

1 **CITY OF CENTRAL**

2
3 The following Resolution was offered by Council Members Evans, Freneaux, Myer, McKinney
4 and Roy:

5
6 **PROPOSED RESOLUTION NO. 2021-__**

7
8 A RESOLUTION TO APPROVE AGREEMENT BY AND
9 BETWEEN CENTRAL COMMUNITY SCHOOL SYSTEM AND
10 CITY OF CENTRAL TO EXCHANGE OF PROPERTY AND
11 PROVIDE FOR RELATED MATTERS

12
13 WHEREAS, one potential site for a construction of Central's City Hall is on property
14 owned by the Central Community School System at the corner of Sullivan and Hooper Roads;

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16 WHEREAS, a Council workshop was conducted on January 7, 2021, to receive public
17 input and to discuss potential locations for Central's City Hall;

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19 WHEREAS, locating City Hall on this property would create a focal point for governance
20 and enhance economic development of the surrounding area; and

21
22 WHEREAS, a proposed AGREEMENT BY AND BETWEEN CENTRAL
23 COMMUNITY SCHOOL SYSTEM AND CITY OF CENTRAL TO EXCHANGE OF
24 PROPERTY RIGHTS is attached for consideration (Exhibit A).

25
26 NOW THEREFORE, BE IT RESOLVED by the Council for the City of Central that Mayor
27 David R. Barrow is hereby authorized to execute the attached AGREEMENT BY AND
28 BETWEEN CENTRAL COMMUNITY SCHOOL SYSTEM AND CITY OF CENTRAL TO
29 EXCHANGE OF PROPERTY RIGHTS.

30
31 This Resolution having been submitted to a vote, the vote thereon was as follows:

32
33 For:

34 Against:

35 Absent:

36 Abstained/Recused:

37 **CERTIFICATION**

38
39 The above and foregoing Resolution was duly adopted at the regular meeting of the Council
40 for the City of Central held on February 23, 2021.

41
42
43
44 _____
Mark Miley, Clerk

**AGREEMENT BY AND BETWEEN
CENTRAL COMMUNITY SCHOOL SYSTEM AND CITY OF CENTRAL
TO EXCHANGE OF PROPERTY RIGHTS**

The City of Central, represented by and appearing through David R. Barrow its duly elected Mayor, pursuant to Resolution No. 2021-____ adopted on _____, 2021 ("CITY"), offers and agrees to purchase certain immovable property and improve certain immovable property owned by the Central Community School System ("CCSB") in exchange for full ownership of certain immovable property, an option to purchase certain immovable property, and a parking servitude on the improved property.

CCSB represented herein by its duly _____, agrees to transfer all of CCSB's rights, title and interest with all legal warranties and with full substitution and subrogation in and to all the rights and actions of warranty which CCSB has or may have against any preceding owner in the immovable property located in the City of Central more fully described herein upon the terms and conditions hereafter set forth:

1. PROPERTY DESCRIPTION

One (1) certain tract or parcel of ground designated as "Lot A-2" on that certain "Map Showing Resubdivision of Lot A of The Estate of W.S. Edwards into Lots A-1, A-2 & A-3" by Colin B. Gravois, P.L.S. dated April 5, 2018, recorded in the conveyance records of East Baton Rouge Parish, Louisiana on July 19, 2018 at Original 993, Bundle 12901, containing 2.016 acres (87,812 Sq. Ft.) being a portion of the Estate of W.S. Edwards, together with all improvements thereon, located in Section 5, T-6-S, R-2-E, Greensburg Land District, East Baton Rouge Parish, Louisiana, and more particularly described as follows:

Commence at the intersection of the properly line common to "Lot A-2" and "Lot A-3" with the Easterly right-of-way line of Sullivan Road, said point marked by a 1/2" Iron Pipe, point also being the Point of Beginning: Thence, continuing along said right-of-way line, along the arc of a curve to the right having a radius of 1248.34 feet, an arc length of 50.98 feet and a chord which bears North 29 degrees 54 minutes 07 seconds West a distance of 50.98 feet to a Found 1/2" Iron Pipe; thence, North 28 degrees 43 minutes 56 seconds West a distance of 254.76 feet to a Found 1/2" Iron Pipe; thence, departing said right-of-way line, along a line common with "Lot A-1" and "Lot A-2", North 63 degrees 51 minutes 32 seconds East a distance of 299.08 feet to a Found 1/2" Iron Pipe; thence, along a line common with Lot A-2 and Tract B, South 24 degrees 21 minutes 10 seconds East a distance of 306.00 feet to a Found 1/2" Iron Pipe; thence, along a line common

with "Lot A-2" and "Lot A-3", South 63 degrees 57 minutes 45 seconds West a distance of 274.67 feet to the Point of Beginning.

Lot being the same "Lot A-2" as shown on the "Map Showing Resubdivision of Lot A of The Estate of W.S. Edwards into Lots A-1, A-2 & A-3" by Colin B. Gravois, P.L.S. dated April 5, 2018, recorded in the conveyance records of East Baton Rouge Parish, Louisiana on July 19, 2018 at Original 993, Bundle 12901, together with all the improvements situated thereon and with all rights, ways, servitudes and privileges thereunto belonging or in anywise appertaining ("PROPERTY").

2. CCSB'S REPRESENTATIONS, WARRANTIES AND COVENANTS

CCSB represents, warrants and covenants that: (i) CCSB has full power and authority to execute, deliver and carry out the terms and conditions of this Agreement; (ii) no pending condemnation, assessment, or similar proceeding or charge affecting the PROPERTY or any portion thereof exists nor has CCSB received any notice, and has no knowledge, that any such proceeding or charge is contemplated and further, no zoning ordinances, or public laws are being violated by the current use of the PROPERTY; (iii) the PROPERTY is not the subject of any outstanding Agreement with any other party pursuant to which any such party may acquire an interest in the PROPERTY; (iv) there are no leases, servitudes, encumbrances or other agreements affecting the PROPERTY except as shown by the public records or as provided in the PROPERTY Information Materials and CCSB is not in violation of any covenant, condition or restriction of any of the foregoing documents; (v) from the date of execution of this Agreement by CCSB and CITY until the Closing, CCSB shall maintain the PROPERTY in the condition it is in at the time of execution of this Agreement, ordinary wear and tear excepted; and all repairs and replacements in the ordinary course of business, structural and non-structural, ordinary and extraordinary, required to maintain the PROPERTY in conformity with this Agreement will be made by the CCSB at CCSB's expense or by assignment of insurance proceeds, if applicable.

3. TITLE EXAMINATION

CCSB shall deliver to CITY good, valid and merchantable title to the PROPERTY, free and clear from any mortgages, judicial mortgages, liens, statements of claims and privileges, pledges, privileges, inchoate liens, leases, attornment agreements, restrictions and any matter whatsoever that adversely affects title and/or possession to and of the PROPERTY. CITY shall have 45 calendar days from the latter of the date of approval of this Agreement by the CCSB or the appropriation of funding by Council for City of Central to obtain a title examination on the PROPERTY.

If a title examination discloses objections, requirements and/or exceptions to merchantable title which, in the opinion of the title examiner selected by CITY, make the title unmerchantable or limit CITY'S ability to obtain an owner's title policy on the PROPERTY with coverage of the improvements contemplated by CITY, CITY shall give written notice of these objections, requirements and/or exceptions to CCSB on or before the expiration of said 45-day period, and CITY may, at CITY's sole option, terminate this Agreement or allow CCSB 30 calendar days from receipt of said written notice to cure such objections, requirements and/or exceptions. If CCSB does not within such 30-day period cure such objections, requirements and/or exceptions then CITY shall, at CITY's sole option: (i) terminate this Agreement, or (ii) amend the terms of this Agreement subject to such objections, requirements and/or exceptions.

4. ENVIRONMENTAL CONDITION OF THE PROPERTY

CCSB represents that the PROPERTY to be conveyed is free of environmental risks. CCSB represents and warrants that during CCSB's period of ownership and operation of the PROPERTY, to the best of CCSB's knowledge, (a) no storage, treatment, disposal, or transportation of hazardous substances that has occurred in or on the Property; (b) no release, leak, discharge, spill, disposal, or emission of hazardous substances has occurred in, on, or under the PROPERTY in a quantity or manner that violates or requires further investigation or remediation under any

environmental law or regulation; (c) the PROPERTY is in compliance all with environmental laws and regulations as of the date of this Agreement. CCSB represents and warrants that there is no pending or threatened litigation or administrative investigation or proceeding concerning the PROPERTY involving hazardous substances or environmental laws or regulations, and that it has received no notices of any such pending proceedings. The phrase “to the best of CCSB’s knowledge” or any other similar phrase used in this Agreement, means the actual knowledge, after reasonable inquiry, of CCSB or any agent of CCSB with knowledge of the PROPERTY.

5. INSPECTION/DUE DILIGENCE

The parties recognize and agree that CITY requires access to the PROPERTY for the purpose of inspecting and examining it, said inspections may include, but are not limited to, the construction, condition, maintenance, operation, management, ownership, zoning and environmental risk assessment of the PROPERTY in order to effect the conveyance herein contemplated. Accordingly, CITY shall have a period of 60 calendar days from the date of execution of this Agreement by both parties (the “Due Diligence Period”) to conduct such inspections as CITY sees fit in CITY’s sole discretion. CCSB agrees to allow CITY and CITY’s agents access to the PROPERTY immediately following execution of this Agreement.

If any inspection or the final right of way maps of the proposed widening of Sullivan Road reveal any condition which, in the sole discretion of CITY, negatively affects, either directly or indirectly, the condition of the PROPERTY, then CITY shall have the right to: (i) inform CCSB in writing prior to the expiration of the Due Diligence Period of the deficiency, and allow CCSB a period of 30 calendar days to cure the deficiency; or (ii) terminate this Agreement without any further obligations. Should CCSB undertake cure of the deficiency but fail to do so within 30 calendar days to the satisfaction of CITY in CITY’s sole discretion, CITY may terminate this Agreement upon the expiration of the 30 day cure period without further obligation.

6. CONDITIONS FOR EXCHANGE

- A) This Exchange is contingent upon the PROPERTY being appraised for a value acceptable to the CITY by a qualified appraiser selected by CITY.
- B) This Exchange is contingent upon receipt by the CITY of all required approvals for use of the funds appropriated through Act 45 (2020 2nd E.S.) for the purpose of the consideration for the Exchange and receipt of all funds appropriated through Act 45 (2020 2nd E.S.) or any subsequent act of the Louisiana Legislature appropriating funds for the same purpose.
- C) The results of all inspections, title examinations and anticipated uses of the adjacent properties owned by CCSB shall be satisfactory to CITY.
- D) The survey of the PROPERTY shall reveal no encroachments, servitudes, easements, right-of-ways or other encumbrances deemed unsatisfactory to CITY.
- E) No portion of the PROPERTY shall be within the proposed right of way to be acquired by the widening of Sullivan Road.
- F) CCSB shall hold good and merchantable title to the PROPERTY, as determined by counsel for CITY.
- G) The PROPERTY shall not be subject to any building or use restriction deemed unsatisfactory to CITY.

7. CONSIDERATION FOR EXCHANGE

- A. CITY shall:
 - 1. Pay to CCSB \$250,000 in exchange for the obligations made by CCSB.
 - 2. Not construct any facility on PROPERTY which does not meet or exceed the minimum building standards set forth in the Central's Corridor Overlay District in effect on the date of the Closing.
 - 3. Plan, administer and pay up to \$1,000,000 for planning and constructing improvements to drainage and construction of a hard surfaced parking lot ("Parking Lot") to be located on property owned by CCSB adjacent to the PROPERTY provided CCSB reimburses CITY for all documented administrative costs not reimbursed by the funds appropriated through Act 45 (2020 2nd E.S.) or any subsequent act of the Louisiana Legislature appropriating funds for the same purpose. The costs to be reimbursed shall include but not be limited to costs associated with public bid process, project management and insurance.

B. CCSB shall:

1. Not construct any facility on PROPERTY which does not meet or exceed the minimum building standards set forth in the Central's Corridor Overlay District in effect on the date of the Closing.
2. Grant servitudes of access over all entrances and access roads on the CCSB's property ("Access Area") and parking over the Parking Lot in favor of the PROPERTY with a minimum of 20 reserved parking spaces at all times and up to 25% of the parking spaces located on the Parking Lot Property on dates and times of scheduled hearings, City Council Meetings and official City events and a designated area for garbage disposal. CCSB shall pay all costs of maintaining and insuring the Parking Lot including lighting.
3. Provide any assistance requested by City for the planning and constructing improvements to drainage and construction of a hard surfaced parking lot ("Parking Lot") to be located on property owned by CCSB adjacent to the PROPERTY.

8. OPTION TO PURCHASE AND RIGHT OF FIRST REFUSAL

CCSB shall grant to CITY the option to purchase all or any part of the approximately 28 acres owned on the date of this Agreement by CCSB located near the corner of Hooper and Sullivan Roads ("Option") pursuant to La. C.C. arts. 2020 and 2627. The purchase price of the Option to Purchase shall be the appraised value as determined by an appraiser selected by CITY. Said Option to Purchase shall be subject to any valid right of first refusal which was effective before January 1, 2021. The Option to Purchase shall be exercised by giving written notice to CCSB at the address set forth in this Agreement or such other address as CCSB shall provide to CITY.

CITY shall grant to CCSB the right of first refusal on the PROPERTY.

9. DAMAGE TO OR DESTRUCTION OF THE PROPERTY

In the event of damage to, or destruction of, or expropriation of all or any part of the PROPERTY prior to the closing date, CCSB shall give immediate notice to CITY within 24 hours of knowledge of such damage or destruction. In addition, CCSB shall, within ten calendar days of such damage or destruction, give written notice to CITY itemizing the extent of said damage or destruction.

Within ten days of receipt of CCSB's written notice, CITY shall give written notice to CCSB of CITY's decision to, at CITY's sole option: (i) terminate this Agreement, (ii) amend the terms of the exchange to reflect the damage or destruction and subject to a reduction of the purchase price by the value of said damage or destruction, or (iii) allow CCSB 60 calendar days from receipt of said written notice to either restore the PROPERTY to its former condition prior to such damage or destruction, or terminate this Agreement.

10. DEFAULT

In the event that either party fails to perform its obligations hereunder, except as excused by the other party's default, the party claiming default shall make written demand for performance to the other party. If CCSB fails to comply with any written notice of default within ten calendar days after receipt thereof, CITY shall have the option to: (a) waive the default, (b) seek specific performance, (c) seek damages, or (d) terminate this Agreement.

If either party is required to take legal action to enforce any terms of this Agreement, the prevailing party in said legal action shall be entitled to recover all reasonable attorney fees and other legal costs from the other party.

11. NOTICES

Any written notices required or permitted hereunder may be delivered to CITY at:

David R. Barrow, Mayor
13421 Hooper Road, Suite 8
Central, Louisiana 70818
or via email to DBarrow@Central-la.gov

Any written notices required or permitted hereunder may be delivered to CCSB at:

Central, Louisiana 708__
or via email to _____

12. CLOSING

CITY's counsel shall prepare the Act of Exchange and such other documents required for the closing and/or the issuance of an Owner's Policy of Title Insurance. The Act of Exchange shall provide for full warranty of title by CCSB and subrogation and substitution to CITY of all actions in warranty CCSB has or may have, and otherwise be in form and substance acceptable to CITY.

Possession of PROPERTY shall be given to CITY at the closing of the Act of Exchange. The Act of Exchange shall be passed before a Notary Public designated by CITY, on or before July 1, 2021, unless the parties hereby agree to extend the time for passing the Act of Exchange in accordance with the terms and conditions of:

- (i) Section 6 - TITLE EXAMINATION, in the event curative work is required;
- (ii) Section 8 – INSPECTION/DUE DILIGENCE, in the event inspections of the property reveal the Property to be deficient, and CITY agrees in writing to allow time for CCSB to cure the deficiency;
- (iii) Section 11 – DAMAGE TO OR DESTRUCTION OF THE PROPERTY, in the event CITY agrees to allow CCSB time to restore the PROPERTY.

13. CLOSING COSTS

CCCSB shall reimburse CITY for all costs in connection with recordation of the Act of Exchange, document preparation of the Act of Exchange, appraisal costs, title examination, title insurance, and inspections of the PROPERTY made by CITY which are not reimbursed by funds appropriated by Act 45 (2020 2nd E.S.) or any subsequent act of the Louisiana Legislature appropriating funds for the same purpose.

CCSB shall pay all costs in connection with CCSB's attorney, the survey, all costs and fees for any title curative work required to make the title merchantable, to payoff of any mortgage, lien or encumbrance, and any necessary tax, mortgage or release certificate or cancellation.

14. REAL ESTATE TAXES

All real estate, ad valorem taxes and special assessments, if any, for the 2021 tax year shall be paid by CCSB.

15. TIME IS OF THE ESSENCE

Time is of the essence; however, any deadline in this Agreement may be extended by written agreement of the parties. The parties agree not to unreasonably withhold approval of any extension requested by the other party.

16. ENTIRE AGREEMENT

This instrument contains the entire agreement of the parties and no representations, warranties or agreements have been made by either party, except as set forth in this Agreement. No modifications, waiver or amendment of the provisions of this Agreement shall be effective unless made in writing and signed by the parties hereto.

17. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana. Any action arising out of this Agreement shall be brought within a court of competent jurisdiction in East Baton Rouge Parish. The provisions of this Agreement shall not be severable. This Agreement shall be null and void, unless determined by each party to be in compliance with all applicable laws.

18. APPROVAL

This Agreement is subject to the approvals by the Council for the City of Central and the Central Community School Board at open meetings properly noticed. This Agreement shall be null and void and CCSB shall be relieved of any and all obligations hereunder unless this Agreement is approved by CITY's Council and funding is appropriated by the CITY's Council on or before April 1, 2021.

19. NO COMMISSION

CCSB and CITY both represent, and warrant, each one to the other, that there are no real estate brokerage commissions, or fees to be paid as a result of this transaction. Each party shall indemnify the other party from any breach of this warranty, including costs and attorney fees.

20. NON-ASSIGNABILITY

This Agreement cannot be assigned by either party.

CITY OF CENTRAL

By: _____
David R. Barrow, Mayor

_____ Date

CENTRAL COMMUNITY SCHOOL
SYSTEM

By: _____

_____ Date