



AGENDA REPORT

Meeting Date: August 16, 2011
Item Number: F-3
To: Honorable Mayor & City Council
From: Brenda Lavender, Real Estate & Property Manager
Subject: NONDISTURBANCE AGREEMENT BY AND BETWEEN THE CITY OF BEVERLY HILLS PUBLIC FINANCING AUTHORITY AND PARTICIPANT MEDIA, LLC.
Attachments: 1. Nondisturbance Agreement

RECOMMENDATION

It is recommended that the Public Financing Authority approve the Nondisturbance Agreement between the City of Beverly Hills Public Financing Authority and Participant Media, LLC. A copy of the Nondisturbance Agreement is on file with the City Clerk. Participant Media is currently located in the City's 331 Foothill Road building on the 2nd and 3rd floors of the building.

INTRODUCTION

Participant Media is an entertainment company that specializes in socially conscience films and events to improve conditions around the world. Participant's film list includes An Inconvenient Truth, Darfur Now, Charlie Wilson's War, and The Soloist to name a few. Participant Media currently leases the 3rd floor of the building and a portion of the 2nd floor under the original lease.

DISCUSSION

This Nondisturbance Agreement is being executed as a part of Participant Media's first Amendment to Lease for the expansion of their leased premises. This agreement provides that so long as tenant is not in default under space lease, the City will not disturb tenant's possession of the premises leased to tenant under the lease and as modified by the first amendment to lease. The details of the First Amendment to Lease are included in a separate Agenda Report for City Council's approval.

Meeting Date: August 16, 2011

FISCAL IMPACT

There is no fiscal impact from the execution of this agreement.



Scott G. Miller, Director of
Administrative Services, CFO

Approved By

Attachment 1

**Recording Requested By
And When Recorded Mail To:**

City of Beverly Hills
455 North Rexford Drive
Beverly Hills, California 90210
Attn: City Clerk

NONDISTURBANCE AGREEMENT

This Nondisturbance Agreement (“Agreement”) is made as of August 16, 2011, by and among the CITY OF BEVERLY HILLS PUBLIC FINANCING AUTHORITY, a California corporation (“Owner”), owner of the land described on Exhibit “A”, and PARTICIPANT MEDIA, LLC, a Delaware limited liability company (“Tenant”).

RECITALS

A. The City of Beverly Hills (“Landlord”) has executed an Office Lease in favor of Tenant dated November 5, 2009, as amended by a First Amendment of Office Lease dated August 16, 2011 (the “Space Lease”), a memorandum of which was recorded on March 11, 2010 as Document No. 20100337997 in the Official Records of Los Angeles County (“Official Records”).

B. Landlord has a leasehold interest in the Land by virtue of a Ground Lease dated February 17, 2009 between Landlord and Owner (“Ground Lease”), a memorandum of which was recorded on December 21, 2009 as Instrument No. 20091944319, in the Official Records.

C. It is a condition to the effectiveness of the Lease that Owner execute this Agreement.

NOW THEREFORE, in consideration of the Lease, the foregoing recitals and other consideration, the sufficiency of which is hereby acknowledged, Owner hereby agrees that so long as Tenant is not in default under the Space Lease (beyond any period given in the Space Lease to cure such default), Owner will not disturb Tenant’s possession of the premises leased to Tenant under the Space Lease, nor shall the Space Lease be terminated or extinguished by reason of any termination of the Ground Lease under the terms of the Ground Lease and Owner agrees to assume all of the obligations of the Landlord under the Space Lease for the benefit of Tenant.

“LANDLORD”

CITY OF BEVERLY HILLS

By: _____
Barry Brucker,
Mayor

ATTEST:

_____ (SEAL)

By: _____
Byron Pope
City Clerk

APPROVED AS TO FORM:



Laurence S. Wiener, City Attorney and Authority
Counsel

“OWNER”

CITY OF BEVERLY HILLS PUBLIC
FINANCING AUTHORITY

By: _____
Barry Brucker
Chairman of Board of Directors

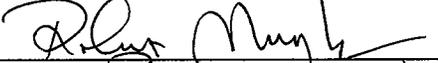
ATTEST:

_____ (SEAL)

By: _____
Byron Pope
Secretary to Board of Directors

“TENANT”

PARTICIPANT MEDIA, LLC,
a Delaware limited liability company

By: 
Print Name: Roger MURPHY
Title: EVP & CFO

(ALL SIGNATURES MUST BE ACKNOWLEDGED BY A NOTARY PUBLIC)

EXHIBIT "A"

DESCRIPTION OF LAND

A PORTION OF LOT 1 OF TRACT NO. 13349, IN THE CITY OF BEVERLY HILLS, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS PER MAP RECORDED IN BOOK 311, PAGE 14 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY AND A PORTION OF LOT 1 OF BLOCK 17 OF TRACT NO. 5647, IN SAID CITY, AS PER MAP RECORDED IN BOOK 60, PAGE 88 OF MAPS, IN SAID OFFICE OF THE COUNTY RECORDER OF SAID COUNTY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID LOT 1 OF TRACT NO. 13349, DISTANT THEREON SOUTH 0°09'01" EAST 263.51 FEET FROM THE NORTHEASTERLY CORNER OF SAID LOT 1; THENCE SOUTH 89°51'04" WEST 120.00 FEET; THENCE SOUTH 0°09'01" EAST 240.00 FEET TO THE NORTH LINE OF 3RD STREET, 60.00 FEET WIDE, AS SHOWN ON SAID TRACT NO. 13349; THENCE EASTERLY ALONG SAID NORTH LINE, NORTH 88°42'51" EAST 120.00 FEET TO THE EAST LINE OF SAID LOT 1 OF SAID TRACT NO. 5647; THENCE NORTHERLY ALONG SAID EAST LINE, NORTH 0°09'01" WEST 237.62 FEET TO THE POINT OF BEGINNING.