

**JOINT APPLICATION AND INDEMNIFICATION AGREEMENT  
(UNITED STATES ECONOMIC DEVELOPMENT ADMINISTRATION FUNDS)**

**35623**

This Joint Application and Indemnification Agreement (“**Agreement**”) is made as of AUG 27 2020, 2020, by and between **CENTRO C.H.A. INC.**, a California nonprofit corporation (“**Centro**”) and the **CITY OF LONG BEACH**, a municipal corporation (“**City**”), with reference to the recitals below, which are deemed to be a substantive part hereof.

**RECITALS**

A. City owns a parcel of land at 1858 Atlantic Avenue, in the City of Long Beach, as legally described on Exhibit A hereto (collectively, the “**Property**”).

B. City, as landlord, and Centro, as tenant, are parties to that certain Lease and Option to Purchase Agreement No. 35521, dated as of January 1, 2020 (the “**Lease**”), pursuant to which Centro leases the Property in its entirety from City

C. Centro has notified City of its intent to exercise its purchase option as provided in the Lease, and in furtherance thereof, City and Centro have executed, or will shortly hereafter execute, that certain Agreement for Acquisition of Real Property (the “**Purchase Agreement**”) dated as of even date herewith.

D. The United States Economic Development Administration (“**EDA**”) issued a Notice of Funding Availability dated May 7, 2020 (the “**NOFA**”), under the FY 2020 Public Works and Economic Adjustment Assistance Programs (“**Program**”).

E. City and Centro jointly submitted an application to receive grant funds in an amount of up to Three Million Dollars (\$3,000,000) (“**Grant**”) in response to the NOFA to provide funding for, among other things, (A) the development of the Property as a regional workforce development center; and (B) Social Services Center (collectively, the “**Project**”). These improvements are described in more detail in the Program Application submitted on SEP 17 2020 (the “**Application**”).

F. If the EDA awards the Grant to the parties hereto, City and Centro shall jointly execute any and all required grant award documents in connection with the Grant (collectively, and together with the Application, the “**Grant Agreements**”).

**AGREEMENT**

Therefore, in consideration of the mutual benefits accruing to the parties hereto, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree, represent and warrant as follows:

1. **The Project.** City currently holds fee title to the Property on which the Project will be constructed and operated, and Centro currently holds a leasehold interest in the Property pursuant to the Lease. Centro will use proceeds of a loan from the County of Los Angeles to acquire the Property from City in accordance with its rights to purchase under the Lease. Centro will use the Grant funds to significantly rehabilitate and develop the Property as a regional

workforce development center. After Centro has acquired the Property, City shall have no further rights or obligations with respect to the Property or the Project.

2. **Grant Responsibilities.** Centro shall be solely responsible for each of the following: (i) filing EDA project and financial reports; (ii) receiving and distributing Grant funds; (iii) bidding, award and management of any and all contracts necessary for the Project; and (iv) EDA match requirements. Centro and City agree and understand that each will be bound by the Grant Agreements and all statutes and regulations applicable to the Program, and each of Centro and City agree to individually submit required application materials to EDA. City and Centro acknowledge and agree that this Agreement shall be submitted to and relied upon by EDA, and the parties agree to notify EDA of any amendments to this Agreement.

3. **Centro Indemnification.** Centro is responsible for using proceeds of the Grant, and other funds to construct and implement the Project and related activities and improvements in accordance with the Grant Agreements. Centro agrees to indemnify, protect, defend (with counsel satisfactory to City), and hold City, its successors and assigns, council members, directors, elected and appointed officials, officers, employees, agents, representatives and contractors (collectively, the "**City Indemnified Parties**") harmless from any claims (including without limitation third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including without limitation both formal and informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, liabilities (including without limitation sums paid in settlements of claims), interest, or losses, including reasonable attorneys' and paralegals' fees and expenses (including without limitation any such fees and expenses incurred in enforcing this Agreement or collecting any sums due hereunder), reasonable consultant fees, and expert fees, together with all other reasonable costs and expenses of any kind or nature and including, without limitation, any claim by EDA for repayment of some or all of the Grant funds (collectively, the "**City Costs**") that arise directly or indirectly from or in connection with (a) Centro's performance of or failure to perform its obligations to complete acquisition, construction and development of the Project and related activities and improvements within the time periods, and to otherwise perform any covenants, set forth in the Grant Agreements, (b) Centro's ownership of the Property and/or its agents' financing, development, construction and/or operation of the Project, (c) any breach of the obligations, representations, warranties or other terms and conditions of the Grant Agreements by Centro, (d) the receipt, disbursement and/or use of Grant funds by Centro, (e) City contractor costs undertaken in connection with the Project which are not reimbursable per the terms of the Grant Agreements, and (f) any breach by Centro of the obligations or representations and warranties set forth herein.

Without affecting the rights of the City Indemnified Parties under any provisions of this Agreement, Centro shall not be required to indemnify and hold harmless the City Indemnified Parties for liability attributable to the active negligence or intentional misconduct of the City Indemnified Parties, provided such active negligence or intentional misconduct is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where the City Indemnified Parties are shown to have been actively negligent or to have acted with intentional misconduct and where the City Indemnified Parties' active negligence or intentional misconduct accounts for only a percentage of the liability involved, the obligation of Centro will be for that entire portion or percentage of liability not attributable to the active negligence or intentional misconduct of the City Indemnified Parties.

In the event the City Indemnified Parties shall suffer or incur any such City Costs, Centro shall pay to the City Indemnified Parties the total of all such City Costs suffered or incurred by the City Indemnified Parties upon demand therefor by the City Indemnified Parties (the "**Centro Indemnification Obligations**") within thirty (30) days of written demand made therefore. For purposes hereof, Centro Indemnification Obligations shall include any Default Interest due in accordance with Section 6.

4. **Independent Obligations; Survival.** The obligations of Centro under this Agreement are separate and distinct from the obligations of Centro under any other agreement entered into by and between Centro and one or more of any City Indemnified Parties. This Agreement may be enforced by any City Indemnified Party without regard to any other rights and remedies said City Indemnified Party may have against Centro under any other agreement and without regard to any limitations on said City Indemnified Parties' recourse as may be provided in any other agreement.

5. **Payment of Fees and Expenses.** In the event of any claim by any Indemnified Parties under this Agreement, or in the event that any dispute arises relating to the interpretation, enforcement, or performance of this Agreement, the prevailing party shall be entitled to collect from the non-prevailing party on demand all reasonable fees and expenses incurred in connection therewith, including but not limited to reasonable fees of attorneys, accountants, appraisers, environmental inspectors, consultants, expert witnesses, arbitrators, mediators, and court reporters. Without limiting the generality of the foregoing, the non-prevailing party shall pay all such costs and expenses incurred in connection with (a) arbitration or other alternative dispute resolution proceedings, trial court actions, and appeals; (b) post-judgment collection proceedings; (c) all settlement negotiations with respect to any of the foregoing; and (d) costs on appeal.

6. **Default Interest.** Any costs and other payments required to be paid by Centro to any City Indemnified Parties under this Agreement which are not paid within thirty (30) days of demand therefor shall thereupon be considered "**Delinquent.**" In addition to all other rights and remedies of the City Indemnified Parties against Centro as provided herein, or under applicable law, Centro shall pay to the City Indemnified Parties, immediately upon demand therefor, interest at ten percent (10%) per annum or such lesser percent as may be required by law ("**Default Interest**") on any such payments which are or have become Delinquent. Default Interest shall be paid by Centro from the date such payment becomes Delinquent through and including the date of payment of such Delinquent sums.

7. **Time of Essence.** Time is of the essence under this Agreement and in the performance of every term, covenant, and obligation contained herein.

8. **Notices.** All notices required hereunder shall be in writing and personally delivered or deposited in the U.S. Postal Service, first class, postage prepaid, as follows:

To Tenant: Centro C.H.A. Inc.  
1633 Long Beach Blvd.  
Long Beach, CA 90813

Attention:

To Landlord: City of Long Beach  
411 W. Ocean Blvd., 10th Floor  
Long Beach, CA 90802  
Attention: City Manager

Change of address shall be given in the same manner as stated for other notices. Notice shall be deemed given on the date deposited in the mail or on the date personal delivery is made, whichever first occurs

9. **Miscellaneous.** The Recitals are a material part of this Agreement and are incorporated herein by this reference. This Agreement cannot be amended, supplemented or modified except by an agreement in writing which makes specific reference to this Agreement, and which is signed by the party against which enforcement of any such amendment, supplement or modification is sought. If any term of this Agreement or any application thereof shall be invalid, illegal, or unenforceable, the remainder of this Agreement and any other application of such term shall not be affected thereby. This Agreement contains the entire agreement of the parties, and supersedes any prior written or oral agreements between them concerning the subject matter of this Agreement. No delay or omission in exercising any right hereunder shall operate as a waiver of such right or any other right. Except as specified herein, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by each Indemnitor and each Indemnified Parties, and their respective successors and assigns. The parties agree to execute such further documents, and take such further actions, as may reasonably be required to carry out the provisions of this Agreement, or any agreement or document relating hereto or entered into in connection herewith. This Agreement may be executed in counterparts, each of which is deemed to be an original, and all such counterparts constitute one and the same instrument. As used in this Agreement, the plural form shall include the singular form and the singular form shall include the plural form as and where required by the context of this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

10. **Representations and Warranties of Indemnitors.** Each of City and Centro represent and warrant that:

- a. They are duly organized, validly existing and in good standing under the laws of the State of California and have the power and authority to own or lease the Property and to own, develop, construct, operate and maintain the Project as applicable.
- b. They have full power and authority to execute and deliver the Grant Agreements and all other instruments, agreements and documents executed and delivered, or to be executed and delivered, pursuant to this Agreement, and to perform and observe the terms and provisions of all of the above.
- c. The Grant Agreements and all other instruments, agreements and documents executed and delivered, or to be executed and delivered by City or Centro, have been or will be executed and delivered by persons who are duly

authorized to execute and deliver the same for and on behalf of Centro or City, as applicable.

- d. None of the execution or delivery of the Grant Agreements and other instrument, agreement and document executed and delivered, or to be executed or delivered, pursuant to this Agreement, or the performance of any provision, condition, covenant or other term hereof or thereof, will conflict with or result in a breach of any statute, rule or regulation, or any judgment, decree or order of any court, board, commission, or agency whatsoever binding on City or Centro.
- e. City and Centro will comply with all applicable laws, ordinances, rules and regulations of federal, state and local governments and agencies having jurisdiction over either Centro, City or the Property, and with all applicable directions, rules and regulations of the fire marshal, health officer, building inspector and other officers of any such government or agency.

11. **Authority.** The party signing on behalf of each of City and Centro represents and warrants that he or she has been duly authorized by said party to execute this Agreement in accordance with the governance documents of said party and all applicable laws.


12. **Term.** This Agreement shall become effective upon execution by both parties and shall terminate on the same date that all of the Grant Agreements terminate.

(Signature page follows)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

**CENTRO:**

**CENTRO C.H.A. INC.**, a California nonprofit corporation

By:   
Name: Jessica Quintana  
Title: Executive Director, CEO  
Date: Sept 3, 2020

[SIGNATURE PAGE 1 OF 2]

CITY:

CITY OF LONG BEACH, a municipal corporation

By: Linda F. Jabumjoe  
Thomas B. Modica  
City Manager

Date: September 14, 2020

EXECUTED PURSUANT  
TO SECTION 301 OF  
THE CITY CHARTER.

APPROVED AS TO FORM

9.9.20  
CHARLES PARKIN, City Attorney

By [Signature]  
RICHARD ANTHONY  
DEPUTY CITY ATTORNEY

[SIGNATURE PAGE 2 OF 2]

APPROVED AS TO FORM

CHARLES PARKIN, City Attorney  
RICHARD ANTHONY, Deputy City Attorney

## EXHIBIT A

### LEGAL DESCRIPTION

All that certain real property situated in the County of Los Angeles, State of California, described as follows:

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF LOS ANGELES, IN THE COUNTY

OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THOSE PORTIONS OF LOTS 22, 23 AND 24 OF THE ATLANTIC BOULEVARD TRACT NO. 1, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 11 PAGE 91 OF MAPS, IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER, EXCEPT THEREFROM THE WEST 10 FEET THEREOF, CONVEYED TO THE CITY OF LONG BEACH FOR STREET PURPOSES, DESCRIBED AS ONE LOT, AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID LOT 22; THENCE WEST ALONG THE SOUTH LINE OF SAID LOT 22 A DISTANCE OF 115.00 FEET TO THE SOUTHWEST CORNER OF SAID LOT 22; THENCE NORTH ALONG THE WEST LINE OF SAID LOTS 22, 23 AND 24, A DISTANCE OF 127.50 FEET, TO THE NORTHWEST CORNER OF SAID LOT 24; THENCE EAST ALONG THE NORTH LINE OF SAID LOT 24, A DISTANCE OF 115.00 FEET, TO THE NORTHEAST CORNER OF SAID LOT 24, THENCE SOUTH ALONG THE EAST LINES OF SAID LOTS 24, 23 AND 22, A DISTANCE OF 127.50 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT FROM LOT 22 ALL OIL, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN 500 FEET, BELOW THE SURFACE OF SAID LAND, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH, AND TO USE AND OCCUPY ALL PARTS OF SAID LAND LYING MORE THAN 500 FEET BELOW THE SURFACE THEREOF FOR ANY AND ALL PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FROM SAID LANDS BUT WITHOUT, HOWEVER, THE RIGHT TO USE NETHER THE SURFACE OF SAID LAND OR ANY PORTION OF SAID LAND WITHIN 500 FEET OF THE SURFACE FOR ANY PURPOSE OR PURPOSES WHATSOEVER, AS PROVIDED IN THE DEED RECORDED JULY 7, 1988 AS INSTRUMENT NO. 98-1068490, OF OFFICIAL RECORDS.

EXCEPT FROM LOT 23 ALL OIL, GAS, MINERALS, AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, TOGETHER WITH ANY SUBSURFACE LEASES THEREON, BELOW A DEPTH OF 100 FEET FROM THE SURFACE THEREOF, WITH NO RIGHT OF SURFACE ENTRY FOR THE PURPOSES OF DRILLING FOR, MINING OR OTHERWISE EXTRACTING SAID SUBSTANCES AS RESERVED BY MARY ELIZABETH CURTIS, AN UNMARRIED WOMAN BY DEED RECORDED AUGUST 22, 1969 AS INSTRUMENT NO. 261, OF OFFICIAL RECORDS.