



AGENDA REPORT

Meeting Date: January 11, 2011
Item Number: G-9
To: Honorable Mayor & City Council
From: Brenda A. Lavender, Real Estate & Property Manager
Subject: SECOND AMENDMENT TO LEASE BY AND BETWEEN THE CITY OF BEVERLY HILLS AND HEIDI NOVIAN DBA PASCAL'S BARBER SALON
Attachments: 1. Second Amendment to Lease

RECOMMENDATION

It is recommended that the City Council approve the Second Amendment to Lease by and between the City of Beverly Hills and Heidi Novian dba Pascal's Barber Salon. A copy of the Second Amendment is on file with the City Clerk. Pascal's Barber Salon is located at 333 N. Crescent Drive.

INTRODUCTION

This amendment reduces the monthly base rent by 10% for a period of 12 months. The current rent is \$1,219.74 monthly and this 10% adjustment reduces it to \$1,091.77 monthly. Effective December 1, 2010 the monthly base rent will adjust to \$1,091.77 and shall continue to November 30, 2011.

Pascal's Barber Salon is one of the long-standing Crescent Drive Tenants; the original lease for the salon was approved in 1982.

DISCUSSION

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

The changes in the economy have affected the salon business, and Mrs. Novian is challenged to keep the business open. Without a rent reduction, the salon may close.

FISCAL IMPACT

The fiscal impact of this request is the reduction of monthly revenue of \$127.97 which is an annual reduction of \$1,535.64. There are no out of pocket costs for the City.



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

Attachment 1

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

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

(space above line for recorder's use)

SECOND AMENDMENT TO LEASE

THIS SECOND AMENDMENT TO LEASE (this "**Amendment**") is made and entered into as of _____, 2011, by and between the CITY OF BEVERLY HILLS, a California municipal corporation ("City"), and HEIDI NOVIAN, an individual ("Tenant").

RECITALS

A. City and Tenant executed that certain City of Beverly Hills Retail Lease dated March 14, 2007 and amended said lease by an Amendment to Lease dated May 27, 2009 (the "**Lease**"). The Lease affects a portion of the building located at 333 North Crescent Drive, Beverly Hills, California (the "**Property**").

B. A Memorandum of Lease dated March 13, 2007 was recorded on May 16, 2007 as Document No. 20071196757 in the Official Records of Los Angeles County, California (the "Official Records"). The Amendment to Lease was recorded on December 7, 2010 as Document No. 20101806003 in the Official Records.

C. City and Tenant now desire to further amend the Lease as provided herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, and the mutual covenants and terms hereof and in the Lease, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Tenant agree as follows:

1. Temporary Monthly Base Rent Reduction. The Monthly Base Rent from December 1, 2010 through November 30, 2011 shall be \$1,091.77.

2. Conflict. In the event of a conflict or inconsistency between the terms and conditions of the Lease and the terms and conditions of this Amendment, the terms and conditions of this Amendment shall prevail and control.

3. Continuing Effect. Except as specifically modified hereby, the Lease shall remain unaffected and unchanged by reason of this Amendment. The Lease is hereby ratified and affirmed by City and Tenant and remains in full force and effect as modified hereby.

4. Counterparts. This 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, City and Tenant have executed this Amendment as of the date and year first above written.

CITY:

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

APPROVED AS TO CONTENT



Scott Miller, Director of Administrative Services/CFO

TENANT:



Heidi Novian

ACKNOWLEDGMENT

State of California)
County of Los Angeles)

On 12/21/10 before me, Armin Khoddam, Notary Public
(insert name and title of the officer)

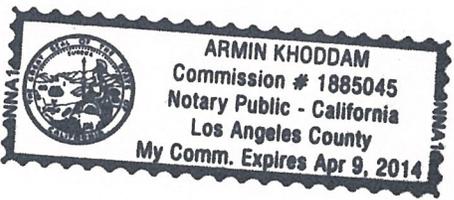
personally appeared Heidi Davian

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 [Handwritten Signature]
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.

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 _____
Signature of Notary Public

(Seal)