



## AGENDA REPORT

**Meeting Date:** August 3, 2010  
**Item Number:** G-9  
**To:** Honorable Mayor & City Council  
**From:** Brenda A. Lavender, Real Estate & Property Manager  
**Subject:** Third Amendment of Lease for Shahram Saeedian and Bijan Dadfarin dba Beverly Hills Market  
**Attachments:** 1. Third Amendment to Lease

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### RECOMMENDATION

It is recommended that the City Council approve the Third Amendment of Lease by and between the City of Beverly Hills and Shahram Saeedian and Bijan Dadfarin dba Beverly Hills Market. A copy of the lease is on file with the City Clerk. Beverly Hills Market has been a long-standing tenant of the City at the 303 N. Crescent Drive.

### INTRODUCTION

This amendment reduces the monthly base rent by 15% for a period of 12 months. The current rent is \$7,298.78 monthly and this 15% adjustment reduces it to \$6,203.96. Effective June 1, 2011 the monthly base rent will adjust to \$9,731.71 and all future CPI adjustments will resume.

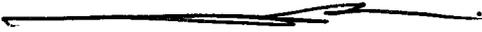
### DISCUSSION

BH Market is one of the City's Crescent Drive Tenants with rental rates well below market. City has continued its commitment to the community by providing below market rental rates to businesses such as BH Market so that these businesses are able to stay in the City and provide quality community services.

The changes in the economy continues to affect the market's sells, and although the market has taken measure to cut costs such as cutting employee hours and changing their ordering systems, they are still not able to compete with larger markets who have decreased their prices to attract more customers. Without a rent reduction, the store would close.

**FISCAL IMPACT**

The fiscal impact of this request is a (\$13,137.84) reduction in revenue. Following the 12 month rent reduction the rental rate would return to the current lease rate.

  
Scott G. Miller, Director of  
Administrative Services, CFO  
Approved By

# **Attachment 1**

Third Amendment of Lease

RECORDING REQUESTED BY, AND  
WHEN RECORDED MAIL TO:

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

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[Space Above For Recorder's Use Only]

The undersigned Lessor declares that this Third Amendment of Lease is exempt from Recording Fees pursuant to California Government Code Section 27383 and is exempt from documentary transfer taxes pursuant to California Revenue and Taxation Code Section 11922.

### **THIRD AMENDMENT OF LEASE**

THIS THIRD AMENDMENT OF LEASE (this "**Third Amendment**") is dated as of \_\_\_\_\_, 2010, and is entered into by and between the CITY OF BEVERLY HILLS, a municipal corporation ("**Lessor**") and SHAHRAM SAEEDIAN and BIJAN DADFARIN (dba Beverly Hills Market) (collectively "**Lessee**").

### **RECITALS**

- A. Lessor and Lessee entered into that certain "City of Beverly Hills Lease – Site "A" North 333 North Crescent Drive" dated as of September 22, 1998 and amended said lease by an Amendment of Lease dated November 18, 2008 and a Second Amendment of Lease dated March 2, 2010 (the "**Lease**"). Capitalized terms used herein but not defined shall have the meanings set forth in the Lease.
- B. A Memorandum of Lease dated November 18, 2008 was recorded on January 12, 2009 as Document No. 20090038985 in the Official Records of Los Angeles County, California.
- C. The Lease affects a portion (the "**Premises**") of the building located at 333 North Crescent Drive, Beverly Hills, California, consisting of: (i) retail shop space containing approximately 3,738 square feet of rentable area; (ii) storage space; (iii) a license to use Patio space; and (iv) a license to use an area for a vending cart.
- D. Lessor and Lessee desire to further amend the Lease as hereinafter set forth.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing recitals, the covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Temporary Rent Reduction. As of June 1, 2010, Base Monthly Rent under Section 4 of the Lease shall be reduced to \$6,203.96, and such reduction shall continue until

2011  
May 31, ~~2010~~; at which time the Base Monthly Rent shall increase to \$9,731.71 (as provided in Section 4 of the Lease) and shall thereafter be adjusted in accordance with the terms of Section 4 of the Lease.

2. Continuing Effect. Except as specifically modified hereby, the Lease shall remain unaffected and unchanged. The Lease is hereby ratified and affirmed by Lessor and Lessee and remains in full force and effect as modified hereby.

3. Counterparts. This Second Amendment may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, taken together, shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Second Amendment as of the date and year first above written.

**LESSOR:**

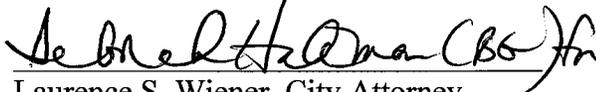
CITY OF BEVERLY HILLS,  
a municipal corporation

By: \_\_\_\_\_  
Jimmy Delshad, Mayor

**ATTEST:**

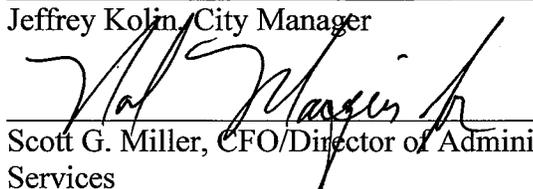
\_\_\_\_\_  
Byron Pope, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Laurence S. Wiener, City Attorney

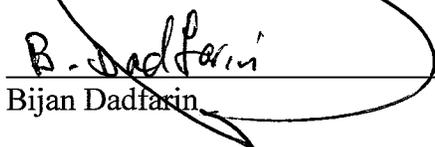
APPROVED AS TO CONTENT:

\_\_\_\_\_  
Jeffrey Kolin, City Manager

  
\_\_\_\_\_  
Scott G. Miller, CFO/Director of Administrative Services

**LESSEE:**

  
\_\_\_\_\_  
Shahram Saeedian

  
\_\_\_\_\_  
Bijan Dadfarin

**ACKNOWLEDGMENT**

State of California )  
County of LOS ANGELES )

On JULY 16, 2010 before me, CAROLYN S. MULHALL, NOTARY PUBLIC  
(insert name and title of the officer)

personally appeared SHAHRAM SAIEDIAN E BIJAN DADRIN

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *Carolyn S. Mulhall*  
Signature of Notary Public

(Seal)



**ACKNOWLEDGMENT**

State of California )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_  
(insert name and title of the officer)

personally appeared \_\_\_\_\_

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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WITNESS my hand and official seal.

Signature \_\_\_\_\_  
Signature of Notary Public

(Seal)

**ACKNOWLEDGMENT**

State of California )  
 )  
County of \_\_\_\_\_ )

On \_\_\_\_\_ before me, \_\_\_\_\_  
(insert name and title of the officer)

personally appeared \_\_\_\_\_,

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WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)  
Signature of Notary Public

**ACKNOWLEDGMENT**

State of California )  
 )  
County of \_\_\_\_\_ )

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WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)  
Signature of Notary Public