

1 AGREEMENT TO NEGOTIATE EXCLUSIVELY

2 (6845 Atlantic Ave)

3 **36420**

4 THIS AGREEMENT TO NEGOTIATE EXCLUSIVELY ("Agreement") is  
5 entered as of October 31, 2022, between the CITY OF LONG BEACH, a municipal  
6 corporation ("CITY") and Century Affordable Development Inc., a California nonprofit public  
7 benefit corporation ("DEVELOPER").

8 1. NEGOTIATIONS. CITY and DEVELOPER agree (for the period  
9 stated below) to negotiate in good faith pursuant to the terms of this Agreement to prepare  
10 a Purchase and Sale Agreement and related documents (collectively, the "Purchase  
11 Documents") to be entered into between CITY and DEVELOPER with regard to the  
12 potential purchase by DEVELOPER of certain real property owned by CITY commonly  
13 known as 6845 Atlantic Avenue and more particularly described on Exhibit "A" attached  
14 hereto and incorporated herein ("Property"). CITY agrees (for the period stated below) not  
15 to negotiate with, directly or indirectly, through any officer, employee, agent or otherwise,  
16 any other person or entity regarding the Property without the consent of DEVELOPER and  
17 not to solicit, initiate or encourage bids, offers or proposals directly or indirectly, through  
18 any officer, employee, agent, or otherwise, by any other person or entity for the purchase  
19 or other disposition of the Property. Nothing in this Agreement shall be deemed a  
20 covenant, promise or commitment by CITY, or any agency of CITY, to transfer the Property  
21 to DEVELOPER. CITY'S acceptance of this Agreement is merely an agreement to enter  
22 into a period of exclusive negotiations according to the terms hereof, reserving final  
23 discretion and approval by CITY as to any actions required of it.

24 2. NEGOTIATION PERIOD. CITY and DEVELOPER agree to negotiate  
25 for one hundred eighty (180) days after the execution date in order to enter into the  
26 Purchase Documents. If, upon the expiration of such period of time, CITY and  
27 DEVELOPER have not each approved and executed the Purchase Documents, then this  
28 Agreement shall automatically terminate and DEVELOPER shall have no further rights or

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1 obligations regarding the subject matter of this Agreement or the Property, and CITY shall  
2 be free to negotiate with any other person or entities with regard to the Property; provided,  
3 however, that CITY and DEVELOPER may mutually agree in writing to further extend the  
4 exclusive negotiation period for up to two (2) terms of ninety (90) days each.

5 3. OBLIGATIONS OF DEVELOPER.

6 A. Evidence of Financing. DEVELOPER shall, during the  
7 negotiation of the Purchase Documents, develop a plan of additional financing and equity  
8 to provide CITY with reasonably satisfactory evidence that the development of the Property  
9 is feasible.

10 B. Development Plan. During the exclusive negotiating period,  
11 DEVELOPER shall formulate a development plan for the Property ("Plan"), and shall  
12 submit the same to CITY for approval. The Plan shall include tabulation of the number of  
13 residential units proposed, the square footage of each unit proposed, and a tabulation of  
14 the parking spaces proposed, and shall otherwise be in format reasonably acceptable to  
15 CITY. DEVELOPER shall also furnish such information to CITY regarding the proposed  
16 project as may be required to perform an environmental review pursuant to the California  
17 Environmental Quality Act (CEQA).

18 C. Visioning Process. During the negotiating period, Developer  
19 shall cooperate with City in jointly scheduling and conducting public meeting(s) to receive  
20 public input into the Plan and otherwise discussing potential operations at the Property.

21 4. OBLIGATIONS OF CITY.

22 A. CITY Assistance and Cooperation. CITY shall cooperate fully  
23 in providing DEVELOPER with appropriate information and assistance.

24 B. City Public Hearing. If the negotiations culminate in Purchase  
25 Documents, signed by DEVELOPER, such Purchase Documents shall become effective  
26 only after and if the Purchase Documents have been considered and approved by CITY.

27 C. Visioning Process. During the negotiating period, City shall  
28 cooperate with Developer in jointly scheduling and conducting public meeting(s) to receive

1 public input into the Plan and otherwise discussing potential operations at the Property.

2 5. ASSIGNMENT. DEVELOPER shall have the right to assign its  
3 interest in this Agreement to one or more limited partnerships in which DEVELOPER or  
4 its wholly-controlled affiliate is the General Partner without CITY'S consent. DEVELOPER  
5 shall not otherwise have a right to assign its interests in this Agreement without the CITY's  
6 consent.

7 6. DEVELOPER'S STUDIES; RIGHT OF ENTRY.

8 A. During the term of this Agreement, DEVELOPER will use its  
9 best efforts to prepare, at DEVELOPER'S expense, any studies, surveys, plans,  
10 specifications and reports ("Developer's Studies") that DEVELOPER deems  
11 necessary or desirable in DEVELOPER'S sole discretion, to complete its due  
12 diligence for the Property. Developer's Studies may include, without limitation, title  
13 investigation, relocation analyses if applicable, marketing, feasibility, soils, seismic  
14 and environmental studies, financial feasibility analyses and design studies.  
15 DEVELOPER will have rights of access to the Property to prepare the Developer's  
16 Studies.

17 B. DEVELOPER hereby agrees to notify the City forty-eight (48)  
18 hours in advance of its intention to enter the Property.

19 C. DEVELOPER must keep the Property in a safe condition during  
20 its entry. DEVELOPER shall repair, restore and return the Property to its condition  
21 immediately preceding DEVELOPER'S entry thereon at DEVELOPER'S sole  
22 expense.

23 D. DEVELOPER shall hold CITY harmless and indemnify CITY  
24 against any and all claims, causes of action, damages and losses brought against  
25 or suffered by CITY resulting from DEVELOPER'S entry onto the Property.

26 7. CITY'S Reports and Studies. Within thirty (30) days following the  
27 Effective Date, CITY will make available to DEVELOPER for review or copying at  
28 DEVELOPER'S expense all non-privileged studies, surveys, plans, specifications, reports,

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1 and other documents with respect to the Property that CITY has in its possession or control,  
2 which have not already been provided. Studies or documents prepared by CITY and its  
3 agents solely for the purpose of negotiating the terms of the Purchase Documents are not  
4 required to be provided by CITY to DEVELOPER and are excluded from this requirement.

5 IN WITNESS WHEREOF, the parties have caused this document to be duly  
6 executed with all formalities required by law as of the date first stated above.

7  
8 October 17, 2022

Century Affordable Development, Inc.  
By [Signature]  
Name Oscar Alvarado  
Title Vice President

11  
12  
13 October 31, 2022

CITY OF LONG BEACH, a municipal  
corporation  
By Linda J. Tabumjoe  
Thomas B. Modica  
City Manager

"CITY"  
EXECUTED PURSUANT  
TO SECTION 301 OF  
THE CITY CHARTER.

17  
18  
19  
20  
21 The foregoing Agreement to Negotiate Exclusively is approved as to form on  
22 October 27, 2022.

23  
24 CHARLES PARKIN, City Attorney  
By [Signature]  
Deputy

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EXHIBIT "A"

The Subject Property is situated in the State of California, County of Los Angeles, City of Long Beach, and is described as follows:

Street Address : 6845 Atlantic Avenue, Long Beach, California

PARCEL 1:

THOSE PORTIONS OF LOT 1 IN BLOCK 24, OF THE CALIFORNIA COOPERATIVE COLONY TRACT, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 15 AND 16 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF THE 330 FOOT STRIP OF LAND DESCRIBED AND DESIGNATED AS PARCEL NO. 2 IN THE DEED FROM EDISON SECURITIES COMPANY TO SOUTHERN CALIFORNIA EDISON COMPANY, DATED FEBRUARY 29, 1928, RECORDED IN BOOK 9514, PAGE 345 OF OFFICIAL RECORDS, RECORDS OF SAID LOS ANGELES COUNTY, WITH THE CENTER LINE OF ATLANTIC BOULEVARD (STATE HIGHWAY), AS NOW ESTABLISHED, 100 FEET WIDE, ACROSS SAID LOT 1, SAID PARCEL NO. 2 BEING A PORTION OF LOT 3, AS SAME IS SHOWN ON MAP NO. 2 OF PROPERTY OF SOUTHERN CALIFORNIA EDISON COMPANY LTD., FILED IN BOOK 1, PAGE 51 OF OFFICIAL RECORDS OF SAID LOS ANGELES COUNTY; THENCE FROM SAID POINT OF BEGINNING WESTERLY ALONG SAID SOUTH LINE OF SAID PARCEL NO. 2, A DISTANCE OF 175 FEET, MORE OR LESS, TO THE EAST LINE OF THE LAND DESCRIBED AS THE FIRST EXCEPTION UNDER PARCEL 1 IN THE DEED OF MATTIE M. COUCH TO ETHEL MAY GRIFFIN, DATED JANUARY 30, 1926, AND RECORDED FEBRUARY 24, 1926 IN BOOK 5567 PAGE 307 OF OFFICIAL RECORDS, RECORDS OF SAID LOS ANGELES COUNTY, SAID EAST LINE BEING ALSO THE EAST LINE OF THE PARCEL OF LAND DESCRIBED AS PARCEL "C" IN THE DEED FROM TITLE INSURANCE AND TRUST COMPANY TO EDISON SECURITIES COMPANY, DATED JULY 16, 1932 AND RECORDED IN BOOK 11754, PAGE 96 OF OFFICIAL RECORDS, RECORDS OF SAID LOS ANGELES COUNTY; THENCE SOUTHERLY, ALONG SAID EAST LINE, 155 FEET, MORE OR LESS, TO THE NORTHERLY LINE OF THE PARCEL OF LAND DESCRIBED AS THE SECOND EXCEPTION UNDER PARCEL 1 IN SAID ABOVE REFERRED TO DEED FROM MATTIE M. COUCH TO ETHEL MAY GRIFFIN; THENCE EASTERLY ALONG SAID NORTHERLY LINE, 170 FEET, MORE OR LESS, TO A POINT IN THE CENTERLINE OF ATLANTIC BOULEVARD; THENCE NORTHERLY ALONG SAID CENTERLINE, 155 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

PARCEL 2:

THOSE PORTIONS OF LOT 1 IN BLOCK 24, OF THE CALIFORNIA COOPERATIVE COLONY TRACT, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 21 PAGES 15 AND 16 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF THE 330 FOOT STRIP OF LAND CONVEYED TO SOUTHERN CALIFORNIA EDISON COMPANY, AS REFERRED TO ABOVE IN THE DESCRIPTION OF PARCEL 1, WITH THE EASTERLY LINE OF THE PARCEL OF LAND DESCRIBED IN THE GRANT OF EASEMENT FROM ELEANOR A. PRESTON TO LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, RECORDED IN BOOK 3977, PAGE 263, OF OFFICIAL RECORDS, RECORDS OF SAID LOS ANGELES COUNTY, SAID EASTERLY LINE BEING ALSO THE WESTERLY LINE OF THE PARCEL OF LAND DESCRIBED AS PARCEL "C" IN THE DEED FROM TITLE INSURANCE AND TRUST COMPANY TO EDISON SECURITIES COMPANY, DATED JULY 16, 1932, AND RECORDED IN BOOK 11754, PAGE 96, OFFICIAL RECORDS; THENCE FROM SAID POINT OF BEGINNING SOUTHERLY ALONG SAID EASTERLY LINE, 153 FEET, MORE

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1 OR LESS, TO THE SOUTHWEST CORNER OF SAID PARCEL OF LAND CONVEYED BY TITLE INSURANCE  
2 AND TRUST COMPANY TO EDISON SECURITIES COMPANY ABOVE REFERRED TO; THENCE EASTERLY  
3 ALONG THE SOUTH LINE OF SAID LAND CONVEYED BY TITLE INSURANCE AND TRUST COMPANY TO  
4 EDISON SECURITIES COMPANY 346.4 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF SAID  
5 LAND, THENCE NORTHERLY ALONG THE EAST LINE OF SAID LAND CONVEYED BY TITLE INSURANCE AND  
6 TRUST COMPANY TO EDISON SECURITIES COMPANY, SAID EAST LINE BEING ALSO THE EAST LINE OF  
7 THE PARCEL OF LAND DESCRIBED AS THE FIRST EXCEPTION UNDER PARCEL 1 IN THE DEED FROM  
8 MATTIE M. COUCH TO ETHEL MAY GRIFFIN DATED JANUARY 30, 1926, AND RECORDED FEBRUARY 24,  
9 1926, IN BOOK 5567 PAGE 307 OF OFFICIAL RECORDS, A DISTANCE OF 150 FEET, MORE OR LESS, TO A  
10 POINT IN THE SOUTH LINE OF SAID ABOVE REFERRED TO 330 FOOT STRIP OF LAND CONVEYED TO  
11 SOUTHERN CALIFORNIA EDISON COMPANY; THENCE WESTERLY ALONG SAID SOUTH LINE, 324 FEET,  
12 MORE OR LESS, TO THE POINT OF BEGINNING.

13 EXCEPTING THEREFROM SAID PARCEL 2, 8/13 PERCENT OF ALL OIL, GAS, ETC., FOUND IN OR  
14 PRODUCED FROM SAID PARCEL 2, AS RESERVED IN DEED FROM ELEANOR A. PRESTON, RECORDED IN  
15 BOOK 5646, PAGE OF 240 OF OFFICIAL RECORDS. ALSO EXCEPTING THEREFROM PARCELS 1 AND 2 AN  
16 UNDIVIDED ONE-HALF INTEREST IN AND TO ALL OIL, GAS, PETROLEUM AND ALL OTHER MINERALS AND  
17 HYDROCARBON SUBSTANCES IN AND UNDER THE LAND DESCRIBED ABOVE AS PARCELS 1 AND 2,  
18 SUBJECT, HOWEVER, TO RESERVATION OF 8 1/13 PERCENT OF ALL OIL, GAS, ETC., FOUND ON OR  
19 PRODUCED FROM THE LAND DESCRIBED ABOVE AS PARCEL 2, AS RESERVED IN THE DEED FROM  
20 ELEANOR A. PRESTON, RECORDED IN BOOK 5646, PAGE 240 OF OFFICIAL RECORDS ABOVE, AS  
21 RESERVED IN DEED FROM EDISON SECURITIES COMPANY, A CORPORATION, RECORDED MAY 8, 1942 IN  
22 BOOK 19320 PAGE 115 OF OFFICIAL RECORDS.

23 PARCEL 3:  
24 THAT PORTION OF TRACT OF LAND IN THE RANCHO SAN PEDRO, MARKED "WIDNEY" ON THE MAP OF  
25 THE HELLMAN TRACT, IN THE CITY OF LONG BEACH, AS PER MAP RECORDED IN BOOK 2, PAGES 524  
26 AND 525 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY,  
27 AND A PORTION OF LOT 1 IN BLOCK 24 OF THE CALIFORNIA CO-OPERATIVE COLONY TRACT, IN SAID  
28 CITY, AS PER MAP RECORDED IN BOOK 21, PAGES 15 AND 16, OF MISCELLANEOUS RECORDS, IN THE  
OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED AS A WHOLE AS FOLLOWS:

BOUNDED SOUTHERLY BY THE EASTERLY PROLONGATION OF THE SOUTHERLY TINE OF SAID TRACT  
MARKED "WIDNEY". BOUNDED NORTHERLY BY THAT CERTAIN COURSE IN THE SOUTHERLY BOUNDARY  
OF LOT 3, THE PROPERTY OF CALIFORNIA EDISON COMPANY LTD., MAP NO. 2, AS SHOWN ON A MAP  
FILED IN BOOK 1, PAGE 51, OF OFFICIAL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID  
COUNTY, SHOWN ON SAID MAP AS HAVING A BEARING AND LENGTH OF "SOUTH 89°14'26" WEST,  
1280.43 FEET". BOUNDED EASTERLY BY THE EASTERLY LINE OF LOS ANGELES COUNTY FLOOD  
CONTROL RIGHT-OF-WAY DESCRIBED IN THE GRANT OF EASEMENT FROM ELEANOR A. PRESTON TO  
LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, DATED APRIL 2, 1925, AND RECORDED IN BOOK  
3977 PAGE 263, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.  
BOUNDED WESTERLY BY THE WESTERLY LINE OF THE LANDS QUITCLAIMED IN THAT CERTAIN  
QUITCLAIM DEED FROM LOS ANGELES COUNTY FLOOD CONTROL DISTRICT TO ASSOCIATED SOUTHERN  
INVESTMENT COMPANY, RECORDED FEBRUARY 20, 1964, IN BOOK D2366, PAGE 893, OF OFFICIAL  
RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.