

**PURCHASE AND SALE AGREEMENT**  
**(County Library)**

This PURCHASE AND SALE AGREEMENT ("**Agreement**") is made and entered into as of \_\_\_\_\_, 2022 (the "**Effective Date**"), by and between the CITY OF LAGUNA BEACH, a California municipal corporation ("**City**"), and the COUNTY OF ORANGE, a political subdivision of the State of California ("**County**"). City and County are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties.**"

**RECITALS**

A. The City of Laguna Beach and the surrounding unincorporated areas are located within the Orange County Public Library system.

B. As of the Effective Date, County owns and operates the Laguna Beach Library, located at 363 Glenneyre Street, in the City of Laguna Beach, County of Orange, State of California (the "**Library**") (the Library is also sometimes identified as 280 Park Avenue, Laguna Beach).

C. The County acquired the underlying real property of the Library, commonly known as APN 644-014-01 (the "**Library Property**"), and constructed the Library pursuant to the terms of that certain Agreement entered into between City and County on or about January 20, 1970 (the "**Library Agreement**"). A legal description of the Library Property is attached hereto and incorporated herein as Attachment No. 1.

D. Pursuant to the Library Agreement, among other things, County granted to City an option to acquire the Library Property with all improvements, including the Library (collectively, the "**Property**"), for a purchase price equal to the fair market value of County's investment in the Property. County and City expressly agreed pursuant to the Library Agreement that City would be required to pay for those portions of land and improvements for which County paid compensation, and that no payment would be due to County for the portions identified therein as Parcel Nos. G.A. 608-1, 608-1.1, 608.2.1 and any improvements constructed by City.

E. On or about January 8, 2020, City exercised its option to acquire the Property for a purchase price of Four Million Two Hundred Ninety Thousand Dollars (\$4,290,000) (the "**Purchase Price**"), based on the valuation set forth in that certain Appraisal Report prepared by R. P. Laurain & Associates, Inc., dated September 22, 2021.

F. The Parties have negotiated the terms of a Lease, to be entered into and commence as of the date the Property is conveyed to City, pursuant to which City will lease the Property to County on the terms and conditions set forth therein (the "**Lease**") for the operation of the Library.

G. The Parties desire to enter into this Agreement to provide for the terms and conditions on which County will convey the Property to City and City will accept the conveyance of the Property.

## Attachment A

### AGREEMENT

NOW, THEREFORE, in consideration of the above Recitals, which are incorporated herein by this reference, other valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, and the mutual covenants set forth below, City and County agree as follows:

1. Method of Conveyance. County shall convey the Property to City pursuant to a Grant Deed substantially in the form attached hereto and incorporated herein as Attachment No. 2 (the “**Deed**”).

2. Transfer of Title. On or before \_\_\_\_\_ (the “**Closing Date**”), (i) City shall deliver the Purchase Price to County, (ii) each of City and County shall execute, with signatures notarized, the Deed, and shall cause the Deed to be recorded in the Official Records of Orange County, California (“**Official Records**”), and (iii) each of City and County shall execute the Lease, and a bill of sale in the form attached hereto and incorporated herein as Attachment No. 3 (the “**Bill of Sale**”). The Purchase Price shall also include the purchase of the ‘Personal Property,’ defined in the Bill of Sale.

3. Condition of Title. The Property shall be conveyed to City subject to all matters of record or apparent by reasonable inspection other than (i) monetary liens and encumbrances which arose from the County’s ownership and/or any activities of the County, and (ii) any installment of real property taxes and assessments allocable to the Property prior to the date of recordation of the Deed.

4. Title Insurance. On the Closing Date City shall be issued an ALTA standard owner’s policy of title insurance issued by Fidelity National Title with coverage in the amount of the purchase price, reflecting title in the condition described in Section 3 above, and with such endorsements as requested by City. City shall be responsible for all costs incurred in connection with said title insurance.

5. Condition of Property; Release of County. City acknowledges that it will accept the Property in “AS IS” condition with all faults and conditions then existing in and on the Property, whether known or unknown. Notwithstanding the foregoing, County agrees that following the Effective Date and until the Closing Date, unless County obtains the prior written consent of City, County will not take any actions that affect the Property or its valuation, encumber the Property, or grant or convey to any third party any rights to access or use the Property.

Civil Code Section 1542. City acknowledges that it is familiar with the language and provisions of California Civil Code Section 1542, which provides as follows:

*A general release does not extend to claims that the creditor or releasing party not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her, would have materially affected his or her settlement with the debtor or released party.*

Except as provided in the following sentence, City, being aware of and understanding the terms of Section 1542, hereby waives all benefit of its provisions to the extent described

## Attachment A

in this paragraph as to claims related to the condition of the Property, whether such claims arise from past, present or future incidents. Notwithstanding the above, however, nothing in this Agreement shall be deemed to waive or release County as to any of its obligations under this Agreement and/or the Lease, or any claims arising from County gross negligence or intentional misconduct

6. County Representations and Warranties. County hereby represents and warrants to City that to Chief Real Estate Officer's actual knowledge, (i) there are no pending or threatened legal actions or proceedings against County with respect to the Property, (ii) County has not granted to any third party any rights to use, lease and/or purchase the Property, or any portion thereof, except for the Friends of the Library license with the County, (iii) except as otherwise agreed by the Parties, any contracts or agreements entered into by or under County that shall survive the Closing Date shall continue to be serviced by County, and County shall remain the legally responsible party thereunder, and (iv) there is not present in, on, or under the Property the use, storage or disposal of any hazardous substance, pollutant, contaminant, material, waste, by-product, or constituent which is or becomes regulated by an local government authority, the State of California or the United States Government, including, without limitation, any substance, material, waste or byproduct regulated by any environmental laws. The representations and warranties of County set forth in this Agreement shall survive the Closing Date for a period of six (6) months.

7. County Retention of Purchase Price Funds. As further set forth in the Lease, County shall retain the Purchase Price for use in connection with improvements jointly approved by City and County to the Library or acquisition/ relocation of the Library as agreed to by the Parties.

8. Disputes. In the event of any dispute arising under this Agreement, the injured Party shall notify the other Party in writing of the injured Party's contentions by submitting a claim therefor to the other Party by written notice. The injured Party shall continue performing its obligations hereunder so long as the other Party commences to cure such default within thirty (30) days of service of such notice. Compliance with the provisions of this Section shall be a condition precedent to any legal action, and such compliance shall not be a waiver of either Party's right to take legal action in the event that the dispute is not cured.

9. Attorney's Fees. Each Party shall be responsible to pay its own attorney's fees in connection with the negotiation, preparation, implementation, and enforcement of this Agreement.

10. Notices. Any notice or communication under this Agreement shall be in writing and served or delivered (a) personally, (b) by reputable overnight courier that provides a receipt with a date and time of delivery, or (c) by prepaid, United States certified mail, return receipt requested, to the address set forth below. Notice shall be deemed given upon (a) personal delivery, (b) the date and time provided in the overnight courier's receipt, or (c) the date specified in the certified mail receipt.

**Attachment A**

If to County: COUNTY OF ORANGE  
CEO Real Estate  
333 West Santa Ana Blvd. 3thd Floor  
Santa Ana, CA 92701  
Attention: Chief Real Estate Officer  
Telephone No.: (714) 834-6019  
Facsimile No.: (714) 834-3018

With a copy: COUNTY OF ORANGE  
Orange County Public Library  
1501 E. St. Andrew Place  
Santa Ana, CA 92705  
Attention: County Librarian  
Telephone No.: (949) 724-6692  
Facsimile No.: (949) 724-6214

If to City: CITY OF LAGUNA BEACH  
505 Forest Avenue  
Laguna Beach, CA 92651  
Attention: City Manager  
Telephone No.: (949) 497-0704  
Facsimile No.: (949) 497-0771

With a copy: RUTAN & TUCKER, LLP  
18575 Jamboree Road, 9<sup>th</sup> Floor  
Irvine, CA 92612  
Attention: Phillip D. Kohn, Esq.  
Telephone No.: (714) 641-5100  
Facsimile No.: (714) 546-9035

Either Party may, from time to time by written notice to the other Party, designate a different address that shall be substituted in place of the one specified above.

11. Assignment. Neither City nor County shall assign its rights and obligations hereunder without the prior written consent of the other Party, which consent may be withheld by such other Party in its sole and absolute discretion. This Agreement and the provisions contained herein shall be binding upon and inure to the benefit of City and County, and their respective successors and assigns.

12. Interpretation. The paragraph headings of this Agreement are for reference and convenience only, are not made part of this Agreement and shall have no effect upon the construction or interpretation of any part hereof. The provisions of this Agreement shall be construed in a reasonable manner to implement the purposes of the parties and of this Agreement.

13. Severability. Each term, covenant, condition or provision of this Agreement is intended to be severable. If any term, covenant, condition or provision contained in this Agreement is held to be invalid, void or illegal by any court of competent jurisdiction, such provision shall be deemed severable from the remainder of this Agreement and shall in

## **Attachment A**

no way affect, impair or invalidate any other term, covenant, condition or provision contained in this Agreement. If such term, covenant, condition or provision shall be deemed invalid due to its scope or breadth, such covenant, condition or other provision shall be deemed valid to the extent of the scope or breadth permitted by law.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California, and construed as if drafted jointly by the Parties.

15. Authority. The persons executing this Agreement on behalf of each Party warrant that (a) they are duly authorized to execute this Agreement on behalf of the Party for whom they sign, and (b) by so executing this Agreement, the Party for whom they sign is formally bound to the provisions of this Agreement.

16. Amendment. This Agreement may be amended at any time by the mutual consent of the Parties by a written instrument signed by both Parties.

17. Counterparts. This Agreement may be executed in counterparts, each of which, when both the Parties hereto have signed this Agreement, shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

18. Time of Essence. Time is of the essence in the performance of the obligation in this Agreement as to which time is an element.

19. Entire Agreement. This Agreement, together with the Exhibits attached hereto, represents the entire understanding of City and County as to the matters contained herein, and no prior oral or written understanding shall be of any force or effect with respect to the matters covered in this Agreement.

***[Signature Page Follows]***

**Attachment A**

**[Signature Page to Purchase and Sale Agreement]**

IN WITNESS WHEREOF, City and County have caused this Agreement to be executed by their respective duly authorized officers and representatives as of the date first set forth above.

**CITY**

CITY OF LAGUNA BEACH, a  
California municipal corporation

\_\_\_\_\_  
By: Shohreh Dupuis  
Its: City Manager

Date: \_\_\_\_\_, 2022

ATTEST:

\_\_\_\_\_  
Ann Marie McKay, City Clerk

APPROVED AS TO FORM:  
RUTAN & TUCKER, LLP

\_\_\_\_\_  
Phillip D. Kohn, City Attorney

**Attachment A**

**COUNTY**

COUNTY OF ORANGE, a political  
subdivision of the State of  
California

By: \_\_\_\_\_  
Thomas A. Miller,  
Chief Real Estate Officer,  
Orange County, California,  
per Minute Order Dated  
July 19, 2022

Date: \_\_\_\_\_, 2022

APPROVED AS TO FORM:

OFFICE OF COUNTY COUNSEL  
ORANGE COUNTY, CALIFORNIA

By  \_\_\_\_\_  
Deputy

Digitally signed by Michael A. Haubert  
DN: cn=Michael A. Haubert, o=County  
of Orange, ou=County Counsel,  
email=michael.haubert@cococo.orgov.co  
m, c=US  
Date: 2022.06.14 16:33:26 -0700

**Attachment A**

**Attachment No. 1**

**LEGAL DESCRIPTION OF PROPERTY**

[see following page]



**Attachment A**

**Attachment No. 2**

**FORM OF DEED**

[See following documents]

**Attachment A**

**RECORDING REQUESTED BY, AND  
WHEN RECORDED, MAIL TO:**

City of Laguna Beach  
505 Forest Avenue  
Laguna Beach, CA 92651

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*(Space above this line for Recorder's use only)*

**GRANT DEED**

THE UNDERSIGNED DECLARES:

This document is recorded at the request, and for the benefit, of the City of Laguna Beach, and therefore is exempt from the payment of a recording fee pursuant to California Government Code §§ 6103 and 27383 and from payment of documentary transfer tax pursuant to California Revenue and Taxation Code § 11922

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the **COUNTY OF ORANGE**, a political subdivision of the State of California ("**Grantor**"), hereby grants and conveys to the **CITY OF LAGUNA BEACH**, a California municipal corporation ("**Grantee**"), that certain real property located in the City of Laguna Beach, County of Orange, State of California, described on **Exhibit A** and depicted on **Exhibit B**, both of which exhibits are attached hereto and incorporated herein by reference (the "**Property**"), subject to all matters of record and matters contained in that certain Lease between the Grantor and Grantee dated on or about the same date hereof.

IN WITNESS WHEREOF, the Grantor has executed this Grant Deed as of the date set forth below.

"Grantor"

**COUNTY OF ORANGE,**  
a political subdivision of the State of  
California

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

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

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

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

Approved as to form  
Office of County Counsel  
Orange County, California

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

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

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

**Attachment A**

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA                    )  
COUNTY OF ORANGE                    )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

Notary Public, personally appeared \_\_\_\_\_,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose  
name(s) is/are subscribed to the within instrument and acknowledged to me that  
he/she/they executed the same in his/her/their authorized capacity(ies), and that by  
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of  
which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California  
that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

**Attachment A**

**CERTIFICATE OF ACCEPTANCE**

This is to certify that the interest in real property conveyed by the Grant Deed dated \_\_\_\_\_, 2022, from County of Orange, a political subdivision of the State of California, to City of Laguna Beach, a California municipal corporation ("City"), is hereby accepted by the undersigned officer on behalf of the City pursuant to authority conferred by the Laguna Beach City Council through Resolution No. \_\_\_\_\_ adopted on \_\_\_\_\_, and the City consents to recordation thereof by its duly authorized officer.

CITY OF LAGUNA BEACH, a California municipal corporation

Dated: \_\_\_\_\_

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

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA )  
COUNTY OF ORANGE )

On \_\_\_\_\_, before me, \_\_\_\_\_,  
(insert name and title of the officer)

Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

(Seal)

**Attachment A**

**Exhibit A**

**Legal Description of the Property**

**Attachment A**

**Attachment No. 3**

**FORM OF BILL OF SALE**

[See following document]

**Attachment A**

**BILL OF SALE  
(Laguna Beach Library)**

FOR VALUABLE CONSIDERATION, receipt of which is acknowledged by execution of this document, the undersigned, THE COUNTY OF ORANGE, a political subdivision of the State of California ("County") does on \_\_\_\_\_, 2022, grant, convey, transfer, assign, bargain, sell, deliver, and set over unto CITY OF LAGUNA BEACH, a California municipal corporation ("City"), all of the County's right, title, and interest in and to the following personal property located in and upon and used in connection with the operation of all the improvements ("Improvements") on the land located in Laguna Beach, California, generally known as 363 Glenneyre Street, as more particularly described on Exhibit A attached to this document (the "Land"): (a) all appliances, parts, instruments, equipment, personal property, appurtenances, accessories, furnishings, fixtures, and other property owned by the County and incorporated or installed in or on and used in connection with the operation, repair, and maintenance of the Improvements or attached to the Land and including without limitation any reports, plans, renderings, permits, approvals, and maps related to the Improvements or Land (collectively, the "Personal Property"), and (b) all warranties, guaranties and indemnities, whether those warranties, guaranties and indemnities are express or implied, and all similar rights that the County may have against any manufacturer, supplier, seller, engineer, contractor, or builder, in respect of the Personal Property, or any portion of the Personal Property (collectively, "Warranties").

The County represents and warrants to the City that the County is the lawful owner of the Personal Property and the Warranties and that the Personal Property and the Warranties are free and clear from all liens, encumbrances, security agreements, and financing statements, and that County has good right to sell the same as aforesaid and will warrant and defend the title thereto unto the City, its successors and assigns, against the claims and demands of all persons.

Except as set forth in the preceding paragraph, the sale of the Personal Property is on an "as is," "with all faults" basis and without any warranty or representation, express or implied, of any nature or sort, including, without limitation, any warranty of merchantability, fitness of use for a particular purpose, or otherwise.

This Bill of Sale shall in all respects be governed by, and construed in accordance with the laws of the State of California, including all matters of construction, validity, and performance.

[Signatures on Following Page]

**Attachment A**

IN WITNESS WHEREOF, the County has caused this Bill of Sale to be duly executed and delivered on the day and year specified above.

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

COUNTY OF ORANGE, a political subdivision  
of the State of California

By: \_\_\_\_\_  
Chief Real Estate Officer

APPROVED AS TO FORM:

By: \_\_\_\_\_  
County Counsel

**“City”**

CITY OF LAGUNA BEACH,  
a California municipal corporation

\_\_\_\_\_

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

By: Shohreh Dupuis  
Its: City Manager



**Attachment A**

EXHIBIT A

LEGAL DESCRIPTION

Real property in the City of Laguna Beach, County of Orange, State of California,  
described as follows: