

# **ATTACHMENT 1**

RESOLUTION NO. 13-R-\_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF  
BEVERLY HILLS APPROVING A MILLS ACT CONTRACT  
FOR FOX WILSHIRE – SABAN THEATRE AT 8440  
WILSHIRE BOULEVARD, BEVERLY HILLS

Section 1. On October 18, 2011, the City Council adopted Resolution No. 11-R-12838 establishing a Pilot Mills Act Program for a two year period, for a maximum of six qualified participating properties and with a capped maximum annual revenue loss to the City of \$50,000. The Pilot Mills Act Program was made available to “qualified historic property” within the City of Beverly Hills.

Section 2. A “qualified historic property” for the purposes of the Beverly Hills Mills Act Pilot Program is defined as:

- a. A single-family residential property or a commercial property constructed as a public theater as a primary use;
- b. Located entirely within the City of Beverly Hills;
- c. Privately owned;
- d. Not exempt from property taxation; and
- e. Individually listed in the City of Beverly Hills’ official landmark register based on the property satisfying at least two landmark criteria, including architectural significance.

Section 3. On May 31, 2012 a Mills Act Contract Application was submitted to the City by Rabbi David Baron on behalf of Temple of the Arts, the property owner of the Fox Wilshire – Saban Theatre at 8440 Wilshire Boulevard, Beverly Hills (the “Property”). At the

request of the applicant the original application was held over to the new calendar year and an updated Mills Act Contract Application was submitted to the City by Rabbi David Baron on April 3, 2013. In this case the City's Pilot Mills Act Program is available for the Property which is listed as a local Landmark on the City's Register of Historic Properties.

Section 4. On July 10, 2013 the Cultural Heritage Commission considered the Mills Act application for the Fox Wilshire – Saban Theatre at 8440 Wilshire Boulevard, Beverly Hills and recommended City Council approval of a Mills Act Contract. The Commission based its recommendation on careful consideration of the maintenance plan submitted as part of the Mills Act application for incorporation into the Mills Act contract. The maintenance plan provides a list of projects to be completed by the property owner during the initial ten year contract term. In addition, the application provides an estimate of the property owner's tax savings as well as an estimate of the City's annual loss of revenue due to the property tax reduction. Since this estimate is based on financial data submitted by the applicant, the City will work with County Assessor to verify all calculations prior to final tax assessments. By executing the contract, the City does not corroborate the applicant's submitted financial statement, but authorizes tax abatement for the Property. The current (2013) annual property taxes for the Property are approximately \$76,160.00. Under the Mills Act, the estimated annual property taxes would be reduced during the contract period. The actual revenue loss per annum to the City is subject to annual review and determined by the City and County Tax Assessor once the contract has been executed and recorded with the County. The Applicant's Preservation Plan projects a total cost for all rehabilitation and maintenance works scheduled over the ten year contract period to be \$1,400,000.00

Section 5. PUBLIC NOTICE. The owner of the Fox Wilshire – Saban Theatre was notified in writing on August 28, 2013 that the City Council would consider approval of a Mills Act Contract for Fox Wilshire – Saban Theatre at 8440 Wilshire Boulevard, Beverly Hills on September 10, 2013. As of the writing of this report, no public comments have been received.

Section 6. ENVIRONMENTAL ANALYSIS. Approval of a Mills Act Contract for the for Fox Wilshire – Saban Theatre at 8440 Wilshire Boulevard, Beverly Hills was assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the environmental regulations of the City. The City Council hereby determines that the inclusion of Fox Wilshire – Saban Theatre into the City’s Pilot Mills Act Program would not have a significant environmental impact and thus is exempt from CEQA pursuant to Sections 15308 and 15331 of Title 14 of the California Code of Regulations because the inclusion of Fox Wilshire – Saban Theatre into the City’s Pilot Mills Act Program is an action of the City to protect and preserve an historic resource.

Section 7. GENERAL PLAN CONSISTENCY. Inclusion of the Fox Wilshire – Saban Theatre into the City’s Pilot Mills Act Program is consistent with the objectives, principles, and standards of the General Plan. General Plan Policy “HP 1.3 – Promote National, State, and Local Designation of Historic Resources” encourages the establishment of programs encouraging the nomination of landmarks.

Section 8. The City Council hereby includes the Fox Wilshire – Saban Theatre into the City’s Pilot Mills Act Program, approves the attached Mills Act Contract, and authorizes the Mayor to execute the Agreement.

Section 9. The record of proceedings for inclusion of the Fox Wilshire – Saban Theatre into the City’s Pilot Mills Act Program is maintained by the City as part of the official records of the Community Development Department at 455 North Rexford Drive, Beverly Hills, California, 90210.

Section 10. The City Clerk shall certify to the adoption of the Resolution and shall cause the Resolution and this certification to be entered in the Book of Resolutions of the Council of the City. The City Clerk shall also cause the executed contract to be recorded in the office of the County Recorder of the County of Los Angeles.

Section 11. This Resolution shall go into effect on September 11, 2013 at 12:01 AM.

\_\_\_\_\_  
JOHN A. MIRISCH  
Mayor of the City of Beverly Hills,  
California

ATTEST:

\_\_\_\_\_  
BYRON POPE (SEAL)  
City Clerk

APPROVED AS TO FORM:

*JLW* (DMS)  
\_\_\_\_\_  
for LAURENCE S. WIENER  
City Attorney

APPROVED AS TO CONTENT:

\_\_\_\_\_  
JEFFREY C. KOLIN  
City Manager  
*Susan Healy Keene*  
\_\_\_\_\_  
SUSAN HEALY KEENE  
Director of Community Development

- Exhibit A – Mills Act Application for Fox Wilshire – Saban Theatre.
- Exhibit B – Repair and Rehabilitation Plan (Preservation Plan) for Fox  
Wilshire – Saban Theatre.
- Exhibit C- Mills Act Contract

# **EXHIBIT A**



Received  
City of Beverly Hills

MAY 31 2012

PLANNING Division  
COMMUNITY DEVELOPMENT

CITY OF BEVERLY HILLS  
COMMUNITY DEVELOPMENT DEPARTMENT  
455 N. Rexford Drive, Beverly Hills, CA 90210  
Tel. (310) 285-1141 Fax. (310) 858-5966

**MILLS ACT CONTRACT APPLICATION**

**PRE-APPLICATION INFORMATION (print or type):**

Property Address: 8430-8440 Wilshire Blvd., Beverly Hills, CA 90210  
 Property Owner: Temple of the Arts  
 Address: 8440 Wilshire Blvd.  
 City: Beverly Hills State: CA Zip Code: 90211  
 Telephone No: (323) 658-9100 E-Mail: baronarts@templeofthearts.org

Applicant: Rabbi David Baron  
 Address: 8440 Wilshire Blvd.  
 City: Beverly Hills State: CA Zip Code: 90211  
 Telephone No: (323) 658-9100 E-Mail: baronarts@templeofthearts.org

Page | 1

**APPLICATION TYPE:**

New Contract:  Nonrenewal:  Cancellation:

**PROPERTY INFORMATION:**

Address of property: 8440 Wilshire Blvd. Assessor Parcel No(s): 4333-029-018  
 Use Category: Single-Family Residence:  Commercial/Theatre:

**HISTORIC DESIGNATION CATEGORTY (check all applicable):**

City Landmark:  National Register:  California Register:   
 Designation No.: \_\_\_\_\_ Date of Designation: 4/3/2012

**TO BE COMPLETED BY STAFF ONLY:**

Designation Status:		Date:	Application Processing:		
<input type="checkbox"/>	Staff Review		File No.		
<input type="checkbox"/>	Director Review		Date:		
<input type="checkbox"/>	Cultural Heritage Commission		Staff Init:		
<input type="checkbox"/>	City Council		Fees:		
<input type="checkbox"/>	Landmark Designation Approved		Receipt:		
<input type="checkbox"/>	Landmark Designation Denied		Other:		

Comments:



CITY OF BEVERLY HILLS  
 COMMUNITY DEVELOPMENT DEPARTMENT  
 455 N. Rexford Drive, Beverly Hills, CA 90210  
 Tel. (310) 285-1141 Fax. (310) 858-5966

**MILLS ACT CONTRACT APPLICATION**

**GENERAL INFORMATION (print or type):**

Property Address: 8430-8440 Wilshire Blvd.  
 Property Owner: Temple of the Arts  
 Address: 8440 Wilshire Blvd.  
 City: Beverly Hills State: CA Zip Code: 90211  
 Telephone No: (323) 658-9100 E-Mail: baronarts@templeofhearts.org

Applicant: Rabbi David Baron  
 Address: 8440 Wilshire Blvd.  
 City: Beverly Hills State: CA Zip Code: 90211  
 Telephone No: (323) 658-9100 E-Mail: baronarts@templeofhearts.org

Page | 2

**APPLICATION TYPE:**

New Contract:  Nonrenewal:  Cancellation:

**PROPERTY INFORMATION:**

Address of property: 8430-8440 Wilshire Blvd. Assessor Parcel No(s): 4333-029-018  
 Tract: 4988 Block: \_\_\_\_\_ Lot(s): 552,553,554,555 AND N 40 FT OF LOT 556  
 Legal Description: TRACT # 4988 LOTS 552,553,554,555 AND N 40 FT OF LOT 556  
 Use Category: Single-Family Residence:  Commercial/Theatre:

**HISTORIC DESIGNATION CATEGORTY (check all applicable):**

City Landmark:  National Register:  California Register:   
 Designation No.: \_\_\_\_\_ Date of Designation: 4/3/2012

**REQUIRED MATERIALS (must be submitted with this application):**

- COMPLETED AND SIGNED APPLICATION FORM
- APPLICATION FEE
- COPY OF GRANT DEED, INCLUDING LEGAL DESCRIPTION
- FINANCIAL ANALYSIS FORM
- PHOTOGRAPHS – CURRENT PHOTOGRAPHS OF STREET VIEW OF THE PROPERTY, EACH EXTERIOR ELEVATION OF PROPERTY AND ALL OTHER IMPROVEMENTS/FEATURES ON PARCEL SAVED ONTO CD. LABEL CD WITH STREET ADDRESS, PARCEL NUMBER AND DATE (INTERIOR PHOTOGRAPHS MAY BE REQUIRED)
- REHABILITATION/RESTORATION MAINTENANCE PLAN AND TIME LINE (INCLUDE ALL WORK TO BE COMPLETED WITHIN NEXT 10 YEARS) AND COST ESTIMATE OF ITEMIZED WORK
- COPY OF MOST RECENT PROPERTY TAX BILL
- NOTARY OF ACKNOWLEDGEMENT AFFIDAVIT

I hereby certify that I am the present owner of the subject property described above and that I have reviewed the subject application and apply for consideration for a Mills Act Contract. I further understand that a Mills Act Application does not result in an automatic entitlement and each application is evaluated on its own merits on its historical significance and inclusion in the City's program.

Owner's Signature:

Date: 5/31/12



CITY OF BEVERLY HILLS  
 COMMUNITY DEVELOPMENT DEPARTMENT  
 455 N. Rexford Drive, Beverly Hills, CA 90210  
 Tel. (310) 285-1141 Fax. (310) 858-5966

**MILLS ACT CONTRACT APPLICATION**

**GENERAL INFORMATION (print or type):**

Property Address: 8430 Wilshire Blvd  
 Property Owner: Temple of the Arts  
 Address: 8440 Wilshire Blvd.  
 City: Beverly Hills State: CA Zip Code: 90211  
 Telephone No: (323) 658-9100 E-Mail: baronarts@templeofthearts.org

Applicant: Rabbi David Baron  
 Address: 8440 Wilshire Blvd.  
 City: Beverly Hills State: CA Zip Code: 90211  
 Telephone No: (323) 658-9100 E-Mail: baronarts@templeofthearts.org

Page | 2

**APPLICATION TYPE:**

New Contract:  Nonrenewal:  Cancellation:

**PROPERTY INFORMATION:**

Address of property: 8430-8440 Wilshire Blvd. Assessor Parcel No(s): 4333-029-018  
 Tract: 4988 Block: \_\_\_\_\_ Lot(s): 552,553,554,555 AND N 40 FT OF LOT 556  
 Legal Description: TRACT # 4988 LOTS 552,553,554,555 AND N 40 FT OF LOT 556  
 Use Category: Single-Family Residence:  Commercial/Theatre:

**HISTORIC DESIGNATION CATEGORY (check all applicable):**

City Landmark:  National Register:  California Register:   
 Designation No.: \_\_\_\_\_ Date of Designation: 4/3/2012

**REQUIRED MATERIALS (must be submitted with this application):**

- COMPLETED AND SIGNED APPLICATION FORM
- APPLICATION FEE
- COPY OF GRANT DEED, INCLUDING LEGAL DESCRIPTION
- FINANCIAL ANALYSIS FORM
- PHOTOGRAPHS – CURRENT PHOTOGRAPHS OF STREET VIEW OF THE PROPERTY, EACH EXTERIOR ELEVATION OF PROPERTY AND ALL OTHER IMPROVEMENTS/FEATURES ON PARCEL SAVED ONTO CD. LABEL CD WITH STREET ADDRESS, PARCEL NUMBER AND DATE (INTERIOR PHOTOGRAPHS MAY BE REQUIRED)
- REHABILITATION/RESTORATION MAINTENANCE PLAN AND TIME LINE (INCLUDE ALL WORK TO BE COMPLETED WITHIN NEXT 10 YEARS) AND COST ESTIMATE OF ITEMIZED WORK
- COPY OF MOST RECENT PROPERTY TAX BILL
- NOTARY OF ACKNOWLEDGEMENT AFFIDAVIT

I hereby certify that I am the present owner of the subject property described above and that I have reviewed the subject application and apply for consideration for a Mills Act Contract. I further understand that a Mills Act Application does not result in an automatic entitlement and each application is evaluated on its own merits on its historical significance and inclusion in the City's program.

Owner's Signature:

Date: 4/3/13

<b>APPLICATION REVIEW PROCESS</b>	
<b>THE 2012 APPLICATION DEADLINE IS MAY 31, 2012</b>	
<b>Pre-Application Meeting</b>	
	Prior to submitting an application, an owner interested in the Mills Act should schedule a pre-application review meeting with City staff. The purpose of the pre-application review meeting is to confirm that the property qualifies for the program and to ensure that the application submittal requirements, and the mandatory terms of the Mills Act Contract are understood. The Pre-Application Meeting includes a site visit to review the conditions on the property.
<b>Application Submittal</b>	
	Mills Act applications are submitted to the Community Development Department. The application requires a "pro forma" regarding the proposed Rehabilitation, Restoration, and Maintenance Plan; drawings; samples; cost estimates; photographs; and any other materials or studies needed. City staff is available to assist with the application process.
<b>Review for Completeness</b>	
	City staff will review the submitted materials and determine if the application is complete. In order to be scheduled for a hearing, applications must be complete and include all attachments and required information, and fees. City staff may schedule a meeting with the applicant to discuss details of the preservation plan and any proposed new construction. Once the application has been determined complete, City staff shall schedule it for review at a noticed public hearing.
<b>Public Hearing</b>	
	The Mills Act Application will be considered during a public hearing and a recommendation will be made to the City Council regarding the preservation plan, any restrictions that should be added to the agreement, and whether the application for a Mills Act contract should be approved or denied. Applications will be docketed for the earliest available meeting or a specific date that is not sooner than the first available meeting if requested by the applicant.
<b>City Council</b>	
	Once per year, the City Council will consider entering into Mills Act Contracts as part of its consent calendar (no public hearing). The City Council may factor the estimated fiscal impact on the City as part of its consideration. The City Council may approve or disapprove a Mills Act contract request.
<b>Contract Execution and Recordation</b>	
	If approved by the City Council, the City will execute the contract and forward it to the County Recorder's office for recordation. The recorded copy will be returned to the City for submission to the County Tax Assessor's office for implementation. The Los Angeles County Assessor is responsible for calculating tax savings. The County Assessor reassesses Mills Act properties once a year.

<b>ESTIMATED PROPERTY TAX ADJUSTMENT WORKSHEET GUIDE</b>		
<b>STEP 1: DETERMINE ANNUAL INCOME OF PROPERTY.</b>		
DESCRIPTION	CURRENT	EXPLANATION
1. Monthly Rental Income	\$105,634	Even if the property is owner-occupied, an estimated monthly rental income is needed as a basis for this formula. Remember to include all potential sources of income (i.e. filming, advertising, photo-shoots, etc.)
2. Annual Rental Income	\$1,267,600	Multiply line 1 by 12 months
<b>STEP 2: CALCULATE ANNUAL OPERATING EXPENSES.</b>		
3. Insurance	\$97,980	Fire, liability, and other insurance
4. Utilities	\$89,600	Water, gas, electric
5. Maintenance	\$48,200	Maintenance includes: painting, plumbing, electrical, gardening, cleaning, mechanical, heating repairs, structural repairs, and other repairs
6. Management	\$41,800	Standard fee (usually 5% of rent)
7. Other Operating Expenses	\$827,100	Security, etc. Provide breakdown on separate sheet
8. Total Expenses	\$1,104,700	Add lines 3 through 7
<b>STEP 3: DETERMINE ANNUAL NET INCOME.</b>		
9. Net Total	\$162,900	Line 2 minus line 8
<b>STEP 4: DETERMINE CAPITALIZATION RATE.</b>		
10. Interest Component	4.75%	As determined by the State Board of Equalization for 2012.
11. Historic Property Risk Component	2%	Single-family home = 4% All other property = 2%
12. Property Tax Component	1%	.01 times the assessment ratio of 100%
13. Amortization Component (reciprocal of life of property)	2%	If the life of the improvement is 20 years, use 100% x 1/20 = 5%. Wood-frame typically 20 years, masonry typically 50 years
14. Total = Capitalization Rate	9.75%	Add lines 10 through 13
<b>STEP 5: CALCULATE NEW ASSESSED VALUE.</b>		
15. Mills Act Assessed Value	\$1,670,769	Line 9 divided by line 14 Example: line 9 divided by .15 (15%)
<b>STEP 6: DETERMINE ESTIMATED TAX REDUCTION.</b>		
16. Current Tax	\$76,160	General tax levy only, do not include voted indebtedness or other direct assessments
17. Tax under Mills Act	\$16,708	Line 15 multiplied by .01
18. Estimated Tax Reduction	\$59,452	Line 16 minus 17

**ESTIMATED PROPERTY TAX ADJUSTMENT WORKSHEET GUIDE**

**EXAMPLE**

The following is an example showing the possible tax benefit to the historic property owner of an owner-occupied single-family dwelling. *THIS IS ONLY AN EXAMPLE.* Your reduced property tax under a Mills Act contract is not guaranteed to match this calculation.

**EXAMPLE:**      Single-family Dwelling  
                    Current Assessed Value (GENERAL LEVY TAXES ONLY<sup>§</sup>) = \$100,000  
                    Estimated Monthly Rent = \$800

**DETERMINE ANNUAL INCOME AND ANNUAL OPERATING EXPENSES\*\***

\$800 per month income minus approximately \$100 per month expenses for maintenance, repairs, insurance, utilities, and gardener equals a net income of \$700 per month. Multiply by 12 months for an annual net income of \$8,400 (mortgage payments and property taxes are not considered expenses).

**DETERMINE CAPITALIZATION RATE**

Add the following to determine the Capitalization Rate:

- The Interest Component is determined by the Federal Housing Finance Board and is based on conventional mortgages. While this component will vary from year to year, the State Board of Equalization has set this at 5% for 2011.
- The Historical Property Risk Component of 4% (as prescribed in Sec. 439.2 of the State Revenue and Tax Code) applies to owner-occupied single-family dwellings. A 2% risk component applies to all other properties.
- The Property Tax Component (post-Prop 13) of .01 times the assessment ratio of 100% (1%).
- The Amortization Component is a percentage equal to the reciprocal of the remaining life of the structure and is set at the discretion of the County Assessor for each individual property. *IN THIS EXAMPLE THE REMAINING LIFE OF A WOOD FRAME BUILDING IS TYPICALLY 20 YEARS.* The amortization component is calculated thus:  $100\% \times 1/20 = 5\%$ . Use 5% for this calculation.

Now add the following:

$5\% + 4.0\% + 1.0\% + 5\% = 15\%$  Capitalization Rate (single-family dwelling).

---

*§ The Mills Act applies ONLY to general levy property taxes. Be sure to DEDUCT the portions of your tax bill that include sewer assessment, bond issues, etc. when calculating what portion of your property tax will be reduced by the Mills Act.*

*\*\* Single-family applicants may find that a property manager or realtor may be able to assist with setting a monthly rental figure.*

**ESTIMATED PROPERTY TAX ADJUSTMENT WORKSHEET GUIDE**

**SHEET THREE OF THREE**

**CALCULATE NEW ASSESSED VALUE AND ESTIMATED TAX REDUCTION**

The new assessed value is determined by dividing the annual net income (\$8,400) by the capitalization rate .15 (15%), to arrive at the new assessed value of \$56,000.

Lastly, determine the amount of taxes to be paid by taking .01 (1%) of the assessed value \$56,000. Compare with current property tax rate for land and improvements only (be sure to exclude voter indebtedness, direct assessments, tax rate areas, and special district items on your tax bill):

- Current general levy property tax; 1% of original assessed valuation of \$100,000 ( $\$100,000 \times .01 = \$1,000$ );
- Mills Act property tax: 1% of new assessed value of \$56,000 is \$560.

Annual property taxes have been reduced by \$440 ( $\$1,000 - \$560$ ), a 44% property tax reduction.

**FINANCIAL ANALYSIS FORM**  
**CURRENT YEAR TO YEAR THREE (SHEET ONE OF THREE)**

<b>INCOME</b>	<b>CURRENT</b>	<b>ONE</b>	<b>TWO</b>	<b>THREE</b>
1. Monthly Rental Income	\$105,633	\$105,633	\$110,542	\$115,686
2. Annual Rental Income	\$1,267,600	\$1,267,600	\$1,326,508	\$1,388,227
<b>ANNUAL OPERATING EXPENSES</b>				
3. Insurance	\$98,000	\$98,000	\$98,000	\$98,000
4. Utilities	\$89,600	\$89,600	\$89,600	\$89,600
5. Maintenance	\$48,200	\$48,200	\$50,610	\$53,141
6. Management	\$41,800	\$41,800	\$43,848	\$46,040
7. Other Operating Expenses	\$827,100	\$827,100	\$868,455	\$911,472
8. Total Expenses	\$1,104,700	\$1,104,700	\$1,150,513	\$1,198,253
<b>ANNUAL NET INCOME</b>				
9. Net Total	\$162,900	\$162,900	\$175,995	\$189,569
<b>CAPITALIZATION RATE</b>				
10. Interest Component	4.75%	4.75%	4.75%	4.75%
11. Historic Property Risk Component	2%	2%	2%	2%
12. Property Tax Component	1%	1%	1%	1%
13. Amortization Component	2%	2%	2%	2%
14. Total = Capitalization Rate	9.75%	9.75%	9.75%	9.75%
<b>NEW ASSESSED VALUE</b>				
15. Mills Act Assessed Value	\$1,670,769	\$1,670,769	\$1,805,077	\$1,944,293
<b>ESTIMATED TAX REDUCTION</b>				
16. Current Tax	\$76,160	\$76,160	\$76,160	\$76,160
17. Tax under Mills Act	\$16,708	\$16,708	\$18,051	\$19,443
18. Estimated Tax Reduction	\$59,452	\$59,452	\$58,109	\$56,717

**FINANCIAL ANALYSIS FORM**  
**YEAR FOUR TO YEAR SEVEN (SHEET TWO OF THREE)**

<b>INCOME</b>	<b>FOUR</b>	<b>FIVE</b>	<b>SIX</b>	<b>SEVEN</b>
1. Monthly Rental Income	\$121,075	\$126,721	\$132,638	\$138,837
2. Annual Rental Income	\$1,452,894	\$1,520,652	\$1,591,652	\$1,666,050
<b>ANNUAL OPERATING EXPENSES</b>				
3. Insurance	\$98,000	\$98,000	\$98,000	\$98,000
4. Utilities	\$89,600	\$89,600	\$89,600	\$89,600
5. Maintenance	\$55,798	\$58,587	\$61,517	\$64,593
6. Management	\$48,342	\$50,760	\$53,298	\$55,962
7. Other Operating Expenses	\$957,472	\$1,005,345	\$1,055,612	\$1,108,393
8. Total Expenses	\$1,249,212	\$1,302,292	\$1,358,027	\$1,416,548
<b>ANNUAL NET INCOME</b>				
9. Net Total	\$203,683	\$218,360	\$233,625	\$249,502
<b>CAPITALIZATION RATE</b>				
10. Interest Component	4.75%	4.75%	4.75%	4.75%
11. Historic Property Risk Component	2%	2%	2%	2%
12. Property Tax Component	1%	1%	1%	1%
13. Amortization Component	2%	2%	2%	2%
14. Total = Capitalization Rate	9.75%	9.75%	9.75%	9.75%
<b>NEW ASSESSED VALUE</b>				
15. Mills Act Assessed Value	\$2,089,053	\$2,239,591	\$2,396,152	\$2,558,993
<b>ESTIMATED TAX REDUCTION</b>				
16. Current Tax	\$76,160	\$76,160	\$76,160	\$76,160
17. Tax under Mills Act	\$20,891	\$22,396	\$23,962	\$25,590
18. Estimated Tax Reduction	\$55,269	\$53,764	\$52,198	\$50,570

**FINANCIAL ANALYSIS FORM**

**YEAR EIGHT TO YEAR TEN (SHEET THREE OF THREE)**

<b>INCOME</b>	<b>EIGHT</b>	<b>NINE</b>	<b>TEN</b>
1. Monthly Rental Income	\$145,334	\$152,143	\$159,278
2. Annual Rental Income	\$1,744,013	\$1,825,713	\$1,911,334
<b>ANNUAL OPERATING EXPENSES</b>			
3. Insurance	\$98,000	\$98,000	\$98,000
4. Utilities	\$89,600	\$89,600	\$89,600
5. Maintenance	\$67,822	\$71,213	\$74,774
6. Management	\$58,761	\$61,699	\$64,783
7. Other Operating Expenses	\$1,163,813	\$1,222,003	\$1,283,104
8. Total Expenses	\$1,477,996	\$1,542,515	\$1,610,261
<b>ANNUAL NET INCOME</b>			
9. Net Total	\$266,017	\$283,198	\$301,073
<b>CAPITALIZATION RATE</b>			
10. Interest Component	4.75%	4.75%	4.75%
11. Historic Property Risk Component	2%	2%	2%
12. Property Tax Component	1%	1%	1%
13. Amortization Component	2%	2%	2%
14. Total = Capitalization Rate	9.75%	9.75%	9.75%
<b>NEW ASSESSED VALUE</b>			
15. Mills Act Assessed Value	\$2,728,381	\$2,904,595	\$3,087,927
<b>ESTIMATED TAX REDUCTION</b>			
16. Current Tax	\$76,160	\$76,160	\$76,160
17. Tax under Mills Act	\$27,284	\$29,046	\$30,879
18. Estimated Tax Reduction	\$48,876	\$47,114	\$45,281

<b>REHABILITATION/MAINTENANCE PLAN AND TIMELINE (attach additional sheets if necessary)</b>				
Please use this form to outline your rehabilitation, restoration, and maintenance plan and timeline. Include all proposed exterior and interior work (including electrical, plumbing, etc.) to be completed within the next ten years. See the following page for list of potential projects. Use additional sheets if necessary to discuss proposed preservation plan.				
	<b>Contract Year</b>	<b>Building Feature</b>	<b>Proposed Work/Task</b>	<b>Est. Cost</b>
1.	2014	Electrical	Install LED reader boards in existing front exterior marquee to replace manual sign letters.	\$100,000
2.	2014	Architectural	Remodel existing dressing rooms and expand green room areas and production offices.	\$200,000
3.	2014	Painting or Staining	Complete restoration of Art Deco decorative finishes and details in main lobby/Rotunda.	\$150,000
4.	2015	Painting or Staining	Prep and paint all exterior building elevations.	\$250,000
5.	2015	Architectural	Refurbish 800 historic seats in the Mezzanine and Balcony areas.	\$150,000
6.	2016	Architectural	Remove existing lobby concession counters and build new portable concession counters and equipment.	\$100,000
7.	2017	Mechanical	Design and install motorized lift in Orchestra Pit.	\$200,000
8.	2018	HVAC	Upgrade, expand, and modernize HVAC systems.	\$200,000
9.	2018	Access Modifications	Design and install removable seats in designated areas of orchestra section.	\$50,000
<b>TOTAL COST:</b>				<b>\$1,400,000</b>

Besides the above information, the Rehabilitation/Maintenance Plan must include the following:

- For all work completed during the first ten years of contract, cost estimates must be provided. (cost estimates are subject to verification by City staff).
- Fully labeled photographs of the front of the main building and its relationship to the public right-of-way (street, parkway, sidewalk, etc.); each elevation of all buildings on the property; the interior of any room where any work is proposed; structural and architectural details of any building proposed to be restored, rehabilitated or preserved; and any portions of the property where landscaping or paving work is proposed.
- Plans, drawings, material samples, brochures, etc. as needed to depict the location and characteristics of all proposed work.
- Additional information may be required during the review process for clarification.

<b>LIST OF POTENTIAL PROJECTS</b>	
<b>BUILDING FEATURE</b>	<b>PROPOSED WORK/TASK</b>
Access Modifications	Exterior
Access Modifications	Interior
Accessory Structure	Repair or Replace
Air Conditioning	Install or remove
Appliance Vent	Specify type, material, location
Architectural	Removal non-historic feature and restore to original
Architectural Trim	Repair
Architectural Trim	Replace
Architectural Trim	Install New
Balcony/Decks	New railings
Balcony/Decks	Repair or replace
Basement	Access, repair or replace to code
Basement	New or rebuild
Cabinets	New built-in bathroom
Cabinets	New built-in kitchen
Cabinets	New built-in other
Chimney	Inspect and clean
Chimney	New
Chimney	Repair, remove, relocate
Code Repair Item	Specify item
Column	Repair or replace
Corbels/Brackets	Repair or replace
Deck	Repair, replace or install
Door	Repair or replace screen door
Door	Repair or replace front door
Door	Repair or replace hardware
Door	Repair or replace basement hatch cover and base
Door	Repair or replace other door (specify)
Drainage	Protection or correction
Driveway	Repair, replace, remove
Dry Rot, Mold	Remove, repair feature, replace (specify)
Electrical	Rewire or install new outlets
Electrical	Complete rewire and service upgrade
Electrical	Ground and service entry
Electrical	Install new circuits
Electrical	Lighting fixtures
Electrical	New service lines to garage or secondary structure, etc.

LIST OF POTENTIAL PROJECTS	
BUILDING FEATURE	PROPOSED WORK/TASK
Electrical	Security lighting and alarm system
Electrical	Relocate meter (specify locations)
Fence	Repair, replace, install gate
Fence	Repair
Fence	New (specify location, materials, style, etc.)
Floor Furnace	Repair, restore or remove
Flooring	Carpet repair, install or remove
Flooring	Wood repair, install, or remove
Flooring	Tile repair, install, or remove
Flooring	Concrete repair, install or remove
Flooring	Other material repair, install or remove
Foundation	Bolting and seismic work
Foundation	Repair or rebuild
Fumigation	Extermination
Gable and Attic	Vent repair, re-screening, etc.
Garage	Repair, remove, replace, expand
Garage Door	Repair, remove, replace
Gas Service	Repair, remove, replace, install
Gutters and Drains	Repair, replace, remove,
HVAC	Repair, replace, remove, install; general maintenance
Insulation	Wall, blown-in
Insulation	Attic
Insulation	Floor
Interior Trim	Repair, refinish, replace
Kitchen	Repair, remove, install counters
Masonry	New
Masonry	Repair or replace tile hearth
Masonry	Repair and/or repoint
Masonry	Repoint brick
Mechanical	Air conditioning, repair, remove, install
Mechanical	Ventilation, new kitchen/bath fan and duct work
Mechanical	Vent and/or duct work
Painting or Staining	Exterior
Painting or Staining	Interior
Painting or Staining	Removal of lead based paint (exterior or interior)
Painting or Staining	Exterior or interior trim
Painting or Staining	Porch deck or patio deck, etc.
Patio, Porch	Repair, replacement, removal, install

LIST OF POTENTIAL PROJECTS

BUILDING FEATURE	PROPOSED WORK/TASK
Plastering	Exterior: removal, refinish, repair, replacement or patching
Plastering	Interior: removal, refinish, repair, replacement or patching
Plumbing	Drain, waste, and vent repair, replacement, install
Plumbing	Fixtures (specify)
Plumbing	Repair, remove, install sump pump and discharge drain
Plumbing	Repair, remove, install supply lines
Plumbing	Minor repairs
Plumbing	Sewer
Porch	Ceiling repair, replacement
Porch	Repair, rebuild, replace
Porch	Brick repoint
Porch Railing	Repair or replace to code
Porch	Resurface
Porch Steps	Repair, rebuild, replace, add
Railing	Repair, remove, replace, install
Roof	Repair or replace eaves, fascia and/or overhangs
Roof	Strip and install new layer of roofing material
Roof	Re-roof (specific material)
Roof	Minor repair (specify)
Roof	Major repair (specify)
Security	Lighting and alarm
Security	Gates, fencing, bars, etc.
Seismic Work	Seismic upgrade (specify)
Siding (wood lap)	Repair, patch, replace
Siding	Removal asbestos siding and restore original wood lap
Siding (wood shingle)	Repair, patch, replace
Skylights	Remove, replace, install
Stair (exterior)	Repair, replace, remove, install, relocate
Stair (interior)	Repair, replace, remove, install, relocate
Stonework	Repair, replace, remove, install
Stoop	Repair, replace
Structural	Stabilize, repair, replace framing
Structural	Modifications
Structural	Roof and ceiling joist repair, replacement
Termite	Treatment and repair
Utilities	Enclosure(s)
Waterproofing	Exterior
Window	Frame repair or replacement
Window	Screen, glazing, hardware repair or replacement

Proposed work may be interior and/or exterior, but must equal at least 80% of your tax savings. All projects that affect the exterior of the property are subject to Architectural Commission /Staff review and approval before work begins. Work must meet all City requirements and comply with the *Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring, and Reconstructing Historic Buildings* or the *Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings* (1995, by Weeks and Grimmer).

<b>STANDARDS for REHABILITATION</b>	
1.	A property will be used as it was historically use or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships provided the new use is consistent with the Beverly Hills Municipal Code.
2.	The historic character of a property will be retained and preserved. The removal of distinctive material or alteration of features, spaces, and spatial relationships that characterize a property must be avoided.
3.	Each property will be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other properties, should not be undertaken.
4.	Changes to a property that have acquired historic significance (are Character-Defining Features) in their own right must be retained and preserved.
5.	Distinctive materials, features, finishes and construction techniques or examples of craftsmanship that characterize a property should be preserved.
6.	Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive historic feature, the new feature will match the old in design, color, texture, and where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.
7.	Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.
8.	Archeological resources should be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.
9.	New additions, exterior alterations, or related new construction should not destroy historic materials, features, and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.
10.	New additions and adjacent or related new construction should be in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

**PERIODIC INSPECTIONS**

Periodic inspections are conducted by City staff to monitor properties for compliance to the terms of the contract. Inspections monitor the progress of the preservation plan specified in the contract. Inspections are ongoing for the life of the contract. Property owners are encouraged to self-inspect and update the City on their progress of the preservation plan.



CITY OF BEVERLY HILLS  
 COMMUNITY DEVELOPMENT DEPARTMENT  
 455 N. Rexford Drive, Beverly Hills, CA 90210  
 Tel. (310) 285-1141 Fax. (310) 858-5966

**MILLS ACT CONTRACT APPLICATION**

**NOTARY OF ACKNOWLEDGEMENT AFFADAVIT**

*The notarized signature of the majority representative owner or owners, as established by deed or contract, of the subject property or properties for the filing of this application. (Additional sheets may be attached)*

Page | 15

State of California

County of Los Angeles

On 04-03-2013 before me, BARED COSTANIAN, NOTARY PUBLIC  
 (DATE) (HERE INSERT NAME OF THE OFFICER)

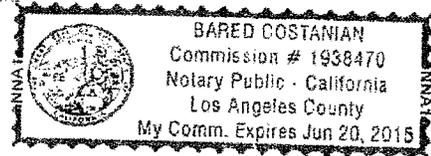
personally appeared DAVID BAREN  
 NAME(S) OF SIGNER(S)

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)



**DESCRIPTION OF ATTACHED DOCUMENT**

Title of type of Document: MILLS ACT CONTRACT

Document Date: 04-03-2013

Number of Pages 15

Signer(s) Other Than Named Above: N/A

**RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:**

Jeffer Mangels Butler & Mitchell LLP  
1900 Avenue of the Stars, 7th Floor  
Los Angeles, California 90067  
Attention: Elaine M. Leichter, Esq.

**MAIL TAX STATEMENTS TO:**

Temple of the Arts, a California nonprofit religious corporation  
8440 Wilshire Boulevard  
Beverly Hills, California 90211

APN: 4333-029-018

Common Address: 8430-8440 Wilshire Boulevard  
Beverly Hills, California 90211

**GRANT DEED**

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

DOCUMENTARY TRANSFER TAX is \$ -0- Exempt\*

computed on full value of property conveyed, or

computed on full value less value of liens or  
encumbrances remaining at time of sale,

Unincorporated area: City of \_\_\_\_\_

\*This conveyance is a bonafide gift  
and the grantor received nothing in  
return. California Revenue and  
Taxation Code §11911.

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

**THE TEMPLE OF THE AIR, a California non-profit religious corporation ("Grantor")**

hereby grants to

**TEMPLE OF THE ARTS, a California nonprofit religious corporation;**

all the Grantor's right, title and interest in that certain real property located in the city of Beverly Hills, county of  
Los Angeles, state of California, more particularly described on Exhibit "A" attached hereto.

IN WITNESS WHEREOF, the Grantor has executed this Grant Deed on May 9, 2011.

THE TEMPLE OF THE AIR, a California non-profit religious  
corporation

  
By: DAVID BARON  
Its: PRESIDENT

## **LEGAL DESCRIPTION**

**The land referred to herein is situated in the State of California, County of Los Angeles, City of Beverly Hills, and described as follows:**

Lots 552, 553, 554, 555 and the North 40 feet of Lot 556 of Tract No. 4988, in the City of Beverly Hills, County of Los Angeles, State of California, as per map recorded in Book 54, Pages 98 and 99 of Maps, in the office of the County Recorder of said County.

APN: 4333-029-018

(End of Legal Description)

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

Silver Law Offices, Inc.  
2029 Century Park East, Suite 1400  
Los Angeles, California 90067  
Attention: Scott Silver, Esq.

---

(Above Space For Recorder's Use Only)

**DEED OF TRUST**

THIS DEED OF TRUST ("**Deed of Trust**") is made as of August \_\_, 2011, between TEMPLE OF THE ARTS, a California non-profit religious corporation ("**Trustor**"), whose address is 8440 Wilshire Blvd., Beverly Hills, CA 90211, SCOTT SILVER whose address is 10573 W. Pico Blvd., Ste. 218, Los Angeles, CA 90064 ("**Trustee**"), and ZEV KARKOMI REVOCABLE TRUST U/A/D 2/17/84 and ARI RYAN whose address is 10727 Wilshire Blvd., #2001, Los Angeles, CA 90024 and STANLEY BLACK (collectively, "**Beneficiary**").

I.

GRANT IN TRUST

Trustor irrevocably grants, conveys and transfers to Trustee, in trust, with power of sale and right of entry and possession, all right, title and interest which Trustor now has or may hereafter acquire in and to that certain real property (the "**Subject Property**") commonly known as 8440 Wilshire Blvd., Beverly Hills, CA 90211, more particularly described on Exhibit "A" attached hereto and incorporated herein by reference, together with all easements and other rights now or hereafter located thereon or appurtenant thereto, together with all appurtenances and all other existing or subsequently erected improvements in, under or upon the Subject Property, all development rights or credits and air rights, all fixtures, all additions and accretions thereto, and any greater estate in the Subject Property or any part thereof now owned or hereafter acquired by Trustor. Trustor makes the foregoing grant to Trustee to hold the Subject Property in trust for the benefit of Beneficiary, and for the purpose and upon the terms and conditions hereinafter set forth.

II.

OBLIGATIONS SECURED

Trustor makes the foregoing grant, conveyance and transfer for the purpose of securing the full and prompt payment to Beneficiary of any and all amounts which may at any time become due to Beneficiary from Trustor, and/or the full and prompt performance of all obligations required of Trustor, pursuant to that certain Indemnity Agreement dated July 7, 2011 between Trustor, as the indemnitor thereunder, and Beneficiary, each as an indemnitee thereunder (the "**Indemnity Agreement**");

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, THE PARTIES AGREE AS FOLLOWS:

**ACKNOWLEDGMENT**

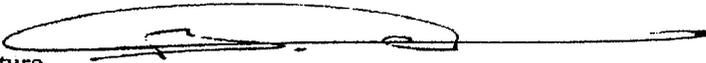
STATE OF CALIFORNIA            )  
  )  
COUNTY OF LOS ANGELES        )

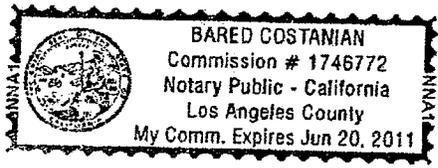
On May 9<sup>TH</sup>, 2011, before me, BARED COSTANIAN.

a Notary Public, personally appeared DAVID BARON, 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)

2012

ANNUAL PROPERTY TAX BILL

2012

CITIES, COUNTY, SCHOOLS AND ALL OTHER TAXING AGENCIES IN LOS ANGELES COUNTY
SECURED PROPERTY TAX FOR FISCAL YEAR JULY 1, 2012 TO JUNE 30, 2013

MARK J. SALADINO, TREASURER AND TAX COLLECTOR

FOR ASSISTANCE CALL 1(213) 974-2111 OR 1(888) 807-2111, ON THE WEB AT www.lacountypropertytax.com

10/3/12

PROPERTY IDENTIFICATION
ASSESSOR'S ID. NO.: 4333 029 018 12 000
OWNER OF RECORD AS OF JANUARY 1, 2012
SAME AS BELOW

MAILING ADDRESS

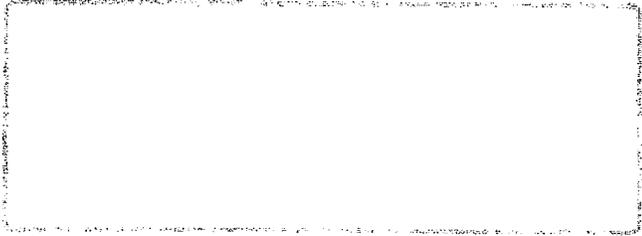
TEMPLE OF THE ARTS
8440 WILSHIRE BLVD
BEVERLY HILLS CA 90211-3201

ELECTRONIC FUND TRANSFER (EFT) NUMBER

ID#: 19 4333 029 018 8 YEAR: 12 SEQUENCE: 000 6
PIN: 350458

For American Express, Mastercard and Visa payments call 1(888) 473-0835
and have available the EFT number listed above. Service fees will be charged.

SPECIAL INFORMATION



PROPERTY LOCATION AND/OR PROPERTY DESCRIPTION

8430 WILSHIRE BLVD BEVERLY HI
TRACT # 4988 LOTS 552, 553, 554, 555 AND
N 40 FT OF LOT 556

ASSESSOR'S REGIONAL OFFICE

REGION #23 INDEX: TRA: 02410
C/I CENTRAL
500 W TEMPLE STREET RM. 180
LOS ANGELES CA 90012
(213)974-3108

ACCT. NO.: PRINT NO.: 297876 BILL ID.:

TOTAL TAXES DUE

FIRST INSTALLMENT TAXES DUE NOV. 1, 2012 \$87,579.19
SECOND INSTALLMENT TAXES DUE FEB. 1, 2013 \$43,789.60
\$43,789.59

VALUATION INFORMATION

Table with 3 columns: ROLL YEAR 12-13, CURRENT ASSESSED VALUE, TAXABLE VALUE. Rows for LAND and IMPROVEMENTS.

TOTAL 7,615,984
LESS EXEMPTION:
NET TAXABLE VALUE 7,615,984

ANY RETURNED PAYMENT MAY BE SUBJECT TO A FEE UP TO \$50.00.

DETACH AND MAIL THIS STUB WITH YOUR 2ND INSTALLMENT PAYMENT
DO NOT INCLUDE NOTES WITH YOUR PAYMENT
DO NOT STAPLE, TAPE OR CLIP PAYMENT STUB OR CHECK

ANNUAL 2012

TEMPLE OF THE ARTS
8440 WILSHIRE BLVD
BEVERLY HILLS CA 90211-3201

ASSESSOR'S ID. NO. CK PK
4333 029 018 12 000 96 2

FOR MAILING ADDRESS CHANGE
PLEASE MARK BOX BELOW AND
COMPLETE FORM ON REVERSE SIDE
OF THIS PAYMENT COUPON.

PAYMENT DUE 02/01/13 -> \$43,789.59
IF NOT RECEIVED OR POSTMARKED BY 04/10/13
REMIT AMOUNT OF \$48,178.54

2ND INSTALLMENT DUE INDICATE AMOUNT PAID

MAKE PAYMENT PAYABLE TO:
Please write the ASSESSOR'S ID. NO.
on the lower left corner of your payment.

LOS ANGELES COUNTY TAX COLLECTOR
P.O. BOX 54018
LOS ANGELES, CA 90054-0018

96936

13912000643330290180004378959000481785493620410

2ND

# PAYMENT ACTIVITY NOTICE

CITIES, COUNTY, SCHOOLS AND ALL OTHER TAXING AGENCIES IN LOS ANGELES COUNTY

JULY 1, 2011 TO JUNE 30, 2012

225 N. Hill Street, Los Angeles, California 90012

FOR ASSISTANCE CALL 1(888) 807-2111, OR 1(213) 974-2111, 1(213) 974-2196 (TDD)

ON THE WEB AT [www.lacountypropertytax.com](http://www.lacountypropertytax.com)

4333 029 018

TEMPLE OF THE ARTS  
8440 WILSHIRE BLVD  
BEVERLY HILLS CA 90211-3201

**Received**  
3-1-12

**ELECTRONIC FUND TRANSFER NUMBER**  
ID#: 19 4333 029 018 B YR: 11 SEQ: 0007  
PIN: 350458

ASSESSOR'S ID. NO.					1ST INSTALLMENT		2ND INSTALLMENT		TOTAL TAX	
Map Book	Page	Parcel	Year	Seq. No.	10% Penalty After		10% Penalty After		Penalties Apply When Shown	
4333	029	018	11	000	43528	07	42440	87	85968	94
TAX					43528	07	42440	87	85968	94
PENALTY					4352	80		00	4352	80
TOTAL					47880	87	42440	87	90321	74
NET PD/REF						00		00		00
DUE					47880	87	42440	87	90321	74
CURRENT ASSESSED VALUE					PRIOR ASSESSED VALUE		TAXABLE VALUE		ANY RETURNED PAYMENT MAY BE SUBJECT TO A FEE UP TO \$50.00.	
LAND					5866656		5866656		PLEASE SEE REVERSE FOR IMPORTANT INFORMATION	
IMPROVEMENTS					1599996		1599996			
FIXTURES										
PERS PROP					98000		98000			
AUTH. NO. : 000153 LC					TOTAL		7564652			
PRINT NO. : 57574					LESS EXEMPTION					
					NET TAXABLE VALUE		7564652			

**ANNUAL**

PAN

TEMPLE OF THE ARTS  
8440 WILSHIRE BLVD  
BEVERLY HILLS CA 90211-3201

000153 LC

**PAY THIS AMOUNT BY:**

DETACH AND MAIL THIS STUB WITH 2ND INSTALLMENT PAYMENT

USE THESE NUMBERS ON ALL PAYMENTS AND CORRESPONDENCE						
ASSESSOR'S ID. NO.						Pay Key
Map Book	Page	Parcel	Year	Seq. No.		
4333	029	018	11	000	2	
2ND INSTALLMENT				INDICATE AMOUNT PAID		
42440 87						

07926

If not paid by add penalty of to 2nd installment.

04 10 12

4254 08

**MAKE PAYMENTS PAYABLE TO:**

Please write the ASSESSOR'S ID. NO. on the lower left corner of your payment.

46694 95

LOS ANGELES COUNTY TAX COLLECTOR  
P.O. BOX 54018  
LOS ANGELES, CA 90054-0018

12011000743330290180004244087000466949592620410

**2**

**ANNUAL**

PAN

TEMPLE OF THE ARTS  
8440 WILSHIRE BLVD  
BEVERLY HILLS CA 90211-3201

000153 LC

**PAY THIS AMOUNT BY:**

DETACH AND MAIL THIS STUB WITH 1ST INSTALLMENT PAYMENT

USE THESE NUMBERS ON ALL PAYMENTS AND CORRESPONDENCE						
ASSESSOR'S ID. NO.						Pay Key
Map Book	Page	Parcel	Year	Seq. No.		
4333	029	018	11	000	1	
1ST INSTALLMENT				INDICATE AMOUNT PAID		
47880 87						

67900

If not paid by add penalty of to 1st installment.

**MAKE PAYMENTS PAYABLE TO:**

Please write the ASSESSOR'S ID. NO. on the lower left corner of your payment.

46694 95

LOS ANGELES COUNTY TAX COLLECTOR  
P.O. BOX 54018  
LOS ANGELES, CA 90054-0018

**PAID**

99611000743330290180004788087000478808790019999

**1**

## **EXHIBIT B**

**SABAN THEATRE  
Rehabilitation/Restoration Maintenance Plan**

---

2014

**ELECTRICAL - New LED Reader Boards for the Marquee**

Remove existing illuminated reader board	\$	4,000
Supply and install LED reader boards on both sides of marquee	\$	78,000
Feed additional electrical power to marquee for LED reader boards	\$	15,000
Install Computer controls in theatre office	\$	3,000
	<b>\$</b>	<b>100,000</b>

2014

**ARCHITECTURE - Remodel Existing Dressing Rooms and Expand Green Room Area**

Demo out existing dressing room interiors - tables, mirrors, lights, carpet, plumbing fixtures	\$	8,000
Demo two existing bathrooms serving the dressing rooms	\$	4,000
Enclose existing exterior stairway and roof corridor and Add 2nd floor above dressing rooms 1,000 sq. ft \$100/sq. ft	\$	100,000
Construct two new restrooms	\$	48,000
Finishes for dressing room renovation	\$	40,000
	<b>\$</b>	<b>200,000</b>

2014

**PAINTING OR STAINING - Restoration Of Main Lobby Rotunda**

Scaffolding	\$	\$25,000
Primer and Base Coat	\$	\$27,000
Stenciling and Faux Finishes	\$	\$98,000
	<b>\$</b>	<b>150,000</b>

2015

**PAINTING OR STAINING - Prep & Paint All Exterior Building Elevations**

Scaffold exterior with containment netting	\$	75,000
Remove loose paint	\$	20,000
Patch and Primer	\$	70,000
Paint	\$	85,000
	<b>\$</b>	<b>250,000</b>

2015

**ARCHITECTURAL - Refurbish Historic Seats In Mezzanine and Balcony**

Remove and reinstall 800 seats	\$	20,000
Refurbish 800 seats @ \$130 each	\$	104,000
Patch and paint floor under removed seats	\$	19,000
Install new aisle lights on seat standards	\$	7,000
	<b>\$</b>	<b>150,000</b>

**SABAN THEATRE**  
**Rehabilitation/Restoration Maintenance Plan**

2016

**ARCHITECTURE - Remove Lobby Concessions and add Portable Stands & Equipment**

□ Demo out existing bars and concession areas	\$	15,000
□ Patch in floor and carpet	\$	22,000
□ Purchase portable stands	\$	16,000
□ Coolers and Equipment	\$	18,000
□ Signage	\$	9,000
□ Power and plumbing for new portable locations	\$	20,000
	<b>\$</b>	<b>100,000</b>

2017

**MECHANICAL - Motorized Lift For Orchestra Pit**

□ Remove and reinstall front rows of seats for work area.	\$	3,500
□ Excavate pit area	\$	15,000
□ Run new electrical power to lift area	\$	12,000
□ Supply and install lift mechanism	\$	150,000
□ Install lift cover - walking surface	\$	17,000
□ Test controls and safety mechanisms	\$	2,500
	<b>\$</b>	<b>200,000</b>

2018

**ARCHITECTURAL - Upgrade, Expand and Modernize HVAC Systems**

□ Demo old chiller, compressor, and cooling tower	\$	15,000
□ Supply and Install new equipment	\$	160,000
□ Install and test controls	\$	25,000
	<b>\$</b>	<b>200,000</b>

2018

**ACCESS MODIFICATIONS - Design, Fabricate, Install Removable Seats on Main Floor**

□ Labor to remove affected seats - 102 @ \$30	\$	3,060
□ Parts to modify seats to be mounted on sleds in groups of 2-3 (including sleds, additional end standards)	\$	9,400
□ Labor to remove additional seats from back rows for parts	\$	1,680
□ Labor to fabricate removable sets - 9 sets of 2, 28 sets of 3	\$	9,250
□ Replacement seats for back rows - 56 @ 180 each	\$	10,080
□ Labor to install new back rows	\$	1,680
□ Labor to install new removable seats	\$	3,000
□ Parts and labor to remove old seat bolts, patch floor, and patch carpet	\$	11,850
	<b>\$</b>	<b>50,000</b>

**EXHIBIT C**  
**(Refer to Attachment 2)**