AGENDA ITEM SUMMARY

DATE: 10-7-2013  DEPARTMENT: CDD  DEPT. HEAD SIGNATURE: MA

SUBJECT: Application from Charles Holt and Clear Creek Land Co. LLC to vacate portions of Chestnut St west of River St to the cul-de-sac from a 100' right-of-way to a 60' right-of-way.

AUTHORITY: ☐ ☐ IAR ☐ ☐ City Ordinance/Code Zoning Ordinance No. 532 (IFAPPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

The applicant proposes to reduce the 100' right-of-way to 60', claiming that the areas proposed for vacation no longer serve a public purpose. The current right-of-way on Chestnut is 100', which was consistent throughout Old Hailey when the City was originally platted. Throughout the years, several streets have been vacated when the City Council determined that the 100' right-of-way was no longer necessary to fulfill a public purpose. For example, between Main and River, Chestnut has been vacated to a 60' right-of-way. However, in other portions of Chestnut in Old Hailey, the 100' right-of-way remains. Portions of Maple Street were also vacated from a 100' right-of-way to 60'. In most of these instances, the right-of-way was reduced to 60', which is consistent with the standard rights-of-way in residential subdivisions and collector streets. According to the Section 18.06.012(C), Residential/Collector, Business/Local, and Residential/Local streets are allowed 60' rights-of-way.

The portion of Chestnut proposed for vacation serves nine dwelling units located in the cul-de-sac. The two parcels that would benefit from the vacation are accessed off of River Street. Even though Chestnut Street aligns approximately with Aspen Drive in China Gardens, it is not feasible to connect Chestnut to Aspen as there are several privately owned properties that the City would have to acquire. With these considerations, if the cul-de-sac were platted today as a new subdivision, the City of Hailey would likely require a right-of-way width of 60' or less.

If the Council chooses to approve the vacation, water, sewer, and snow storage easements should be a condition of approval, as outlined in the Staff Report.

Planning and Zoning Commission Recommendation from September 9, 2013

On September 9, 2013 the Hailey Planning and Zoning Commission voted 4-0 (unanimous) to recommend denial of the request to the Hailey City Council. The Commission felt that the vacated portions may serve a public purpose at some future date, and therefore the request did not comply with Section 9.2.5 of the Subdivision Ordinance, which dictates the standards of evaluation for vacations.

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:

None

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IFAPPLICABLE)

☒ City Administrator  ☒ City Clerk  ☐ Engineer
☒ City Attorney  ☒ Building  ☐ Fire Dept.

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RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Hold public hearing on the application, discuss, and either approve, deny, continue, or table the request.

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ACTION OF THE CITY COUNCIL:

Date: __________________
City Clerk __________________

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FOLLOW-UP:

*Ord./Res./Agrmt./Order Originals: Record  *Additional/Exceptional Originals to:

Copies (all info.): ____________________  Copies (AIS only)
Instrument #: ________________________
STAFF REPORT

VACATION of CHESTNUT ST FROM 100' ROW TO 60' ROW

TO: Hailey City Council

FROM: Micah Austin, Community Development Director

RE: Application from Charles Holt and Clear Creek Land Co. LLC to vacate portions of Chestnut St west of River St to the cul-de-sac from a 100' right-of-way to a 60' right-of-way.

HEARING: Planning and Zoning: September 9, 2013
City Council: October 7, 2013

Applicant: Charles Holt and Clear Creek Land Co. LLC

Request: Vacate a 20 foot wide strip on both sides of Chestnut Street adjacent to Blocks 6 and 7, Original Hailey Townsite located within Section 9, T.2 N., R.18 E., B.M. The two parcels proposed for vacation comprise 0.06 acres each or 0.12 acres total.

Location: West Chestnut St, west of River St.

Zoning: General Residential (GR)

Notice
- **Planning and Zoning:** Notice for the vacation and public hearing on September 9, 2013 was published in the Idaho Mountain Express on July 24th and July 31st and was mailed to property owners within 300 feet on July 31st. On July 24th, 2013 the vacation notice was posted on two entrances of City Hall and at the Hailey Public Library. The property was posted on July 24th.
- **City Council:** Notice for the vacation and public hearing was published in the Idaho Mountain Express on September 4th and September 11th and was mailed to property owners within 300 feet on August 30th. On September 9th, the vacation notice was posted on two entrances of City Hall and at the Hailey Public Library. The property was posted on September 9th.

Procedural History
The application was submitted on July 9 and certified complete on July 10, 2013. A public hearing before the Planning and Zoning Commission for recommendation of the vacation request to the City Council was held on September 9, 2013 in the Council Chambers of City Hall.

On October 7, 2013, the Hailey City Council will hold a public hearing to consider the vacation request and to consider the Planning and Zoning Commission's recommendation on this application.

**Planning and Zoning Commission Recommendation from September 9, 2013**

On September 9, 2013 the Hailey Planning and Zoning Commission voted 4-0 (unanimous) to recommend denial of the request to the Hailey City Council. The Commission felt that the vacated portions may serve a public purpose at some future date, and therefore the request did not comply with Section 9.2.5 of the Subdivision Ordinance and §50-311 of State Statute, which dictates the standards of evaluation for vacations.

**Department Comments**

**Community Development**

The applicant proposes to reduce the 100’ right-of-way to 60’, claiming that the areas proposed for vacation no longer serve a public purpose. The current right-of-way on Chestnut is 100’, which was consistent throughout Old Hailey when the City was originally platted. Throughout the years, several streets have been vacated when the City Council determined that the 100’ right-of-way was no longer necessary to fulfill a public purpose. For example, between Main and River, Chestnut has been vacated to a 60’ right-of-way. However, in other portions of Chestnut in Old Hailey, the 100’ right-of-way remains. Portions of Maple Street were also vacated from a 100’ right-of-way to 60’. In most of these instances, the right-of-way was reduced to 60’, which is consistent with the standard rights-of-way in residential subdivisions and collector streets. According to the Section 18.06.012(C), Residential/Collector, Business/Local, and Residential/Local streets are allowed 60’ rights-of-way.

The portion of Chestnut proposed for vacation serves nine dwelling units located in the cul-de-sac. The two parcels that would benefit from the vacation are accessed off of River Street. Even though Chestnut Street aligns approximately with Aspen Drive in China Gardens, it is not feasible to connect Chestnut to Aspen as there are several privately owned properties that the City would have to acquire. With these considerations, if the cul-de-sac were platted today as a new subdivision, the City of Hailey would likely require a right-of-way width of 60’ or less.

If the Council chooses to approve the vacation, water, sewer, and snow storage easements should be a condition of approval, as outlined in the comments below.
City Engineer

- On August 27, the City Engineer Tom Hellen reviewed the request and made the following comments:
  - Water and sewer easements are required where the existing water and sewer lines cross Areas A and B. The recommendation is to make this a condition of approval, if the vacation is approved.

Streets Division

- On August 27, Streets Superintendent Kelly Schwarz reviewed the request and made the following comments:
  - Snow storage easements must be called out along Chestnut.
  - Adequate space to turn a snow plow around in the cul-de-sac must be maintained.

Fire Department

- On August 27, 2013, Fire Marshal Mike Baledge reviewed the request and had no concerns with the proposed vacation.

Standards of Evaluation

Street Vacations are regulated by Section 9 of Hailey’s Subdivision Ordinance. Staff analysis is in lighter type.

9.1 Applications for vacation of a public right-of-way, alley or easement (other than utility easements) shall comply with Idaho Code §50-311 and §§50-1317 through 50-1325, as amended, and the provisions of this Ordinance. Applications for vacation of utility easements shall comply with Idaho Code §50-1306A, as amended.

- Section 50-311 states “Cities are empowered to...vacate” any street “whenever deemed expedient for the public good...” This section further provides that “whenever any street, avenue, alley or lane shall be vacated, the same shall revert to the owner of the adjacent real estate, one-half on each side thereof, or as the city council deems in the best interests of the adjoining properties, but the right of way easements and franchise rights of any lot owner or public utility shall not be impaired thereby.”
  - The application is in compliance with the above State Code standard with 0.06 acres proposed for vacation on either side of Chestnut Street, divided evenly between the two property owners.
  - The Planning and Zoning Commission did not feel the request complied with the requirement that that the vacation would be “expedient for the public good.” The
Commission felt that the vacated portions may serve a public purpose at some future date, and therefore the request did not comply with Section 9.2.5 of the Subdivision Ordinance and §50-311 of State Statute, which dictates the standards of evaluation for vacations.

- Determining whether the vacation is “deemed expedient for the public good” is a critical test that the Council must take into consideration when making their decision.

- Section 50-1317 states for any application for a vacation of a public street, “notice of the pendency of said petition shall be given for a period of thirty (30) days by written notice thereof, containing a description of the property to be vacated, posted in three (3) public or conspicuous places in said city, and also within the limits of said platted acreage, or [ . . . ] such shall also be published in the such newspaper once a week for two (2) successive weeks.

- **Planning and Zoning:** Notice for the vacation and public hearing on September 9, 2013 was published in the Idaho Mountain Express on July 24th and July 31st and was mailed to property owners within 300 feet on July 31st. On July 24th, 2013 the vacation notice was posted on two entrances of City Hall and at the Hailey Public Library. The property was posted on July 24th.

- **City Council:** Notice for the vacation and public hearing was published in the Idaho Mountain Express on September 4th and September 11th and was mailed to property owners within 300 feet on August 30th. On September 9th, the vacation notice was posted on two entrances of City Hall and at the Hailey Public Library. The property was posted on September 9th.

### 9.2 Applications for vacation of streets, alleys, or easements shall be submitted to the Hearing Examiner, except that the Administrator and Chair of the Commission, jointly, shall have discretion and authority to refer a vacation application to the Commission. The Hearing Examiner or Commission shall make a recommendation, concerning the application for vacation, to the Council. The Hearing Examiner or Commission shall consider the following items in making their recommendation:

#### 9.2.1 The application and testimony of the applicant and such other information as may come before it with regard to the proposed vacation or dedication.

- To be received at the public hearing

#### 9.2.2 The interests of the adjacent property owners and public utilities.

- To date, no public comment has been received on the application from adjacent property owners or public utility companies.

- The adjacent property owners, Charles Holt and Clear Creek Land Co. LLC have interest in maintaining the strip of land proposed for vacation, improving the property, and incorporating it into their existing property.
• On both Areas “A” and “B” (see map), an easement is required to accommodate the current location of city maintained water lines and sewer lines.
  o Water line easement is required for Area “A”
  o Sewer line easement is required for Area “B”

9.2.3 Conformance of the proposal with the Comprehensive Plan.

• The Goals of the Transportation and Circulation section of the Plan include (i.) “To promote the safe and efficient movement of people” and (ii.) To minimize public expenditures for road maintenance and improvement”.

9.2.4 The future development of the neighborhood.

• The proposed vacation is located within a developed neighborhood (Old Hailey) and the current street provides access to a cul-de-sac with no planned outlet.
• Chestnut St. provides access to nine dwelling units in the cul-de-sac
• Other portions of Chestnut St. have already been vacated, leaving this 100’ right-of-way intact for a section of 119.86 feet.
• Across River Street, Chestnut St has been vacated to a 60’ right of way

9.2.5 That the public right-of-way, alley, or easement no longer serves a public purpose.

• If the vacation is granted, a 60’ right of way will adequately serve the current and future residential needs of the cul-de-sac that is serviced by this portion of Chestnut St.

Summary

Section 9 of the Hailey Subdivision Ordinance states that the Hearing Examiner or Commission shall consider the application and testimony of the applicant and such other information as may come before it with regard to the proposed vacation. The Hearing Examiner or Commission shall consider the items noted in Section 9.2 of the Ordinance. The Commission shall make its recommendation to the Council for approving or denying said application, including findings that the right-of-way in question is no longer needed for public use.

Motion Language:

Approval:
Motion to approve the vacation request submitted by Charles Holt and Clear Creek Land Co. LLC to vacate a 20 foot wide strip on both sides of Chestnut Street adjacent to Blocks 5 and 7, Original Hailey Townsite, finding that the vacation does not conflict with the interests of the adjacent property owners and public utilities, the vacation is in conformance with the Comprehensive Plan, will not be detrimental
to the future development of the neighborhood and the public right-of-way, and the portion proposed for vacation no longer serves a public purpose with the following conditions: 1) Utility easements for existing utilities in Areas A and B must be recorded according to the City Engineer’s recommendations; and 2) Snow storage and snow removal easements must be recorded on Areas A and B according to the Street Superintendent’s recommendations.

Denial:
Motion to deny the request submitted by Charles Holt and Clear Creek Land Co. LLC to vacate a 20 foot wide strip on both sides of Chestnut Street adjacent to Blocks 6 and 7, Original Hailey Townsite, finding __________ [the Council should cite which standards are not met and provided the reason why each identified standard is not met].

Continuation:
Motion to continue the public hearing upon the ______________ application for ______________ to ______________ [the Council should specify a date].
City of Hailey - Right-of-Way Vacation Application

Location of the Street/Alley Right-of-Way: Proposed to be Vacated: 100' right of way to 60' right of way on Chestnut St from River St west to dead end.

Name of Owner of the Property: North side - Lyn Holt, South side - Clear Creek Land Co, LLC

Mailing Address: Lyn Holt PO Box 3183 City: Ketchum State: ID Zip: 83340
Phone: 208-726-2788 Fax: 208-726-1479 Cell: 208-481-2788
Email Address: lsholt45@hotmail.com

Property Owner Consent:
By signature hereon, the property owner acknowledges that City officials and/or employees may, in the performance of their functions, enter upon the property to inspect, post legal notices, and/or other standard activities in the course of processing this application, pursuant to Idaho Code 67-6507. The property owner is also hereby notified that members of the Planning and Zoning Commission and City Council are required to generally disclose the content of any express discussion (outside the hearing) with any person, including the property owner or representative, regarding this application.

Property Owner's Signature: ___________________________ Date: 6/17/13

Name of individual to contact on behalf of Trust or LLC (if applicable): Mike Golliandia for Clear Creek Land Co

Mailing Address: PO Box 2275 City: Ketchum State: ID Zip: 83340
Phone: 208-726-9600 Fax: 208-726-8041 Cell: 208-720-6302
Email Address: mike@ccdisposal.com

Application Contact (if different than above): Charles Holt

**Application Contact will be the Planning Department's primary contact for questions related to the application.

Mailing Address: PO Box 2133 City: Ketchum State: ID Zip: 83340
Phone: 208-726-4272 Fax: 208-726-1479 Cell: 208-481-2427
Email Address: ccholeto@gmail.com

Fees:

Application: $400.00
Publication: $80.00
Mailing: DO NOT COUNT DUPLICATES OR CITY OF HAILEY (of addresses 13 x 2 = 66)
X [(5 postage * $5 certification fee) + (5 return receipt fee) + (15 postage * 15)]
Total: $520.26

The following items must be submitted with the application for the application to be considered complete (✓):
✓ One (1) large survey, to scale, showing the nature and extent of the proposed vacation
✓ Vicinity map
✓ Six (6) 11" x 17" copies of survey
✓ PDF files of all required documents
✓ List of legal descriptions and owners of properties adjacent to the right-of-way proposed to be vacated.
✓ Names and address of all property owners within three hundred (300) feet of the exterior boundaries of the land being considered. Submit paper copy and electronically on formatted spreadsheet. Names and addresses can be obtained using the Blaine County map server http://gis.blaineid.us or from the Blaine County Assessor's office. Assistance can be provided by the Hailey Planning staff upon request.
✓ Names and addresses of easement holders within the subject property.

FOR CITY USE ONLY

Certified Complete by: ___________________________
Date: __________/________/____

Vacation - revised 03/03/10

- 232 -
CITY OF HAILEY
115 MAIN ST SOUTH STE H
HAILEY, ID 83333
208-788-4221

Receipt No: 2.042329     Jul 10, 2013

6809
HOLT, CHARLES
403 MUSSMAN DR
KETCHUM, ID 83340

Previous Balance:  520.26
Accounts Receivable
A/R Payments  520.26
001-00-10700
Accts Rec Cash Clearing Acct

New Current Balance: .00

Check
Check No: 1102  520.26
Total Applied:  520.26
Change Tendered: .00

Duplicate Copy

07/09/13 03:22pm
June 19, 2013

Galena Engineering, Inc.
Attn: Cody
cody@galenaengineering.com

RE:  Our Order No. 1327148
     Hailey Townsite, South 23' of Lot 9, all of 10, Block 7

Dear Cody:

Regarding the above, I have enclosed the following:

• Lot Book Guarantee #81030-89089219
• Billing Invoice

Should you have any questions, please contact us. Thank you for choosing Sun Valley Title Company.

Sincerely,

Nick Busdon
Title Assistant
GUARANTEE
Issued by
Commonwealth Land Title Insurance Company

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND THE CONDITIONS AND STIPULATIONS OF THIS GUARANTEE,

COMMONWEALTH LAND TITLE INSURANCE COMPANY

a Nebraska corporation, herein called the Company

GUARANTEES

the Assured named in Schedule A against actual monetary loss or damage not exceeding the liability amount stated in Schedule A which the Assured shall sustain by reason of any incorrectness in the assurances set forth in Schedule A.

IN WITNESS WHEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Guarantee to become valid when countersigned by an authorized officer or agent of the Company.

Authorized Signatory
Peggy Pike

ID0019 1327148
Sun Valley Title Company
271 First Ave N, PO Box 2365
Ketchum, ID 83340
Tel: (208) 726-9341
Fax: (208) 726-7495

COMMONWEALTH LAND TITLE INSURANCE COMPANY

By: 

SEAL

ATTENT

Secretary

Previos
SCHEDULE A
Lot Book Guarantee

Order No.: 1327148
Guarantee No.: 81030-89089219
Name of Assured: GALENA ENGINEERING, INC.
Date of Guarantee: June 13, 2013 at 8:00 am

Liability: $200.00
Fee: $125.00

That assurances referred to on the face page hereof are:

That, according to the public records relative to the following described land (but without examination of those Company records maintained and indexed by name):

The South 23' of Lot 9 and all of Lot 10, Block 7 of the CITY OF HAILEY, BLAINE COUNTY, IDAHO, according to the official plat thereof, on file in the office of the County Recorder, Blaine County, Idaho.

Address verified as: 519 S River St, Hailey, ID 83333

A. The last recorded instrument purporting to transfer title to said land is:

A Special Warranty Deed
Grantor: FEDERAL NATIONAL MORTGAGE ASSOCIATION,
AKA FANNIE MAE
Grantee: LYN HOLT, a married woman as her sole and separate property
Recorded: October 1, 2012
Instrument No.: 601558, records of Blaine County, Idaho.

A Quitclaim Deed
Grantor: CHARLES HOLT, spouse
Grantee: LYN HOLT, a married woman as her sole and separate property
Recorded: October 1, 2012
Instrument No.: 601559, records of Blaine County, Idaho.
B. There are no mortgages or deeds of trust which purport to affect said land, other than those shown below under Exceptions.

No guarantee is made regarding (a) matters affecting the beneficial interest of any mortgage or deed of trust which may be shown herein as an exception, or (b) other matters which may affect any such mortgage or deed of trust.

No guarantee is made regarding any liens, claims of lien, defects or encumbrances other than those specifically provided for above, and, if information was requested by reference to a street address, no guarantee is made that said land is the same as said address.
EXCEPTIONS:

1. Property taxes, including any assessments collected with taxes, levied for the year 2012, in the amount of $1,942.90, the first half of which are paid and the second half of which are due June 20, 2013. Parcel No. RP H000007009A A

2. Property taxes, including any assessments collected with taxes, levied for the year 2013, which are a lien not yet payable.

3. An assessment by the improvement district shown below.
   District: CITY OF HAILEY
   For: Water, Garbage and Sewerage Charges
   For years: 2013 and any prior years

4. Easements, Restrictions and Notes as shown on the official plat of HAILEY.

Countersigned: [Signature]
Authorized Signatory
SCHEDULE A
Judgment and Tax Lien Guarantee

Order No.: 1327148 Liability: $200.00
Guarantee No.: 81030-89089219 Fee: $125.00
Name of Assured: GALENA ENGINEERING, INC.
Date of Guarantee: June 13, 2013 at 8:00 am

That, according to the public records of Blaine County, Idaho, for a period of five (5) years immediately prior to the date hereof, there are no

Federal Tax Liens: NONE
Abstracts of Judgment: NONE
Certificates of State Tax Liens: NONE

filed or recorded against the herein named parties, other than those for which a release appears in said records and other than those shown below under Exceptions.

The parties referred to in this guarantee are as follows:

LYN HOLT, a married woman, as her sole and separate property

Exceptions:

NONE

Countersigned: ________________________________  
Authorized Signatory
SCHEDULE OF EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE

1. Except to the extent that specific assurances are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:

   (a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the land expressly described in the description set forth in Schedule (A), (C) or in Part 2 of this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways to which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any structure or improvements; or any rights or easements therein, unless such property, rights or easements are expressly and specifically set forth in said description.

   (b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the public records; (1) which are created, suffered, assumed or agreed to by one or more of the Assureds; (2) which result in no loss to the Assured; or (3) which do not result in the invalidity or potential invalidity of any judicial or non-judicial proceeding which is within the scope and purpose of the assurances provided.

   (c) The identity of any party shown or referred to in Schedule A.

   (d) The validity, legal effect or priority of any matter shown or referred to in this Guarantee.

GUARANTEE CONDITIONS AND STIPULATIONS

1. Definition of Terms

   The following terms when used in the Guarantee mean:

   (a) the "Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.

   (b) "land": the land described or referred to in Schedule (A)/(C) or in Part 2, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A)/(C) or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.

   (c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

   (d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.

   (e) "date": the effective date.

2. Notice of Claim to be Given by Assured Claimant

   An Assured shall notify the Company promptly in writing in case knowledge shall come to an Assured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as stated herein, and which might cause loss or damage for which the Company may be liable by virtue of this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

3. No Duty to Defend or Prosecute

The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

4. Company's Option to Defend or Prosecute Actions; Duty of Assured Claimant to Cooperate

   Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

   (a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in (b), or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured, or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

   (b) If the Company elects to exercise its options as stated in Paragraph 4(a) the Company shall have the right to select counsel of its choice (subject to the right of such Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.

   (c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and
expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.

(d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, an Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, an Assured; at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

5. Proof of Loss or Damage
In addition to and after the notices required under Section 2 of these Conditions and Stipulations have been provided to the Company, a proof of loss or damage signed and sworn to by the Assured shall be furnished to the Company within ninety (90) days after the Assured ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the matters covered by this Guarantee which constitute the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the Assured to provide the proof required of loss or damage, the Company's obligation to such assured under the Guarantee shall terminate. In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date, before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Assured provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

6. Options to Pay or Otherwise Settle Claims: Termination of Liability
In case of a claim under this Guarantee, the Company shall have the following additional options:
(a) To Pay or Tender Payment of the Amount of Liability or to Purchase the Indebtedness.

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon, together with any costs, reasonable attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of purchase.

Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security, to the Company upon payment of the purchase price.

Upon the exercise by the Company of the option provided for in Paragraph (a) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4, and the Guarantee shall be surrendered to the Company for cancellation.
(b) To Pay or Otherwise Settle With Parties Other Than the Assured or With the Assured Claimant.

To pay or otherwise settle with other parties for or in the name of an Assured claimant any claim assured against under this Guarantee, together with any costs, attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4.

7. Determination and Extent of Liability
This Guarantee is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in this Guarantee and only to the extent herein described, and subject to the Exclusions From Coverage of This Guarantee.

The liability of the Company under this Guarantee to the Assured shall not exceed the least of:

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Form 1025-Z

CLTA Guarantee Face Page (Rev. 12/15/95)
(a) the amount of liability stated in Schedule A or in Part 2;
(b) the amount of the unpaid principal indebtedness secured by the mortgage of an Assured mortgagee, as limited or provided under Section 6 of these Conditions and Stipulations or as reduced under Section 8 of these Conditions and Stipulations, at the time the loss or damage assured against by this Guarantee occurs, together with interest thereon;
(c) the difference between the value of the estate or interest covered hereby as stated herein and the value of the estate or interest subject to any defect, lien or encumbrance assured against by this Guarantee.

8. Limitation of Liability
(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures any other matter assured against by this Guarantee in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.
(b) In the event of any litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as stated herein.
(c) The Company shall not be liable for loss or damage to any Assured for liability voluntarily assumed by the Assured in settling any claim or suit without the prior written consent of the Company.

9. Reduction of Liability or Termination of Liability
All payments under this Guarantee, except payments made for costs, attorneys' fees and expenses pursuant to Paragraph 4 shall reduce the amount of liability pro tanto.

10. Payment of Loss
(a) No payment shall be made without producing this Guarantee for endorsement of the payment unless the Guarantee has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.
(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within thirty (30) days thereafter.

11. Subrogation Upon Payment or Settlement
Whenever the Company shall have settled and paid a claim under this Guarantee, all right of subrogation shall vest in the Company unaffected by any act of the Assured claimant. The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have had against any person or property in respect to the claim had this Guarantee not been issued. If requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company to sue, compromise or settle in the name of the Assured and to use the name of the Assured in any transaction or litigation involving these rights or remedies.
If a payment on account of a claim does not fully cover the loss of the Assured the Company shall be subrogated to all rights and remedies of the Assured after the Assured shall have recovered its principal, interest, and costs of collection.

12. Arbitration
Unless prohibited by applicable law, either the Company or the Assured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Assured arising out of or relating to this Guarantee, any service of the Company in connection with its issuance or breach of a Guarantee provision or other obligation. All arbitrable matters when the Amount of Liability is $1,000,000 or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of $1,000,000 shall be arbitrated only when agreed to by both the Company and the Assured. The Rules in effect at Date of Guarantee shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permits a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules. A copy of the Rules may be obtained from the Company upon request.

13. Liability Limited to This Guarantee; Guarantee Entire Contract
(a) This Guarantee together with all endorsements, if any, attached hereto by the Company is the entire Guarantee and contract between the Assured and the Company. In interpreting any provision of this Guarantee, this Guarantee shall be construed as a whole.
(b) Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to this Guarantee.
(c) No amendment of or endorsement to this Guarantee can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

14. Notices Where Sent
All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this Guarantee and shall be addressed to: Consumer Affairs Department, P.O. Box 45023, Jacksonville, Florida 32232-6023.
June 19, 2013

Galena Engineering, Inc.
Attn: Cody
cody@galena-engineering.com

RE: Our Order No. 1327147
    Hailey Townsite, Lot 1-2, and N 18' of Lot 3, Block 6

Dear Cody:

Regarding the above, I have enclosed the following:

- Lot Book Guarantee #81030-89089051
- Billing Invoice

Should you have any questions, please contact us. Thank you for choosing Sun Valley Title Company.

Sincerely,

NB

Nick Busdon
Title Assistant
GUARANTEE

Issued by
Commonwealth Land Title Insurance Company

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND THE CONDITIONS AND STIPULATIONS OF THIS GUARANTEE,

COMMONWEALTH LAND TITLE INSURANCE COMPANY

a Nebraska corporation, herein called the Company

GUARANTEES

the Assured named in Schedule A against actual monetary loss or damage not exceeding the liability amount stated in Schedule A which the Assured shall sustain by reason of any incorrectness in the assurances set forth in Schedule A.

IN WITNESS WHEREOF, COMMONWEALTH LAND TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Guarantee to become valid when countersigned by an authorized officer or agent of the Company.

Authorized Signatory
Peggy Pyle
ID0019 1327147
Sun Valley Title Company
271 First Ave N, PO Box 2365
Ketchum, ID 83340
Tel: (208) 726-9341
Fax: (208) 726-7495

COMMONWEALTH LAND TITLE INSURANCE COMPANY

By: [Signature]

President

ATTEN

[Signature]

Secretary
SCHEDULE A
Lot Book Guarantee

Order No.: 1327147
Guarantee No.: 81030-89089051
Name of Assured: GALENA ENGINEERING INC.
Date of Guarantee: June 13, 2013 at 8:00 am

That assurances referred to on the face page hereof are:

That, according to the public records relative to the following described land (but without examination of those Company records maintained and indexed by name):

Lots 1 & 2 and the North 18' of Lot 3, Block 6 of the CITY OF HAILEY, BLAINE COUNTY, IDAHO, according to the official plat thereof, on file in the office of the County Recorder, Blaine County, Idaho.

Address verified as: 601 S River St, Hailey, ID 83333

A. The last recorded instrument purporting to transfer title to said land is:

A Quitclaim Deed
Grantor: MIGUEL GOI TIANDIA, a married man as his sole and separate property, as to a 1/3 interest, JODIE SMITH, a married woman as her sole and separate property, as to a 1/3 interest AND DINA BECK, a married woman as her sole and separate property, as to a 1/3 interest
Grantee: CLEAR CREEK LAND COMPANY, LLC
Recorded: December 13, 2000
Instrument No.: 445954, records of Blaine County, Idaho
Re-recorded: March 16, 2001
Instrument No.: 449002, records of Blaine County, Idaho

B. There are no mortgages or deeds of trust which purport to affect said land, other than those shown below under Exceptions.

No guarantee is made regarding (a) matters affecting the beneficial interest of any mortgage or deed of trust which may be shown herein as an exception, or (b) other matters which may affect any such mortgage or deed of trust.

No guarantee is made regarding any liens, claims of lien, defects or encumbrances other than those specifically provided for above, and, if information was requested by reference to a street address, no guarantee is made that said land is the same as said address.
EXCEPTIONS:

1. Property taxes, including any assessments collected with taxes, levied for the year 2012, in the amount of $1,062.42, which are paid in full. Parcel No. RP H000006001A A

2. Property taxes, including any assessments collected with taxes, levied for the year 2013, which are a lien not yet payable.

3. An assessment by the improvement district shown below.
   District: CITY OF HAILEY
   For: Water, Garbage and Sewerage Charges
   For years: 2013 and any prior years

4. Easements, Restrictions and Notes as shown on the official plat of HAILEY.
SCHEDULE A  

Judgment and Tax Lien Guarantee

Order No.: 1327147  
Guarantee No.: 81030-89089051  
Name of Assured: GALENA ENGINEERING INC.  
Date of Guarantee: June 13, 2013 at 8:00 am

Liability: $200.00  
Fee: $125.00

That, according to the public records of Blaine County, Idaho, for a period of five (5) years immediately prior to the date hereof, there are no

Federal Tax Liens: NONE  
Abstracts of Judgment: NONE  
Certificates of State Tax Liens: NONE

filed or recorded against the herein named parties, other than those for which a release appears in said records and other than those shown below under Exceptions.

The parties referred to in this guarantee are as follows:

CLEAR CREEK LAND COMPANY, LLC

Exceptions:

NONE

Countersigned: [Signature]

Authorized Signatory
SCHEDULE OF EXCLUSIONS FROM COVERAGE OF THIS GUARANTEE

1. Except to the extent that specific assurances are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:

(a) Defects, liens, encumbrances, adverse claims or other matters against the title, whether or not shown by the public records.

(b) (1) Taxes or assessments of any taxing authority that levies taxes or assessments on real property; or, (2) Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (1) or (2) are shown by the records of the taxing authority or by the public records.

(c) (1) Unpatented mining claims; (2) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (3) water rights, claims or title to water, whether or not the matters excluded under (1), (2) or (3) are shown by the public records.

2. Notwithstanding any specific assurances which are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:

(a) Defects, liens, encumbrances, adverse claims or other matters affecting the title to any property beyond the lines of the land expressly described in the description set forth in Schedule (A), (C) or in Part 2 of this Guarantee, or title to streets, roads, avenues, lanes, ways or waterways to which such land abuts, or the right to maintain therein vaults, tunnels, ramps or any structure or improvements; or any rights or easements therein, unless such properly, rights or easements are expressly and specifically set forth in said description.

(b) Defects, liens, encumbrances, adverse claims or other matters, whether or not shown by the public records; (1) which are created, suffered, assumed or agreed to by one or more of the Assureds; (2) which result in no loss to the Assured; or (3) which do not result in the invalidity or potential invalidity of any judicial or non-judicial proceeding which is within the scope and purpose of the assurances provided.

(c) The identity of any party shown or referred to in Schedule A.

(d) The validity, legal effect or priority of any matter shown or referred to in this Guarantee.

GUARANTEE CONDITIONS AND STIPULATIONS

1. Definition of Terms

The following terms when used in the Guarantee shall be defined as:

(a) the "Assured": the party or parties named as the Assured in this Guarantee, or on a supplemental writing executed by the Company.

(b) "land": the land described or referred to in Schedule (A)/(C) or in Part 2, and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule (A)/(C) or in Part 2, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways.

(c) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(d) "public records": records established under state statutes at Date of Guarantee for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.

(e) "date": the effective date.

2. Notice of Claim to be Given by Assured Claimant

An Assured shall notify the Company promptly in writing in case knowledge shall come to an Assured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as stated herein, and which might cause loss or damage for which the Company may be liable by virtue of this Guarantee. If prompt notice shall not be given to the Company, then all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any Assured under this Guarantee unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

3. No Duty to Defend or Prosecute

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The Company shall have no duty to defend or prosecute any action or proceeding to which the Assured is a party, notwithstanding the nature of any allegation in such action or proceeding.

4. Company's Option to Defend or Prosecute Actions; Duty of Assured Claimant to Cooperate

Even though the Company has no duty to defend or prosecute as set forth in Paragraph 3 above:

(a) The Company shall have the right, at its sole option and cost, to institute and prosecute any action or proceeding, interpose a defense, as limited in (b), or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured, or to prevent or reduce loss or damage to the Assured. The Company may take any appropriate action under the terms of this Guarantee, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this Guarantee. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(b) If the Company elects to exercise its options as stated in Paragraph 4(a) the Company shall have the right to select counsel of its choice (subject to the right of such Assured to object for reasonable cause) to represent the Assured and shall not be liable for and will not pay the fees of any other counsel, nor will the Company pay any fees, costs or expenses incurred by an Assured in the defense of those causes of action which allege matters not covered by this Guarantee.

(c) Whenever the Company shall have brought an action or interposed a defense as permitted by the provisions of this Guarantee, the Company may pursue any litigation to final determination by a court of competent jurisdiction and...
expressly reserves the right, in its sole discretion, to appeal from an adverse judgment or order.

(d) In all cases where this Guarantee permits the Company to prosecute or provide for the defense of any action or proceeding, an Assured shall secure to the Company the right to so prosecute or provide for the defense of any action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such Assured for this purpose. Whenever requested by the Company, an Assured, at the Company's expense, shall give the Company all reasonable aid in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest as stated herein, or to establish the lien rights of the Assured. If the Company is prejudiced by the failure of the Assured to furnish the required cooperation, the Company's obligations to the Assured under the Guarantee shall terminate.

5. Proof of Loss or Damage

In addition to and after the notices required under Section 2 of these Conditions and Stipulations have been provided to the Company, a proof of loss or damage signed and sworn to by the Assured shall be furnished to the Company within ninety (90) days after the Assured shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the matters covered by this Guarantee which constitute the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of the Assured to provide the required proof of loss or damage, the Company's obligation to such assured under the Guarantee shall terminate. In addition, the Assured may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Guarantee, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Assured shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by the Assured provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Assured to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in the above paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this Guarantee to the Assured for that claim.

6. Options to Pay or Otherwise Settle Claims: Termination of Liability

In case of a claim under this Guarantee, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Liability or to Purchase the Indebtedness.

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Assured within the coverage of this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon, together with any costs, reasonable attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of purchase.

Such purchase, payment or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder. In the event after notice of claim has been given to the Company by the Assured the Company offers to purchase said indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security, to the Company upon payment of the purchase price.

Upon the exercise by the Company of the option provided for in Paragraph (a) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4, and the Guarantee shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other Than the Assured or With the Assured Claimant.

To pay or otherwise settle with other parties for or in the name of an Assured claimant any claim asserted against under this Guarantee, together with any costs, attorneys' fees and expenses incurred by the Assured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or damage, other than to make the payment required in that paragraph, shall terminate, including any obligation to continue the defense or prosecution of any litigation for which the Company has exercised its options under Paragraph 4.

7. Determination and Extent of Liability

This Guarantee is a contract of Indemnity against actual monetary loss or damage sustained or incurred by the Assured claimant who has suffered loss or damage by reason of reliance upon the assurances set forth in this Guarantee and only to the extent herein described, and subject to the Exclusions From Coverage of This Guarantee.

The liability of the Company under this Guarantee to the Assured shall not exceed the least of:

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CLTA Guarantee Face Page (Rev. 12/15/05)
(a) the amount of liability stated in Schedule A or in
Part 2;
(b) the amount of the unpaid principal indebtedness
secured by the mortgage of an Assured mortgage, as limited
or provided under Section 6 of these Conditions and
Stipulations or as reduced under Section 8 of these Conditions
and Stipulations, at the time the loss or damage assured
against by this Guarantee occurs, together with interest
thereon; or
(c) the difference between the value of the estate or
interest covered hereby as stated herein and the value of the
estate or interest subject to any defect, lien or encumbrance
assured against by this Guarantee.

8. Limitation of Liability
(a) If the Company establishes the title, or removes
the alleged defect, lien or encumbrance, or cures any other
matter assured against by this Guarantee in a reasonably
diligent manner by any method, including litigation and the
completion of any appeals therefrom, it shall have fully
performed its obligations with respect to that matter and shall
not be liable for any loss or damage caused thereby.
(b) In the event of any litigation by the Company or
with the Company's consent, the Company shall have no
liability for loss or damage until there has been a final
determination by a court of competent jurisdiction, and
disposition of all appeals therefrom, adverse to the title, as
stated herein.
(c) The Company shall not be liable for loss or
damage to any Assured for liability voluntarily assumed by the
Assured in settling any claim or suit without the prior written
consent of the Company.

9. Reduction of Liability or Termination of Liability
All payments under this Guarantee, except payments
made for costs, attorneys' fees and expenses pursuant to
Paragraph 4 shall reduce the amount of liability pro tanto.

10. Payment of Loss
(a) No payment shall be made without producing this
Guarantee for endorsement of the payment unless the
Guarantee has been lost or destroyed, in which case proof of
loss or destruction shall be furnished to the satisfaction of the
Company.
(b) When liability and the extent of loss or damage has been
definitely fixed in accordance with these Conditions and
Stipulations, the loss or damage shall be payable within thirty
(30) days thereafter.

11. Subrogation Upon Payment or Settlement
Whenever the Company shall have settled and paid a claim
under this Guarantee, all right of subrogation shall vest in the
Company unaffected by any act of the Assured claimant.
The Company shall be subrogated to and be entitled to all
rights and remedies which the Assured would have had against
any person or property in respect to the claim had this
Guarantee not been issued. If requested by the Company, the
Assured shall transfer to the Company all rights and remedies
against any person or property necessary in order to perfect
this right of subrogation. The Assured shall permit the
Company to sue, compromise or settle in the name of the
Assured and to use the name of the Assured in any transaction
or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss
of the Assured the Company shall be subrogated to all rights
and remedies of the Assured after the Assured shall have
recovered its principal, interest, and costs of collection.

12. Arbitration
Unless prohibited by applicable law, either the Company or the
Assured may demand arbitration pursuant to the Title
Insurance Arbitration Rules of the American Arbitration
Association. Arbitrable matters may include, but are not
limited to, any controversy or claim between the Company and
the Assured arising out of or relating to this Guarantee, any
service of the Company in connection with its issuance or the
breach of a Guarantee provision or other obligation. All
arbitrable matters when the Amount of Liability is $1,000,000 or
less shall be arbitrated at the option of either the Company or
the Assured. All arbitrable matters when the amount of liability
is in excess of $1,000,000 shall be arbitrated only when agreed
to by both the Company and the Assured. The Rules in effect
at date of Guarantee shall be binding upon the parties. The
award may include attorneys' fees only if the laws of the state
in which the land is located permits a court to award attorneys'
fees to a prevailing party. Judgment upon the award rendered
by the Arbitrator(s) may be entered in any court having
jurisdiction thereof.
The law of the situs of the land shall apply to an arbitration
under the Title Insurance Arbitration Rules.
A copy of the Rules may be obtained from the
Company upon request.

13. Liability Limited to This Guarantee; Guarantee Entire
Contract
(a) This Guarantee together with all endorsements, if
any, attached hereto by the Company is the entire Guarantee
and contract between the Assured and the Company. In
interpreting any provision of this Guarantee, this Guarantee
shall be construed as a whole.
(b) Any claim of loss or damage, whether or not based
on negligence, or any action asserting such claim, shall be
restricted to this Guarantee.
(c) No amendment of or endorsement to this
Guarantee can be made except by a writing endorsed hereon
or attached hereo signed by either the President, a Vice
President, the Secretary, an Assistant Secretary, or validating
officer or authorized signatory of the Company.

14. Notices Where Sent
All notices required to be given the Company and any
statement in writing required to be furnished the Company shall
include the number of this Guarantee and shall be addressed to:
Consumer Affairs Department, P.O. Box 45023,
Jacksonville, Florida 32232-5023.
AGENDA ITEM SUMMARY

DATE: 10-7-2013 DEPARTMENT: CDD DEPT. HEAD SIGNATURE: MA

SUBJECT: Request to Name an Unnamed Street in Woodside Subdivision, located in Block 61 and providing access to Lots 1-6 and Parcel M, Block 61.

AUTHORITY: □ □ IAR ___________ □ City Ordinance/Code: HMC 12.08.040(D)
(IFAPPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

Background and Summary of Request
Represented by Faye Matthlas, property owners in a subdivision accessed off of Woodside Blvd have submitted a formal request to name a street in Woodside that is not currently named, but provides access to their property. The street is located between Winterhaven and Glenbrook on S. Woodside and provides vehicular access to five undeveloped residential lots on the sagebrush bench above the valley floor. These lots are not located on or adjacent to Woodside Blvd. The attached map shows the location and details. Here is summary of the request:

- Proposed name for street:
  - Serenity Place
- Current name of street:
  - None. Through the platting process, the street was never named. As a result, all lots were assigned Woodside Blvd addresses. Click here to access the recorded plat: [http://maps.co.blaine.id.us/images/Plat_Images_pdf/529597.pdf](http://maps.co.blaine.id.us/images/Plat_Images_pdf/529597.pdf)
- Current addresses of homes accessed by this street:
  - S. Woodside Boulevard (2750, 2760, 2770, 2780)
  - All five residential lots exclusively accessed by this street have S. Woodside addresses
- Purpose for Street Name Request:
  - Public safety, emergency vehicle access, and public convenience
  - In the applicant's letter, they state that the current addressing, "would likely cause difficulty for fire or emergency vehicles to find the location."
- Possible Costs Incurred:
  - The applicant will pay for all costs related to street signage on Woodside Blvd and any other locations where signage is required.

The property owners feel that the current addresses of S. Woodside do not clearly identify where the lots are located and could create confusion for public safety and emergency situations.

According to HMC 12.08.040(D), "any person may make application to the house numbering administrator to change a street name or number [. . .] for reasons of duplication, similar pronunciation or spelling, or for other reasons relating to public safety or convenience." The applicant is claiming the street should be named for public safety reasons and convenience.

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS:

Applicant would pay for all costs associated with naming the private street.
ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IF APPLICABLE)

☒ City Administrator  ☐ Library  ☐ Benefits Committee
☒ City Attorney  ☐ Mayor  ☐ Streets
☒ City Clerk  ☒ Planning  ☐ Treasurer
☒ Building  ☐ Police  ☐ Sustainability
☐ Engineer  ☐ Parks
☐ Fire Dept.  ☒ P & Z Commission

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Hold public hearing on the application, discuss, and either approve, deny, continue, or table the request.

ACTION OF THE CITY COUNCIL:
Date: ____________________________
City Clerk

FOLLOW-UP:

*Ord./Res./Agrmt./Order Originals: Record  *Additional/Exceptional Originals to:
Copies (all info.): ____________________________  Copies (AIS only)
Instrument # ____________________________
STAFF REPORT

TO: Hailey City Council

FROM: Micah Austin, Community Development Director

RE: Request to Name an Unnamed Street in Woodside Subdivision, located in Block 61 and providing access to Lots 1-6 and Parcel M, Block 61.

HEARING: October 7, 2013

Notice
None required

Background and Summary of Request
Represented by Faye Matthias, property owners in a subdivision accessed off of Woodside Blvd have submitted a formal request to name a street in Woodside that is not currently named, but provides access to their property. The street is located between Winterhaven and Glenbrook on S. Woodside and provides vehicular access to five undeveloped residential lots on the sagebrush bench above the valley floor. These lots are not located on or adjacent to Woodside Blvd. The attached map shows the location and details. Here is summary of the request:

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- Current addresses of homes accessed by this street:
  - S. Woodside Boulevard (2750, 2760, 2770, 2780)
  - All five residential lots exclusively accessed by this street have S. Woodside addresses
- Purpose for Street Name Request:
  - Public safety, emergency vehicle access, and public convenience
  - In the applicant’s letter, they state that the current addressing, “would likely cause difficulty for fire or emergency vehicles to find the location.”
- Possible Costs Incurred:
  - The applicant will pay for all costs related to street signage on Woodside Blvd and any other locations where signage is required.

The property owners feel that the current addresses of S. Woodside do not clearly identify where the lots are located and could create confusion for public safety and emergency situations.

According to HMC 12.08.040(D), “any person may make application to the house numbering administrator to change a street name or number [. . .] for reasons of duplication, similar pronunciation or spelling, or for other reasons relating to public safety or convenience.” The
applicant is claiming the street should be named for public safety reasons and convenience.

**Department Comments**

City Engineer/Public Works Director (Tom Hellen)
- The City Engineer reviewed the request on August 15, 2013 and has no concerns with the request.

Streets Department (Kelly Schwarz)
- The Streets Department reviewed the request on August 15, 2013 and responded with the following comments:
  - All signage for the street must comply with city standards, as listed in City’s Standard Drawings.
  - No concerns with the request.

Fire Department (Mike Baledge)
- The Fire Department reviewed the request on August 18, 2013 and responded with the following comments:
  - Renaming the street will assist with emergency access.
  - All addresses for homes located in the cul-de-sac must be posted at the intersection of the street in question and Woodside. This is required whether the street is renamed or not.

Police Department (Jeff Gunter)
- The Police Department reviewed the request on August 21 and had no concerns with the proposed naming of the street.

Hailey Public Library (LeAnn Gelsky)
- The Public Library reviewed the request on August 15, 2013 and responded with the following comments:
  - The proposed name, Peregrine Aerie Court, may cause problems and confusion because of the relative proximity to Peregrine Ranch.
  - The spelling of “aerie” may also be confusing as it is an uncommon word for a public street.
  - To address these concerns, the applicant is proposing Serenity Place.

**Summary**
The Council should hold a public hearing and determine whether the proposed street naming should be approved for the following reasons:

1. For reasons of duplication,
2. To correct for a similar pronunciation or spelling to another street or location,
3. For reasons relating to public safety or convenience.
**Motion Language**

**Approval:**

Motion to approve the request to name an unnamed street Serenity Place, which is located in Woodside Subdivision, finding the request complies with HMC 12.08.040(D) which authorizes a street naming or renaming for reasons of duplication, similar pronunciation or spelling, or for other reasons relating to public safety or convenience.

**Denial:**

Motion to deny the request to name an unnamed street Serenity Place, which is located in Woodside Subdivision, finding the request does not comply with HMC 12.08.040(D) which authorizes a street naming or renaming for reasons of duplication, similar pronunciation or spelling, or for other reasons relating to public safety or convenience.

**Continuation:**
Motion to continue the public hearing on the proposed street naming.

**Table:**
Motion to table the public hearing on the proposed street naming.
Name Change Proposal for Unnamed Street in Woodside Subdivision

Five residential lots, accessed via unnamed street with Woodside Addresses

Unnamed Street, proposed name: Serenity Place

Summary of Request for Street Naming:
- Proposed name for street: Serenity Place
- Current addresses of homes accessed by this street:
  S. Woodside Boulevard (2750, 2760, 2770, 2780)
  All five residential lots exclusively accessed by this street have S. Woodside addresses
- Purpose for Street Name Request:
  Public safety, emergency vehicle access, and public convenience
Certificate of Owners

This is to certify that the undersigned are the owners or representatives of the owners in fee simple of the following described property: A portion of "Woodside Subdivision" Plat No. 15 located in a portion of SW1/4 SW1/4 Section 16, and NW1/4 NW1/4, Section 23, Township 2 North, Range 10 East, Bonneville County, Idaho, being more specifically described as follows:

Commencing at the East Quarter Corner of Section 16, Township 2 North, Range 10 East, Bonneville County, Idaho, thence North 42°24'15" East, 3750.76 feet from the South Quarter Corner of said Section 16, thence South 27°37'27" East 2030.73 feet to the Northeast Corner of Parcel W of "Woodside Subdivision" Plat No. 15, said point also being the REAL POINT OF BEGINNING.

Thence South 54°01'11" West, 431.36 feet,
Thence North 53°02'48" West, 250.00 feet,
Thence along Contour C-1 as shown on Sheet 1 of 1,
Thence North 54°01'11" West, 38.00 feet,
Thence along Contour C-2 as shown on Sheet 1 of 1,
Thence North 15°30'36" West, 206.72 feet,
Thence along Contour C-3 as shown on Sheet 1 of 1,
Thence North 30°30'16" West, 208.15 feet,
Thence South 53°02'16" East, 148.86 feet,
Thence South 25°38'16" East, 43.86 feet,
Thence North 89°34'01" East, 64.10 feet,
Thence North 67°30'14" East, 300.68 feet,
Thence North 67°30'14" East, 82.75 feet,
Thence South 01°11'53" West, 1048.23 feet to the REAL POINT OF BEGINNING.

The area consulted in this land is 10.02 acres.

It is the intention of the undersigned to use this land as a home and residence. The easements indicated on this plat are to be dedicated for public utility purposes and no structural changes shall be made without the written consent of the owner.

Pursuant to Idaho Code 50-13, the undersigned, as owners, do hereby state that the lots on this plat are eligible to receive water service from the city of Hailey Municipal Water System.

Pursuant to Idaho Code 31-3605, the undersigned, as owners, do hereby state that the irrigation water rights appurtenant and the easements and obligations of the lands in this plat are subject to the laws of the State of Idaho.

Springer, Guyl & Associates, Inc., an Idaho Corporation

By: Donald A. Anderson, President

Acknowledgment

State of Idaho
County of Blaine

On the 25th day of May, 2003, at 10:00 A.M., before me, the undersigned, a Notary Public in and for said State, personally appeared Donald A. Anderson, known to me to be the President of Springer, Guyl & Associates, an Idaho Corporation, and acknowledged to me that the Corporation executed the same.

I Witness Whereunto I have hereunto set my hand and affixed my official seal the day and year above written.

Nancy H. Anderson
Notary Public in and for said State

Subdivision Notes

1. BUILDING SETBACKS SHALL BE AS PROVIDED IN THE CITY OF HAILEY ZONING AND SUBDIVISION REGULATIONS FOR OR ZONE.
2. THERE SHALL BE FOUR 50'-WIDE STORAGE ENVELOPE ALONG BOTH SIDES OF THE PARCEL TO BE IN ADDITION TO RIGHT OF WAY NEEDED TO PROVIDE.
3. THE NUMBER OF LOTS ALLOWED TO ACCESS THE PRIVATE STREET WILL BE LIMITED TO 25 LOTS.
4. PARCELS XX WILL BE USED FOR A PRIVATE STREET FOR LOTS 4A THROUGH 25, EXCEPT FOR LOT 1, FIRST AMENDED WOODSIDE SUBDIVISION, FINAL PLAT 25 AND AN ACCESS, DRAINAGE, UTILITY, EMERGENCY ACCESS, PEDESTRIAN, SWIM STATION, AND BIKE PATH EASEMENTS.
5. OWNERSHIP OF LOTS 4A THROUGH 25, BLOCK 1 WILL BE HELD IN TRUST FOR COMMON, MAINTENANCE OF THE PRIVATE STREET PER MAINTENANCE AGREEMENT RECORDED AS INSTRUMENT NO. 326-10202,
6. NO PARKING WILL BE ALLOWED ON PRIVATE STREET. THE CITY SHALL HAVE THE AUTHORITY TO ENFORCE THE NO PARKING REQUIREMENT REFERRED TO IN THIS NOTE.
7. LOTS 2A, 3A, 4A, 5A, 6A, 7A, AND 8A WILL BE RESTRICTED TO SINGLE FAMILY DWELLINGS ONLY. ACCOMPANYING UNITS ARE NOT ALLOWED.
8. THE INITIAL PURCHASERS OF LOTS 1A, 2A, AND 3A SHALL BE RESPONSIBLE FOR THE INSTALLATION OF A 50' WIDE CONCRETE SIDEWALK, FOR THAT PORTION THAT FRAMES EACH RESPECTIVE LOT, AND BEING LOCATED ADJACENT TO WOODSIDE ROAD.
9. WITHIN THE PRIVATE STREET SHOWN IN PLAN, EASEMENTS ARE GRANTED FOR NON-MOTORIZED PUBLIC ACCESS, FOR MOTORIZED ACCESS FOR LOTS 4A, 5A, 6A, 7A, AND 8A AND WALK AND BICYCLE ACCESS AS WELL AS FOR THE MAINTENANCE AND RECONSTRUCTION OF PUBLIC UTILITIES.
10. EACH DWELLING IN LOTS 4A, 5A, 6A, 7A, AND 8A SHALL PROVIDE THREE (3) GUEST OR OVERTURN PARKING SPACES IN ADDITION TO THE TWO (2) REQUIRED SPACES.
11. WITHIN THE PRIVATE STREET SHOWN OR LOGGED, EASEMENTS ARE GRANTED FOR NON-MOTORIZED PUBLIC ACCESS, FOR MOTORIZED ACCESS FOR LOTS 4A, 5A, 6A, 7A, AND 8A WITH WALK AND BIKE ACCESS, FOR THE MAINTENANCE AND RECONSTRUCTION OF PUBLIC UTILITIES.
12. WITHIN THE PRIVATE STREET SHOWN OR LOGGED, EASEMENTS ARE GRANTED FOR NON-MOTORIZED PUBLIC ACCESS, FOR MOTORIZED ACCESS FOR LOTS 4A, 5A, 6A, 7A, AND 8A, AND THREE (3) GUEST OR OVERTURN PARKING SPACES IN ADDITION TO THE TWO (2) REQUIRED SPACES.
13. A 50'-WIDE SIDEWALK MANUFACTURED LANDSCAPE PARCEL MAY BE REQUIRED WITHIN LOTS 4A, 5A, 6A, 7A, AND 8A TO MEET DOUBLE SETBACK REQUIREMENTS.
14. WITHIN THE PRIVATE STREET SHOWN OR LOGGED, EASEMENTS ARE GRANTED FOR NON-MOTORIZED PUBLIC ACCESS, FOR MOTORIZED ACCESS FOR LOTS 4A, 5A, 6A, 7A, AND 8A, AND THREE (3) GUEST OR OVERTURN PARKING SPACES IN ADDITION TO THE TWO (2) REQUIRED SPACES.
Certificate of Surveyor

This is to certify that I, Roger A. Krueger, a Professional Land Surveyor in the State of Idaho, made the survey of land as described in the Certificate of Owner's and that this plat is a true and accurate representation of said survey as made and stated under my supervision and direction.

[Signature]

County Engineer's Certificate

This is to certify that the undersigned, a Registered Professional Engineer in the State of Idaho has checked the foregoing plat and computations for making the same and has determined that they comply with the laws of the State of Idaho and the County of Blaine, Idaho related thereto.

[Signature]

Planning and Zoning Commission Acceptance

The foregoing plat was duly accepted and approved by the City of Hailey Planning and Zoning Commission, Blaine County, Idaho, on the ______ day of ______, 20__.

[Signature]

Approval of City Council

Accepted by the City Council of Hailey, Idaho, at their meeting on the ______ day of ______, 20__.

[Signature]