002959
Bonner County, Sandpoint, Idaho
03/30/2022 12:41:38 PM No. of Pages: 10
Recorded for: CITY OF SANDPOINT
Michael W. Rosedale Fee: \$0.00
Ex-Officio Recorder Deputy CB
Index to: MISC



City of Sandpoint, Bonner County, Idaho

AGREEMENT FOR EXCHANGE OF REAL PROPERTY

Parties: City of Sandpoint and Bridge Street, LLC

Property Reference

The City property being exchanged is bounded by the City-owned "Farmin's Landing" parcel to the north, Sand Creek to the east, Bridge Street to the south and two parcels of private property to the west that are owned by Bridge Street, LLC.

The Bridge Street, LLC, property being exchanged will provide for additional right-of-way along Bridge Street to improve pedestrian, bicycle and vehicle safety and mobility in conjunction with other intersection improvements at Bridge, Church and First Streets.

These properties are more particularly described within Exhibits A and B of the document ("Agreement") that is the subject of this recording.

March 30, 2022

Recording requested by:
City of Sandpoint, Idaho
1123 Lake Street
Sandpoint, Idaho 83864

**AGREEMENT FOR EXCHANGE OF REAL PROPERTY
(AGREEMENT)**

This Agreement is made this 7th day of March, 2022 (the "Effective Date"), by and between the CITY OF SANDPOINT, IDAHO a political subdivision of the State of Idaho, 1123 Lake Street, Sandpoint, Idaho 83864 (the CITY), and BRIDGE STREET, LLC, a Nevada Limited Liability Company, of 1800 Quail Street, Suite 110, Newport Beach, California 92660 (BRIDGE STREET). The CITY and BRIDGE STREET are sometimes referred to herein as a "Party," individually, or collectively as the "Parties."

WHEREAS, ON September 16, 2020, following a public hearing conducted in conformance with Idaho Code Sections 50-1401 et seq., the CITY declared its intent to exchange real property owned by the CITY, described herein as Exhibit A, bounded by the City-owned "Farmin's Landing" parcel to the north, Sand Creek to the east, Bridge Street to the south, and two parcels of private property to the west, owned by BRIDGE STREET, for real property owned by BRIDGE STREET, described herein as Exhibit B, consisting of additional right-of-way along Bridge Street to improve pedestrian, bicycle and vehicle safety and mobility in conjunction with other intersection improvements at Bridge, Church and First Streets; and

WHEREAS, in addition to exchange of the parties' respective real properties, BRIDGE STREET agreed to a cash payment to the CITY, as well as committing to perform certain construction work on the property it will acquire, and granting an easement to the CITY for public access from Bridge Street to other property owned by the CITY.

NOW THEREFORE, in consideration of the mutual covenants, agreements, representations, and warranties contained in this Agreement, the parties hereby agree as follows:

1. TRANSFER OF REAL PROPERTY. The CITY and BRIDGE STREET agree to convey, one to the other, the properties identified in Exhibits A and B, by Warranty Deed, on or before Closing, as identified herein. Title to the properties shall be marketable and insurable except for rights reserved in federal patents, or state deeds, building or use restrictions, building and zoning regulations and ordinances of any governmental unit, and rights of way and easements established or of record. Liens, encumbrances or defects to be discharged by each of the parties shall be paid prior to transfer. Said conveyances shall be in a form similar to the proposed deeds identified as Exhibits C and D to this Agreement.

2. CLOSING. Closing of the transaction described herein will occur on or before April 15, 2022, unless otherwise agreed upon by the parties, in writing.

3. TITLE INSURANCE. Each of the parties shall, at Closing, furnish to one another a title insurance policy, at their own expense, in the amount of the purchase price of their respective properties, from a title insurance company showing marketable and insurable title subject to the liens, encumbrances and defects, if any, elsewhere set out in this Agreement. It is agreed that if the title to either property is not marketable, such failure may constitute a termination of this Agreement, at the option of either party, and the insuring party shall pay for the cost of title insurance.

4. PAYMENT TO CITY. BRIDGE STREET shall, at Closing, pay the CITY the sum of \$256,592.00, said funds to be held in reserve for improvements to be made to the CITY property at Farmin's Landing and Access Stairs.

5. RESERVED EASEMENT TO CITY. As part of the TRANSFER OF REAL PROPERTY described in Section 1 herein, the parties agree that the CITY shall reserve an easement over and across the real property conveyed to BRIDGE STREET, for the purpose of providing public access to Farmin's Landing. The location of the easement shall be determined following completion of the architect/engineering design for construction on property owned and/or conveyed to BRIDGE STREET as part of this Agreement, and in any event, no later than July 31, 2022. Such easement shall allow pedestrian access from Bridge Street northerly approximately 90' to the northern property referred to as Farmin's Landing. Such easement shall be at least 4' wide and not to exceed 12' wide. The final placement of the easement will be determined as not to unreasonably interfere with commercial activities on the subject property.

6. SPECIAL CONDITIONS.

The exchange of property shall further be subject to the following terms and conditions:

a. No later than May 31, 2023, BRIDGE STREET shall, at its sole cost and expense, remove the existing access ramp to Farmin's Landing, and shall construct a retaining wall along the east boundary of the property acquired by BRIDGE STREET identified herein, subject to final design approval by the CITY, which shall serve as the access to access stairs to Farmin's Landing, to be constructed by the CITY. The value assigned to this obligation to be performed by BRIDGE STREET is \$182,680.00.

b. No later than May 31, 2023, BRIDGE STREET shall, at its sole cost and expense, remove the existing sidewalk located on property acquired by the CITY identified herein,

and shall construct a twelve foot (12') sidewalk adjacent to the southern boundary of the property acquired by BRIDGE STREET identified herein, including new curbs, ornamental lights and street furniture, subject to final design approval by the CITY. The value assigned to this obligation to be performed by BRIDGE STREET is \$74,055.00.

c. The CITY shall construct the access stairs to Farmin's Landing. The cost of construction shall be shared by the parties, with BRIDGE STREET to pay the CITY the sum of \$75,000.00, included in the Closing sum provided in Section 4, said funds to be held in reserve by the CITY for construction of the Access Stairs.

d. In order to secure performance of its obligations under this Agreement, BRIDGE STREET shall provide the CITY at Closing with a total amount of \$ 385,102.50. This amount is based upon 150% of the obligations and associated values described in Sections 6.a and 6.b of this Agreement. The CITY shall release funds to BRIDGE STREET upon completion and acceptance by the CITY of BRIDGE STREET's obligations detailed in Section 6.a and 6.b of this Agreement. In the event BRIDGE STREET fails to perform its obligations of Section 6.a or 6.b, the CITY shall retain the monies which may be used by the CITY, to complete any of such obligations following execution of this Agreement, in the sole discretion and at the direction of the City.

6. AUTHORIZATION. BRIDGE STREET acknowledges that it is a limited liability company, organized and in good standing under the laws of the State of Nevada, and has all necessary corporate powers to own its properties and to carry on its business. Further, BRIDGE STREET acknowledges that it has the right, power, legal capacity and authority to enter

into and perform its obligations under this Agreement, and no approvals or consents of any person other than BRIDGE STREET, and its members are necessary in connection therewith.

8. TERMINATION. The parties hereby agree that should either party be unable to perform any of its obligations under this Agreement, on or before the date such performance is required, then this Agreement, and all terms and conditions thereof shall terminate, and be of no further force and effect; provided, that BRIDGE STREET'S obligation to provide a security for performance, as referenced herein shall survive termination of this Agreement and shall remain in full force and effect until such time that all terms and conditions assumed by it under this Agreement are fully performed.

9. JURISDICTION; VENUE GOVERNING LAW. Any action arising out of this Agreement shall be brought in Bonner County, Idaho. This Agreement and the Parties' rights and obligations hereunder shall be governed by and interpreted in accordance with Idaho law.

10. CHANGES. No change in this Agreement shall be effective unless in writing and signed by the parties hereto.

11. ENTIRE AGREEMENT. This Agreement, along with the Exhibits, set forth the entire agreement of the parties and supersedes all prior or preliminary agreements, either oral or in writing.

12. SEVERABILITY. If any provision or condition of this Agreement shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement shall not be affected thereby but it shall continue in full force and effect the same as if the invalid or unenforceable provision had not been included in the first instance.

13. RUN WITH THE LAND. This Agreement shall be recorded in the office of the recorder, Bonner County, Idaho, without Exhibits C and D attached hereto, and binding on and

inure to the benefit of the parties hereto and their respective heirs, successors and assigns and shall run with the land.

DATED this 29th day of March, 2022.

CITY OF SANDPOINT
1123 Lake Street
Sandpoint, Idaho 83864

BRIDGE STREET, LLC
1800 Quail Street, Suite 110
Newport Beach, California 92660



Name: Shelby Rognstad
Title: Mayor



Name: Cliff Davis
Title: Managing Member

EXHIBIT A

CITY OF SANDPOINT
To
BRIDGE STREET, LLC

A parcel of land consisting of all of Lot 1 and the Westerly 20.47 feet of Lot 2, in the "Kelch's Addition to Sandpoint" recorded in Book B of Plats at Page 29 (Book 1, Page 40), located in the Northeast Quarter of Section 22, Township 57 North, Range 2 West, B.M., City of Sandpoint, Bonner County, Idaho, more particularly describe as follows:

COMMENCING at the Northeast corner of said Section 22, which falls in a building per CP&F filed September 25, 1984;

Thence, South 05°13'39" West, 2292.53 feet to the Northwest corner of said Lot 1, "Kelch's Addition to Sandpoint" and the **TRUE POINT OF BEGINNING**;

Thence along the North line of said Lot 1, South 89°44'58" East, 30.00 feet to the Northerly common corner between said Lot 1 and Lot 2 of said Addition;

Thence leaving said common corner and along the North line of said Lot 2, South 89°44'58" East, 20.47 feet;

Thence leaving said North line and along a line parallel with the West line of said Lot 2, South 00°18'39" West, 77.00 feet to the South line of said Lot 2;

Thence leaving said parallel line and along said South line, South 83°54'41" West, 20.60 feet to the Southerly common corner between said Lot 1 and Lot 2;

Thence leaving said common corner and along the South line of said Lot 1, South 83°54'41" West, 30.19 feet to the Southwest corner of said Lot 1;

Thence leaving said Southwest corner and along the West line of said Lot 1, North 00°18'39" East, 82.61 feet to the **TRUE POINT OF BEGINNING**, consisting of 4,028 sq. ft. of land, more or less.

Excepting therefrom

Any Rights-of Ways, easements, covenants, conditions, rights, reservations, restrictions, encumbrances or applicable subdivision, building and zoning ordinances and use regulations, of record or in view.

EXHIBIT B

BRIDGE STREET, LLC

To

CITY OF SANDPOINT

A parcel of land consisting of the South 1 foot of "Lot 8 in Block 2 of Bridge Addition to Sandpoint, Idaho, according to the plat thereof, recorded in Book 1 of Plats, Page 52 (Book B, Page 91), records of Bonner County, Idaho", and "a strip of land 5 feet wide and 150 feet long, lying between the South line of Lot 8 in Block 2 of Bridge Addition and the North line of Bridge Street in said Addition" as described on Warranty Deed Instrument No. 948681, located in the Northeast Quarter of Section 22, Township 57 North, Range 2 West, B.M., City of Sandpoint, Bonner County, Idaho, more particularly describe as follows:

COMMENCING at the Northeast corner of said Section 22, which falls in a building per CP&F filed September 25, 1984;

Thence, South 05°13'39" West, 2292.53 feet to the Northeast corner of said Lot 8 of "Bridge Addition to Sandpoint";

Thence along the East line of said Lot 8, South 00°18'39" West, 54.00 feet to the Southeast corner of the North 54 feet of said Lot 8;

Thence leaving said corner and continuing along said East line, South 00°18'39" West, 20.00 feet to the **TRUE POINT OF BEGINNING**;

Thence continuing along said East line, South 00°18'39" West, 1.00 foot to the Southeast corner of said Lot 8, also being the Northeast corner of "a strip of land 5 feet wide...lying between the South line of Lot 8 in Block 2 of Bridge Addition and the North line of Bridge Street in said Addition" according to said Warranty Deed Instrument No. 948681;

Thence along the East line of said 5 foot strip, South 00°18'39" West, 5.00 feet to the Southeast corner of said strip of land;

Thence leaving said Southeast corner and along the South line of said 5 foot strip, North 89°44'58" West, 150.00 feet to the Southwest corner of said strip of land;

Thence leaving said Southwest corner and along the West line of said 5 foot strip, North 00°18'39" East, 5.00 feet to the Northwest corner of said 5 foot strip, also being the Southwest corner of said Lot 8;

Thence leaving said corner and along the West line of said of said Lot 8, North 00°18'39" East, 1.00 foot;

Thence leaving said West line and along a line parallel with the South line of said 5 foot strip,

South 89°44'58" East, 150.00 feet to the **TRUE POINT OF BEGINNING**, consisting of 900 sq. ft. of land, more or less.

Excepting therefrom

Any Rights-of Ways, easements, covenants, conditions, rights, reservations, restrictions, encumbrances or applicable subdivision, building and zoning ordinances and use regulations, of record or in view.