



AGENDA REPORT

Meeting Date: August 20, 2013
Item Number: F-5
To: Honorable Parking Authority Members
From: Brenda Lavender, Real Estate & Property Manager
Subject: LEASE TERMINATION AGREEMENT BY AND BETWEEN THE PARKING AUTHORITY OF THE CITY OF BEVERLY HILLS AND ALAN MICHAEL USA CORP.
Attachments: 1. Lease Termination Agreement

RECOMMENDATION

It is recommended that the City Council approve the Lease Termination Agreement by and between The Parking Authority of the City of Beverly Hills and Alan Michael USA Corp. A copy of the lease termination is on file with the City Clerk. This agreement terminates the lease for vitrine C in the City of Beverly Hills Gardens Building located at 240 N. Beverly Drive.

INTRODUCTION

Alan Michael USA designs makes and sells high end leather goods including jackets, vests, skirts, pants, shirts and accessories that had been in demand by top stars in music, fashion and films.

Alan Michael has been in business since 1983 and previously leased a store in Beverly Hills on Burton Way, across from the Four Seasons Hotel and on little Santa Monica Blvd. across from the Peninsula Hotel. Alan Michael is a small, high end leather company, made in the USA, with a customer base of that includes world travelers, which is why they were very interested in leasing a small vitrine space just opposite the Montage Hotel.

DISCUSSION

After five (5) months of operation, Alan Michael is unable to continue with the lease and has requested a termination of the agreement. The termination of this lease is conditioned upon the approval of a longer term agreement with Restaurant Business Strategies for this space. If approved this lease will terminate effective July 31, 2013, Alan Michael will forfeit its security deposit and agree to a monthly payment agreement of \$200 to repay the outstanding balance of \$2,075.00.

FISCAL IMPACT

There is no out of pocket expense to the City for this termination agreement lease as the space is being leased by Restaurant Business Strategies for a longer term. The annual revenue for this lease is \$8,100.

Don Rhoads,
Administrative Services, CFO

Approved By 

Attachment 1

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

The Parking Authority of the City of Beverly Hills
455 North Rexford Drive
Beverly Hills, California 90210
Attn: City Clerk (City of Beverly Hills)

[Space Above For Recorder's Use Only]

Recording Fee: Exempt pursuant to California
Government Code Section 27383

LEASE TERMINATION AGREEMENT

THIS LEASE TERMINATION AGREEMENT (this "**Agreement**") is dated as of August 20, 2013, and is entered into by and between the PARKING AUTHORITY OF THE CITY OF BEVERLY HILLS, a parking authority established pursuant to the Parking Law of 1949 of the State of California ("**Lessor**"), and ALAN MICHAEL USA CORP., a California corporation ("**Lessee**").

RECITALS:

A. Lessor and Lessee entered into that certain Lease dated September 11, 2012 (the "**Lease**"), for certain space within the building ("**Building**") located at 240 North Rodeo Drive, Beverly Hills, California (the "**Premises**").

B. A Memorandum of Lease was recorded in the Official Records of Los Angeles County on September 28, 2012 as Document No. 20121467403.

C. Lessor and Lessee desire to enter into this Agreement in order to terminate the Lease on the terms and conditions hereinafter set forth.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual promises, covenants, releases and considerations set forth herein, the receipt and sufficiency of which the parties hereto acknowledge, the parties hereto agree as follows:

1. **Condition Precedent.** The effectiveness of this Agreement is hereby conditioned for the benefit of the Lessor upon the execution by Lessor and Restaurant Business Strategies, LLC ("**RBS**") of an amendment to lease which adds the Premises to the premises currently leased by RBS (and the approval thereof by Lessor) on or before the date on which this Agreement is signed and delivered.

2. Termination of Lease. Provided the condition set forth in Section 1 is satisfied, the Lease shall terminate as retroactive to July 31, 2013.

3. Vacation of Premises. Except to the extent Lessor shall have already done so, Lessee shall immediately vacate the Premises, deliver all keys to the Premises and Building and all parking passes to Lessor, and deliver the Premises to Lessor (or Lessor's designee) with all of Lessee's personal property removed, all damage caused by Lessee or its agents, contractors, or invitees repaired, and in a broom-clean condition.

4. Security Deposit. Lessor has applied Lessee's security deposit to sums owed by Lessee to Lessor, and Lessee consents thereto.

5. Repayment of Rent Past Due. In consideration of the early termination of the Lease, Lessee shall pay to Lessor, without notice, demand, offset or deduction, the sum of Two Hundred Dollars (\$200.00) per month commencing on September 1, 2013 and continuing until (and including) June 1, 2014, and then a final payment of Seventy-Five Dollars (\$75.00) on July 1, 2014. If Lessee fails to timely make any such payment, Lessor may declare all \$2,075 of the payments immediately due and payable.

6. Indemnification. Lessee's obligations under the Lease with respect to the condition of the Premises shall survive the termination of the Lease, and Lessee shall indemnify, defend and hold Lessor harmless from and against any and all claims, liabilities, losses, damages, costs and expenses arising from any failure by Lessee to have complied therewith.

7. Entire Agreement. This Agreement is the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreement and discussion.

8. No Waiver. The waiver of any provision of this Agreement must be in writing and signed by the party providing such waiver. The waiver of a breach of any provision of this Agreement shall not be deemed to be a waiver of such provision or any subsequent breach of the same or any other provision of this Agreement. Acceptance of performance after the due date of such performance shall not be deemed to be a waiver any preceding breach of any provision of this Agreement, regardless of the accepting party's knowledge of such preceding breach at the time of acceptance of such performance. The parties further acknowledge and agree that if and to the extent that either party does not require the other to strictly comply with the covenants, agreements and obligations contained herein, such action or inaction shall not constitute a waiver of, or otherwise affect or prejudice in any manner, either party's present or future rights, remedies, benefits or powers, including the right to require performance of such covenants, agreements and obligations strictly in accordance with the terms and provisions of this Agreement.

9. Severability. If any court of competent jurisdiction determines any provision of this Agreement to be invalid, illegal or unenforceable, that provision shall be deemed severed from the rest, which shall remain in full force and effect as though the invalid, illegal or unenforceable provision had never been a part hereof.

10. Headings; Modifications. The headings in this Agreement are for the convenience of reference only and shall not limit or otherwise affect the meaning hereof. No provision of this Agreement may be changed, discharged, supplemented, terminated or waived except in a writing signed by the parties hereto.

11. Counterparts. This Agreement 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.

12. Governing Law; Jurisdiction. The terms and conditions of, and the rights and obligations under, this Agreement shall be construed and enforced in accordance with, and governed by, the local laws of the State of California. Lessee hereby submits to the jurisdiction of the Superior Court of the State of California in Los Angeles County and agrees that any dispute regarding the interpretation or enforcement of, or any other matter relating to, this Agreement shall be determined in and by such court.

13. Time of Essence. Time is of the essence of each provision hereof in which time is a factor.

IN WITNESS WHEREOF, Lessor and Lessee have executed this Agreement as of the day and year first set forth above.

LESSOR:

PARKING AUTHORITY OF THE
CITY OF BEVERLY HILLS

By: _____

John A. Mirisch,
Chairman of the Board of Directors

ATTEST:

APPROVED AS TO CONTENT:

Byron Pope, Secretary to Board of Directors

Jeffrey Kolin, ICMACM, Executive Director

APPROVED AS TO FORM:



Laurence S. Weiner, Authority Counsel

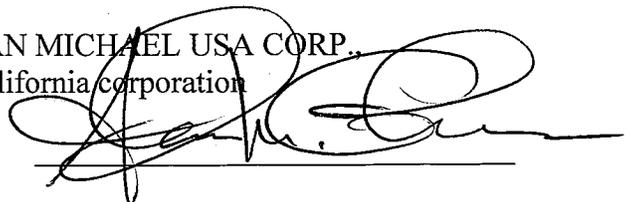


Don Rhoads, Director of Administrative
Services/CFO

LESSEE:

ALAN MICHAEL USA CORP.,
a California corporation

By: _____



Alan Cohen, President

State of California)
County of Los Angeles)

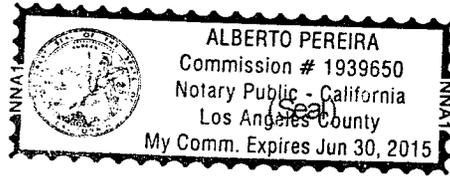
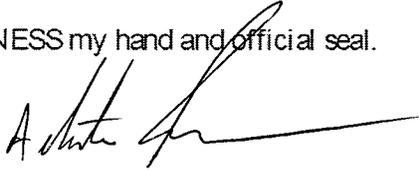
On 08-13-13, before me, ALBERTO PEREIRA, Notary Public
(insert name and title of the officer)

Notary Public, personally appeared ALAN Michael,
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



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
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Signature

(Seal)