

**AGREEMENT**

**THIS AGREEMENT** is made this \_\_\_\_\_ day of October, 2006, by and between **THE WARREN COUNTY SCHOOL DISTRICT**, a school district organized under the laws of the Commonwealth of Pennsylvania, hereinafter ----- **"SCHOOL"**

AND

**THE CITY OF WARREN**, a city organized under the laws of the Commonwealth of Pennsylvania, hereinafter ----- **"CITY."**

**WHEREAS**, the School owns premises in the City of Warren commonly known as the Home Street School, which premises the School has previously deemed unused and unnecessary for school purposes; and

**WHEREAS**, it is the mutual desire of the parties that the Home Street School premises be improved with structures which will add to the parties' tax base and which will add to the quality of the community; and

**WHEREAS**, School does not have the facilities or expertise to develop such improvements upon the Home Street School property; and

**WHEREAS**, the City, through its employees or in association with its Redevelopment Authority, has the expertise to develop the Home Street School property.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. For the consideration hereinafter set forth and pursuant to the authority set forth in Section 707(8) of the School Code, the School will convey to the City the Home Street School property. Said conveyance shall be by Deed of Special Warranty and shall be made on or before December 31, 2006.

2. On or before June 30, 2007, the City shall undertake the steps necessary and shall bear the cost of demolishing the unused school building now located upon the Home Street School property and shall cause the same to be subdivided into lots appropriate for the construction of private residences. The number of said lots shall be either twelve (12) or fourteen (14) determined at the discretion of the City, except that the number of said lots may be greater or lesser upon the mutual consent of the parties.

3. Thereafter, the City shall market said lots for sale in accordance with the Deed restrictions hereinafter set forth. The City agrees that it will not sell any individual lot for a price less than Ten Thousand Dollars (\$10,000) except upon the mutual consent of the parties hereto. The parties agree that the City may employ the services of a real estate broker for the purpose of listing and facilitating the sale of all or any of said lots provided that the broker's commission for said services does not exceed six percent (6%) of the gross sales price.

For the purposes of this paragraph, the net sales price of each of the aforesaid lots shall be calculated by subtracting from the gross sales price the real estate broker's commission, the seller's share of transfer tax, and the seller's legal fees (which shall not exceed the sum of \$250 for any single transaction). The City shall then utilize said net sales proceeds to reimburse the demolition and subdivision costs incurred by the City with respect to the demolition of the former school building and the subdivision of the property into residential lots. The parties agree that said costs shall be limited to the amounts paid by the City to independent contractors for the demolition, disposal and reclaiming of the former school property site which costs the City shall let for competitive bid together with the survey costs incurred by the City for the subdivision of

the premises, which sum shall not exceed the amount of Two Thousand Five Hundred Dollars (\$2,500) absent the written consent of the School. When sufficient net proceeds have been paid to the City to fully reimburse the City for the costs described in the preceding sentence, the net proceeds thereafter received by the City shall be divided fifty percent (50%) to the City and fifty percent (50%) to the School. The City agrees to pay over said net sales proceeds to the School within thirty (30) days of the closing of the respective transaction. The City agrees to pay all other costs, not specifically set forth above, and to provide all labor, expertise, and other items necessary in order to carry out the subdivision and sale of the lots and to otherwise perform its obligations hereunder.

4. The parties acknowledge and agree that it is in their mutual interest to see to the orderly and prompt development of the subdivided lots so that homes are constructed thereon in an aesthetically and otherwise pleasing manner for the benefit of the community and so that valuable structures are erected thereon as rapidly as possible. Accordingly, the parties agree that as the subdivided lots are sold, they shall be made subject to the following covenants which shall be deemed covenants, restrictions and agreements running with the land. The following language shall be employed to describe the covenants:

THIS DEED is made subject to the following covenants, restrictions and conditions which are hereby entered into on the part of the said Grantees for themselves, their heirs and assigns, with the said Grantor as a part of the consideration of this Deed, all of which covenants, conditions, restrictions and agreements shall be and remain covenants running with and binding the land hereby conveyed, and all subsequent owners and occupants hereto, and the acceptance of this Deed shall have the same effect and binding force upon the said Grantees, their heirs and assigns, as if the same were signed and sealed by the said Grantees:

1. That the foregoing described premises shall be used solely for the erection and maintenance thereon of buildings or structures for residential purposes, or

purposes incidental thereto, and not for any commercial manufacturing, business or other use.

2. No building or structure shall be erected on the foregoing described premises for the accommodation of more than a single family, and no garage, whether attached or detached, shall be constructed to accommodate more than three automobiles.

3. No single-story residence shall have a ground floor area of less than 1,000 square feet, and no residential building shall be erected on said premises having a ground floor area of less than 600 square feet, computed exclusive of garage and open porches.

4. No residential or other building or structure shall be placed or erected upon any subdivision of the foregoing described premises.

5. All buildings and structures to be erected upon the foregoing described premises shall be fully completed insofar as the external construction and finishing thereof is concerned, within four (4) years after the date of this conveyance.

6. That no trailer, tent or temporary building shall be erected or placed upon the said premises for residence purposes, either temporarily or permanently.

5. In the event that any of the subdivided lots shall remain unsold as of January 1, 2012, the School may, at its option, on or after that date, demand that one-half (1/2) of the remaining unsold lots be conveyed to the School. Said conveyance shall be by Deed of Special Warranty and shall be made free of the above restrictions, without additional consideration and within thirty (30) days of the date of demand. In the event there shall be an uneven number of lots unsold upon the date of demand, one (1) such unsold lot shall remain owned by the City subject to the terms of this Agreement, and the balance shall be equally divided between the parties hereto. Upon such division, the City and School shall have no further obligation to one another hereunder except that the single lot, remaining with the City pursuant to the terms of the preceding sentence (if

any) shall remain subject to the terms hereof and shall be the subject of attempted sale by the City.

6. The City may assign its rights hereunder to the Warren Redevelopment Authority and for the purpose thereof, may convey the Home Street School property to the Warren Redevelopment Authority without the consent of the School provided that the City and Warren Redevelopment Authority agree that the Warren Redevelopment Authority shall be bound by each and all of the provisions of this Agreement. However, the City and/or the Warren Redevelopment Authority may assign their rights and duties under this Agreement and transfer the Home Street School property to a private developer only upon the written consent of the School. The School agrees that it will not unreasonably withhold its consent provided that the arrangement with any such private developer accomplishes, generally, the goals outlined in this Agreement. However, all of the other provisions of this paragraph notwithstanding, the parties agree that any consideration to be paid to the Authority or a private developer beyond that contemplated in this Agreement shall be the sole obligation of the City.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement the day and year first above written.

ATTEST: (seal)

WARREN COUNTY SCHOOL DISTRICT

\_\_\_\_\_  
Secretary

By\_\_\_\_\_

ATTEST: (seal)

THE CITY OF WARREN

\_\_\_\_\_

By\_\_\_\_\_