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## REIMBURSEMENT AGREEMENT

## 35315

THIS REIMBURSEMENT AGREEMENT (the "Agreement") is made and entered into as of July 19 \_\_\_\_, 2019 for reference purposes only, pursuant to a minute order of City Council of the City of Long Beach adopted at its meeting on June 18, 2019, by and between BREAKERS DEVELOPMENT, LLC, a California limited liability company ("Developer") and the CITY OF LONG BEACH ("City").

#### Recitals

- A. Developer owns certain real property in the City of Long Beach located at 210 E. Ocean Blvd. formerly known as the "Breakers Hotel" (the "Development Property").
- B. Developer intends make to certain improvements the Development Property which require the use of 1,647 additional square feet of park property owned and operated by the City and located immediately adjacent to the Development Property (the "Licensed Land"), which such use shall be evidenced and governed by a License Agreement by and between Developer and City.
- C. In order to comply with certain conditions of development of the Development Property, Developer must, among other things, replace the Licensed Land with new park land in at least a 2:1 ratio of new park land to Licensed Land.
- D. City has entered into that certain Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate dated as of June 21, 2019 by and between City and the Tanaka Estate ("Purchase Agreement"), pursuant to which City intends to purchase certain real property located in the City of Long Beach at 1400 W. Wardlow, commonly known as "Tanaka Park" ("Replacement Land"), consisting of approximately 61,926 square feet.
- E. In order to satisfy its obligations with respect to the Licensed Land, Developer has agreed to reimburse City for a portion of the purchase price of the Replacement Land, on the terms and conditions contained herein.

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#### **Agreement**

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises and covenants contained in this Agreement, the Parties hereby agree as follows:

- 1. Within five (5) days after the Close of Escrow (as defined in the Purchase Agreement) for the Replacement Land, Developer shall reimburse City a portion of the Purchase Price (as defined in the Purchase Agreement) in an amount equal to Fifty-Five Thousand Eight Hundred Sixty-Six Dollars (\$55,866) (the "Reimbursement Amount"). The Reimbursement Amount was calculated by dividing \$1,050,000 (the Replacement Land Purchase Price) by 61,926 square feet (the total square footage of the Replacement Land), and thereafter multiplying the result by 3,294 square feet (twice the square footage of the Licensed Land).
- City shall be under no obligation to Developer to purchase the Replacement Land. Developer shall be under no obligation to pay City the Reimbursement Amount if City does not acquire the Replacement Land.
- 3. The parties acknowledge and agree that payment in the Reimbursement Amount is being made by Developer solely to facilitate development of the Development Property, and that such reimbursement payment shall impart no ownership rights, interest or liability in the Replacement Land to Developer whatsoever.
- 4. Unless otherwise provided herein, any notice, request, consent, instruction or other document to be given hereunder by either of the Parties to the other shall be in writing and delivered in person or by courier, telegraph, telex, facsimile transmission (with confirmed receipt) or mailed first-class, postage prepaid, as follows:

If to Developer:

Breakers Development, LLC

211 E. Ocean Blvd., Suite 550 Long Beach, California 90802

Attn: Todd Lemmis

If to City:

City of Long Beach

333 W. Ocean Blvd., 3rd Floor

Long Beach, California 90802

Attn: Mary Torres

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Each such notice shall be effective on the date received and may be delivered to such other place as either of the Parties may designate by written notice given to the other.

- 5. This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the parties to be bound thereby.
- If any one or more of the provisions contained in this Agreement shall be found to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not, in any way, be affected or impaired thereby.
- 7. This Agreement shall be construed in accordance with and governed by the laws of the State of California.
- 8. The headings and captions to the various articles, sections, subsections, subdivisions and other provisions of this Agreement have been inserted for convenient reference only and shall not have the effect of amending or changing the express terms and provisions of any such article, section, subsection, subdivision or other such provision thereof.
- This Agreement and all written documents pursuant thereto shall be 9. maintained as a public record.
- The Parties agree that this Agreement is solely for the benefit, and it 10. does not, nor is it intended to, create any rights in favor of or obligation owing to any third parties.

IN WITNESS WHERE	OF, the Parties have hereunto caused this
Agreement to be executed and deliver	red, as of the date first appearing above, by their
duly authorized offices.	
Date:	CITY OF LONG BEACH  Tom Modica  Assistant City Manager  EXECUTED PURSUANT  TO SECTION 301 OF
	BREAKERS DEVELOPMENT, LLC, a California limited liability company
Date: July 11, 2019	By: John Molina Title: Founding Partner
Approved as to form this _	day of