



## **AGENDA REPORT**

**Meeting Date:** June 18, 2013  
**Item Number:** H-3  
**To:** Honorable Parking Authority Members  
**From:** Brenda Lavender, Real Estate & Property Manager  
**Subject:** AMENDMENT TO LEASE BY AND BETWEEN THE PARKING AUTHORITY OF THE CITY OF BEVERLY HILLS AND RESTAURANT BUSINESS STRATEGIES, LLC.  
**Attachments:** 1. Amendment to Lease

---

### **RECOMMENDATION**

It is recommended that the Parking Authority approve the Amendment to Lease by and between The Parking Authority of the City of Beverly Hills and Restaurant Business Strategies (RBS). A copy of the amendment is on file with the City Clerk.

### **INTRODUCTION**

RBS is the restaurant entity for Frem Investment and Frem Investments currently leases offices space within the Gardens Building at 240 N. Beverly Drive, on the Third floor and retail and vitrine spaces on the ground floor of the building. RBS is leasing an additional vitrine space which is 45 square feet. RBS will use this vitrine space for marketing and sales of products related to the crepe and ice cream shop, and for outdoor dining.

### **DISCUSSION**

The monthly rent for the vitrine space is \$15 per square foot. The term of this lease will be coterminous with the other lease and will expire on January 31, 2021. RBS will pay for all of the space improvements, the will receive three (3) months of free rent, and there is no broker commission. Landlord's approval of the space design is required and staff will work with RBS to ensure all City requirements are met. RBS is responsible for obtaining an outdoor dining permit and for meeting all code requirements.

Meeting Date: June 18, 2013

**FISCAL IMPACT**

The fiscal impact is annual net revenue of \$8,100 less three (3) months of free rent (\$2,025.00). There are no tenant improvement or broker commission costs on this deal.

Don Rhoads, Director of  
Administrative Services, CFO  
Approved By

A handwritten signature in black ink, appearing to be 'DR', is written over a horizontal line that underlines the text 'Approved By'.

# **Attachment 1**

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

The Parking Authority of the  
City of Beverly Hills  
c/o City of Beverly Hills  
455 North Rexford Drive  
Beverly Hills, California 90210  
Attn: City Clerk

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned Lessor declares that this Amendment to Lease is exempt from Recording Fees pursuant to California Government Code Section 27383.

### AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE (this "**Amendment**") is dated as of June 18, 2013 (the "**Effective Date**"), and is entered into by and between THE PARKING AUTHORITY OF THE CITY OF BEVERLY HILLS ("**Lessor**") and RESTAURANT BUSINESS STRATEGIES, LLC, a California limited liability company ("**Lessee**").

### RECITALS

- A. Lessor and Lessee entered into that certain Retail Lease dated July 31, 2012 (the "**Lease**") which affects a portion of the building located at 240 N. Beverly Drive, Beverly Hills, California (the "**Premises**").
- B. A Memorandum of Lease was recorded on August 13, 2012 as Document No. 20121200104 in the Official Records of Los Angeles County.
- C. Lessor and Lessee now desire to amend the Lease.

### AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, and the covenants and conditions 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. Addition to Premises. As of the date hereof: (i) Vitrine B (described on Exhibit "A") is added to the Premises and the term "Premises" as used in the Lease shall now include Vitrine F, Vitrine E, and Vitrine B; (ii) Section 2(c) of the Lease is modified to replace with the words "Vitrine A" all of the following phrases: "additional vitrine space", "such additional vitrine space", "the additional vitrine space", and "such vitrine space" ; and (iii) Section 2(d) of the Lease is deleted in its entirety.

2. Monthly Rent. Lessee shall pay rent to Lessor for Vitrine B as follows, such rental payments shall be subject to Section 5(a) of the Lease, and such rent shall be included in the term "Monthly Rent" as used in the Lease:

<u>Months</u>	<u>Monthly Rent</u>
Effective Date to the Date that is Three Calendar Months Thereafter (the "Rent Commencement Date")	\$0.00
Rent Commencement Date to the Second Anniversary of the Effective Date	\$675.00

Then-current Monthly Rent will increase by 3% on the second anniversary of the Effective Date and on each subsequent anniversary of the Effective Date.

3. Use. Vitrine B, along with Vitrine E and Vitrine F, shall be used (i) to advertise Lessee's retail business in the Premises, (ii) to sell any product offered for sale in the Premises (provided the sale of such product in the Premises is permitted by the Lease) and, (iii) provided Lessee complies with all of Lessor's outdoor dining ordinances, rules, regulations and requirements, for outdoor dining in conjunction with such retail business.

4. Tenant Improvements. Any and all improvements to Vitrine B shall be governed by the terms of the Lease relating to improvements by Lessee.

5. Brokers. Lessee shall indemnify, defend and hold Lessor harmless from and against any claims that may be asserted against Lessor by any real estate broker, salesperson or finder in connection with this Amendment that is based on any agreements or communications between Lessee and any such real estate broker, salesperson or finder. Lessor represents and warrants that Lessor has not engaged any real estate broker, salesperson or finder in connection with this Amendment, and Lessor shall indemnify, defend and hold Lessee harmless from and against any claims that may be asserted against Lessee by any real estate broker, salesperson or finder in connection with this Amendment that is based on any agreements or communications between Lessor and any such real estate broker, salesperson or finder.

6. Surrender. Notwithstanding anything in the Lease to the contrary, Lessee's only obligation when surrendering the Premises to Lessor will be to leave the Premises in a broom-clean condition and make any repairs required by any removal of the exterior signage.

7. 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.

8. 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.

9. 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, Lessor and Lessee have executed this Amendment as of the date and year first above written.

**LESSOR:**

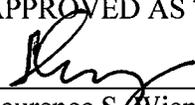
THE PARKING AUTHORITY OF THE  
CITY OF BEVERLY HILLS

By: \_\_\_\_\_  
John A. Mirisch, Chairman

ATTEST:

APPROVED AS TO FORM:

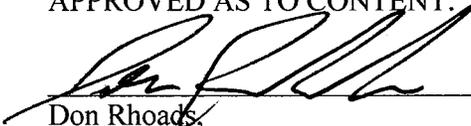
\_\_\_\_\_  
Byron Pope, Secretary

  
\_\_\_\_\_  
Laurence S. Wiener,  
Counsel to Parking Authority

APPROVED AS TO CONTENT:

APPROVED AS TO CONTENT:

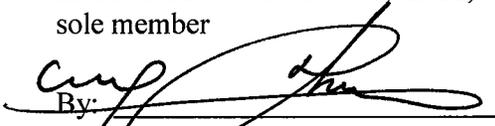
\_\_\_\_\_  
Jeffrey Kolin, ICMA-CM,  
Executive Director

  
\_\_\_\_\_  
Don Rhoads,  
Director of Administrative Services/CFO

**LESSEE:**

RESTAURANT BUSINESS STRATEGIES,  
LLC, a California limited liability company

By: Brand 158 Investment Trust  
Established November 15, 2011, its  
sole member

  
By: \_\_\_\_\_  
Jack Chammas,  
Sole Trustee

**ACKNOWLEDGEMENT**

State of California )  
County of Los Angeles )

On June 3, 2013, before me, P. L. Kaminski,  
(insert name and title of the officer)

Notary Public, personally appeared Jack Chammas,  
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 P. L. Kaminski

(Seal)



**ACKNOWLEDGEMENT**

State of California )  
County of Los Angeles )

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

Notary Public, 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.

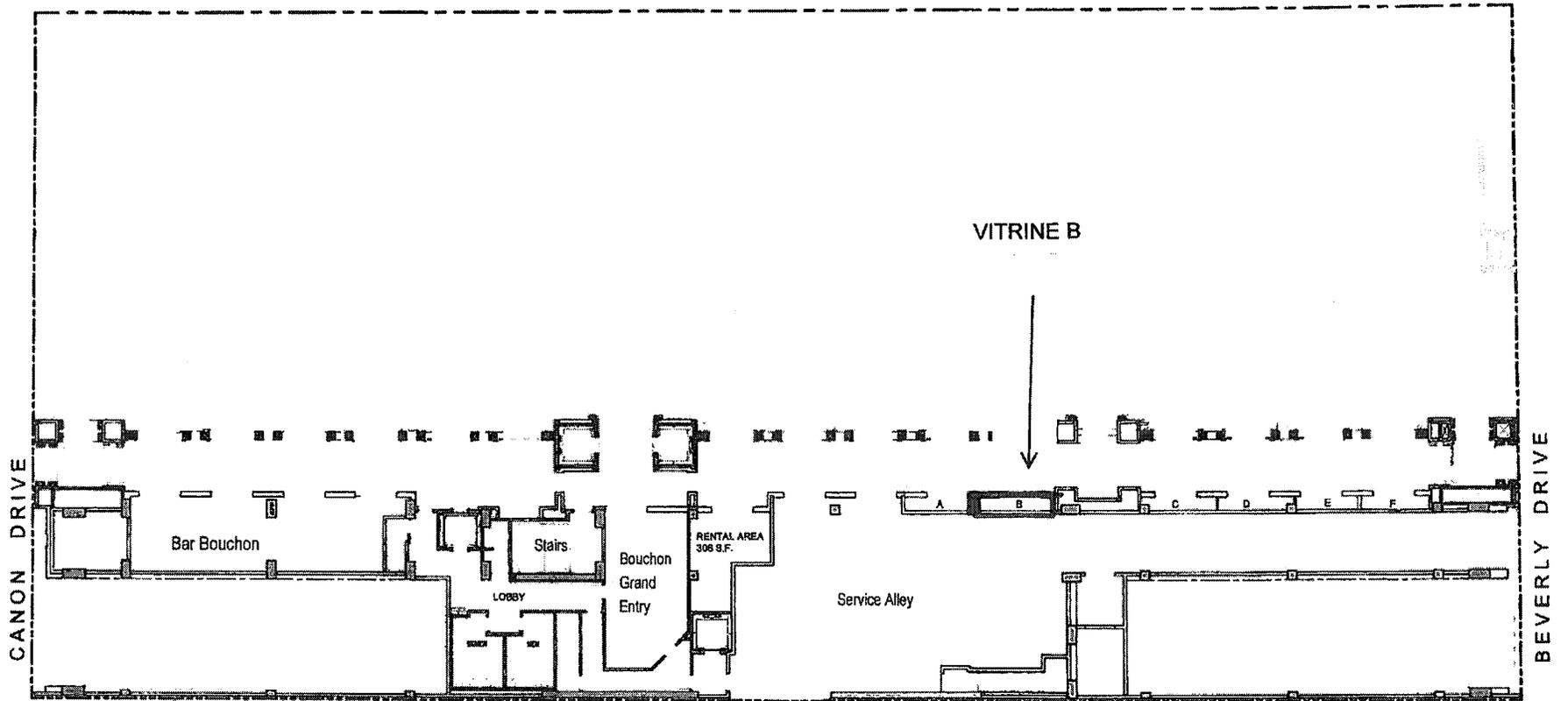
Signature \_\_\_\_\_

(Seal)

**EXHIBIT "A"**

**DIAGRAM OF LOCATION OF VITRINE B**





**VITRINE SPACES:**

VITRINE A - 45 SF - LA VALENCIA

VITRINE B - 45 SF - PROPOSED SWEET BEVERLY OUTDOOR DINING

VITRINE C - 45 SF - ALAN MICHAEL USA

VITRINE D - 45 SF - GORNIK & DRUCKER

VITRINE E - 45 SF - SWEET BEVERLY

VITRINE F - 45 SF - SWEET BEVERLY

**BEVERLY HILLS GARDENS BUILDING  
FIRST FLOOR PLAN**

scale: 1/16" = 1'-0"

