

## **ATTACHMENT 2**

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

CITY OF BEVERLY HILLS  
Community Development Department  
455 North Rexford Drive  
Beverly Hills, CA 90210

ATTN: Community Development Director

SPACE ABOVE THIS LINE IS RESERVED FOR RECORDER'S USE

Recording Fee: Exempt pursuant to  
California Govt. Code Section 27383

TITLE(S)

## HISTORIC PROPERTY PRESERVATION AGREEMENT

BY AND BETWEEN

**THE CITY OF BEVERLY HILLS,**  
a municipal corporation, and

Temple of the Arts, a California nonprofit religious  
corporation, owner of the Fox Wilshire – Saban Theatre

**FOR THE PRESERVATION AND BENEFIT OF THE LANDMARK PROPERTY LOCATED AT**

8440 Wilshire Boulevard, Beverly Hills, California  
(PHYSICAL ADDRESS)

4333-029-018  
(ASSESSOR PARCEL NUMBER)

## HISTORIC PROPERTY PRESERVATION AGREEMENT

**THIS AGREEMENT** is made this \_\_\_\_ day of \_\_\_\_\_, 2013, by and between the City of Beverly Hills, a municipal corporation (“City”) and Temple of the Arts, a California nonprofit religious corporation (“Owner”).

### RECITALS

WHEREAS, California Government Code Sections 50280, *et seq.*, allow cities to enter into a contract with the owner(s) of a “qualified historical property,” as that term is defined in Government Code Section 50280.1, for the purpose of providing for the use, maintenance, protection, and restoration of historical property so as to retain its characteristics as property of historic significance.

WHEREAS, the Owner holds fee title in and to that certain real property, together with associated structures and improvements thereon, generally located at the street address 8440 Wilshire Boulevard, Beverly Hills, California (APN 4333-029-018) (the “Historic Property”). A legal description of the Historic Property is attached hereto as Exhibit “A,” and incorporated herein by this reference.

WHEREAS, on May 7, 2013, the City Council upon recommendation by the Cultural Heritage Commission designated the Historic Property as a “historic resource” pursuant to the terms and provisions of Title 10, Chapter 3, Article 32 of the Beverly Hills Municipal Code by designating the Historic Property a Landmark. In addition, the property is listed on the National Register of Historic Places.

WHEREAS, the City and Owner desire to enter into this Agreement for the purpose of protecting and preserving the characteristics of historical significance of the Historic Property that help provide the community with a unique civic identity and character.

WHEREAS, the Owner, in consideration for abiding by the terms of this Agreement and Government Code Sections 50280, *et seq.*, shall be entitled to qualify for a reassessment of valuation of the Historic Property, pursuant to the provisions of Chapter 3, Part 2, of Division 1 of the California Revenue and Taxation Code, and any corresponding adjustment in property taxes resulting therefrom.

**TERMS**

NOW, THEREFORE, the City and Owner, in consideration of the mutual covenants and conditions set forth herein, do hereby agree as follows:

1. Effective Date and Term of Agreement. This Agreement shall be effective and commence on \_\_\_\_\_, 2013 (“Effective Date”) and shall remain in effect for a term of ten (10) years thereafter.
2. Yearly Renewal. . Each year upon the anniversary of the Effective Date (“Renewal Date”), an additional one (1) year shall automatically be added to the remaining term of the Agreement unless a notice of nonrenewal is delivered as provided in Section 3 of this Agreement.
3. Nonrenewal. If either the Owner or City desires in any year not to renew this Agreement, Owner or City shall serve a written notice of nonrenewal upon the party in advance of the Renewal Date (“Notice of Nonrenewal”). The Notice of Nonrenewal shall be effective only if served by Owner upon City at least ninety (90) days prior to the Renewal Date, or if served by City upon Owner, the Notice of Nonrenewal shall be effective only if served upon Owner at least sixty (60) days prior to the Renewal Date. If either City or Owner serves a Notice of Nonrenewal in any year, this Agreement shall remain in effect only for the balance of the term then remaining.
4. Owner Protest of City Nonrenewal. Within fifteen (15) days of Owner’s receipt of the Notice of Nonrenewal from City, Owner may file with City a written protest of the Notice of Nonrenewal.

Upon receipt of the written protest, the City Council shall set a hearing prior to the expiration of

the Renewal Date of this Agreement. Owner may furnish the City Council with any information that Owner deems relevant and shall furnish the City Council with any information it may require. The City Council may, at any time prior to the annual Renewal Date, withdraw its Notice of Nonrenewal.

5. Standards for Historic Property. During the term of this Agreement, the Historic Property shall be subject to the following conditions, requirements, and restrictions:
  - A. Owner shall preserve and maintain the characteristics of the historical significance of the Historic Property. Attached hereto as Exhibit "B," and incorporated herein by this reference, is a list of the minimum standards and conditions for maintenance, use, protection, and preservation of the Historic Property, which shall apply to the Historic Property and with which Owner shall comply throughout the term of this Agreement. In addition, Owner shall comply with the terms of the City's Historic Preservation Ordinance (Title 10, Chapter 3, Article 32 of the Beverly Hills Municipal Code), and shall obtain any applicable permits necessary to protect, preserve, restore, and rehabilitate the Historic Property so as to maintain its historical significance.
  - B. Owner shall, where necessary, repair, maintain, restore, and rehabilitate the Historic Property according to the rules and regulations of the Office of Historic Preservation of the State Department of Parks and Recreation and the City of Beverly Hills. The condition of the exterior and interior, as applicable, of the Historic Property on the effective date of this Agreement is documented in photographs attached as Exhibit "C" and incorporated herein by this reference. At a minimum, Owner shall continually maintain the exterior and interior, as applicable, of the Historic Property in the same condition as documented in Exhibit "C."
  - C. Owner shall carry out specific restoration, repair, maintenance, and/or rehabilitation projects ("Preservation Plan") on the Historic Property, as outlined in the attached Exhibit

“D,” which is incorporated herein by this reference. Prior to each ten (10) year anniversary of the Effective Date, the Owner shall submit an updated Preservation Plan with projects to be undertaken for the next ten (10) year period or during the balance of the Term of the Agreement if less than ten (10) years. All such projects shall be undertaken and completed in accordance with the rules and regulations of the Office of Historic Preservation of the Department of Parks and Recreation, the United States Secretary of the Interior’s Standards for Rehabilitation, and the State Historical Building Code.

6. Minimum Annual Income to be Capitalized. The City and Owner agree that throughout the term of this Agreement, including any yearly renewals as provided for in section 2 above, the annual net income to be capitalized when calculating the value of the property for property tax purposes shall not be less than \$162,900.00.
7. Inspections. Upon reasonable advance notice, Owner shall allow inspection of the exterior [and interior, as applicable] of the Historic Property by representatives of the City and/or County Assessor, the State Department of Parks and Recreation, and State Board of Equalization as may be necessary to determine Owner’s compliance with the terms and provisions of this Agreement. Such inspection shall occur prior to a new agreement and every 5 years thereafter.
8. Provisions of Information of Compliance. Owner hereby agrees to furnish City with any and all information requested by City, which City deems necessary or advisable to determine eligibility of the Historic Property and compliance with the terms and provisions of this Agreement.
9. Breach of Agreement Remedies.
  - A. Notice of Breach; Opportunity to Cure. If Owner breaches any provision of this Agreement, City may give written notice to Owner, by registered or certified mail, detailing Owner’s violations. If such violation is not corrected to the reasonable satisfaction of City within thirty (30) days after the date of notice of violation, or within such a reasonable time as may

be required to cure the violation (provided the acts to cure the violation are commenced within thirty (30) days and thereafter diligently pursued to completion), the City may, without further notice, declare Owner to be in breach of this Agreement, unless the City or the Owner elect to engage in non-binding mediation. If either party elects to engage in non-binding mediation, the mediation shall be conducted before a mutually selected retired judge of the Superior Court, Court of Appeal, or Supreme Court of the State of California. If Owner and City cannot agree on a mediator, mediation shall be held at ADR Services, Inc., Century City, California, before a mediator selected by ADR Services. Costs of mediation shall be shared between the parties, unless the parties agree to an alternate payment structure. If the mediation fails to resolve the City's claim that the Owner is in breach of this Agreement, or if the City claims that the Owner has failed to carry out the terms of any agreement reached through mediation, the City may issue a declaration of Owner's breach, after which the City may pursue any remedy available under local, state, or federal law, including those specifically provided for in this section.

- B. Remedies. If City determines, following a duly noticed public hearing in accordance with Government Code Sections 50285 and 50286, that Owner breached any of the conditions of the Agreement, Owner allowed the Historic Property to deteriorate to the point that it no longer meets the standards for a qualified historical property, or Owner failed to maintain and preserve the Historic Property in accordance with the terms of this Agreement, City shall either cancel this Agreement or bring an action in court to enforce the contract. If this Agreement is cancelled under this paragraph, Owner shall pay a cancellation fee to the County of Los Angeles as required by Government Code Section 50286.

10. Eminent Domain Cancellation. If the Historic Property is acquired in whole or in part by eminent domain or other acquisition by any entity authorized to exercise the power of eminent domain,

and the acquisition is determined by the City Council to frustrate the purpose of this Agreement, this Agreement shall be cancelled. No cancellation fee pursuant to Government Code section 50286 shall be imposed if the Agreement is cancelled pursuant to this Section.

11. Waiver. City does not waive any claim of default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in City's regulations governing historic properties are available to the City to pursue in the event that there is a breach of this Agreement. No waiver by City of any breach or default under this Agreement shall be deemed to be a waiver of any other subsequent breach thereof or default hereunder.
12. Binding Effect of Agreement. Owner hereby subjects the Historic Property to the covenants, conditions, and restrictions set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, conditions, and restrictions set forth herein shall be deemed covenants running with the land and shall inure to and be binding upon Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument herein after executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions set forth in such contract, deed or other instrument.
13. Covenants Run with the Land. City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that it restricts development of the Historic Property. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the historical characteristics and significance of the Historic Property for the benefit of the public and the Owner.

14. Notice. Any notice required to be given by the terms of this Agreement shall be provided at the address of the respective parties as specified below or at any other address as may be later specified in writing by the parties hereto:

City: City of Beverly Hills  
Community Development Department, Planning Division  
455 North Rexford Drive  
Beverly Hills, CA 90210

Owner: Temple of the Arts  
8440 Wilshire Boulevard  
Beverly Hills, California, 90211

15. Effect of Agreement. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and any of their heirs, successors or assigns, nor shall such terms, provisions or conditions cause the parties to be considered joint venturers or members of any joint enterprise.

16. Indemnity of City. Owner shall defend, indemnify, and hold harmless City and its elected officials, officers, agents and employees from any actual or alleged claims, demands, causes of action, liability, loss, damage, or injury to property or persons, including wrongful death, whether imposed by a court of law or by administrative action of any federal, state or local governmental agency, arising out of or incident to (i) the direct or indirect use, operation or maintenance of the Historic Property by Owner or any contractor, subcontractor, employee, agent, lessee, licensee, invitee, or any other person; (ii) Owner's activities in connection with the Historic Property; and (iii) any restrictions on the use or development of the Historic Property, from application or enforcement of Title 10, Chapter 3, Article 32 of the City's Municipal Code, or from the enforcement of this Agreement. This indemnification includes, without limitation,

the payment of all penalties, fines, judgments, awards, decrees, attorney's fees, and related costs or expenses, and the reimbursement of City, its elected officials, employees, and/or agents for all legal expenses and costs incurred by each of them. Owner's obligation to indemnify shall survive the termination, cancellation, or expiration of this Agreement and shall not be restricted to insurance proceeds, if any, received by City, its elected officials, employees, or agents.

17. Binding Upon Successors and Assigns. All of the agreements, rights, covenants, reservations and restrictions contained in this Agreement shall be binding upon and shall inure to the benefit of the parties herein, their heirs, successors, legal representatives, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.
18. Legal Costs. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, conditions or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover all attorney's fees, in addition to court costs and other relief ordered by the court.
19. Severability. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be effected thereby.
20. Recordation. No later than twenty (20) days after the Effective Date, City shall cause this Agreement to be recorded in the office of the County Recorder of the County of Los Angeles.
21. Amendments. This Agreement may be amended, in whole or in part, only by written recorded instrument executed by the parties hereto.
22. Governing Law and Venue. This Agreement shall be construed and governed in accordance with the laws of the State of California. Any action at law or in equity by either of the parties hereto

for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in a court of competent jurisdiction in the County of Los Angeles, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county.

IN WITNESS WHEREOF, City and Owner have executed this Agreement on the day and year first above written.

\_\_\_\_\_

CITY OF BEVERLY HILLS

By \_\_\_\_\_

\_\_\_\_\_

JOHN A. MIRISCH

\_\_\_\_\_

Mayor of the City of

\_\_\_\_\_

Beverly Hills, California

\_\_\_\_\_

ATTESTED TO:

By \_\_\_\_\_

\_\_\_\_\_

BYRON POPE

\_\_\_\_\_

City Clerk



Owner

Owner



Owner

APPROVED AS TO FORM



(DMS)

---

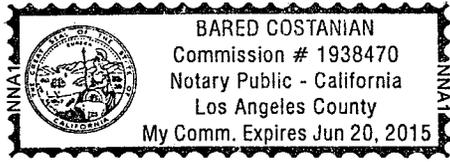
LAURENCE S. WIENER

City Attorney

On September 4, 2013, before me, BARED COSTANIAN, Notary Public, the undersigned, a notary public in and for said State, personally appeared Mayor 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.



A handwritten signature in black ink, appearing to read "Bared Costanian", written over a horizontal line.

Notary Signature

**EXHIBIT A – 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.**

**Also known as Assessor Parcel Number: 4333-029-018**

**[End of Legal Description]**

## EXHIBIT B – MINIMUM STANDARDS AND CONDITIONS

### SECRETARY OF THE INTERIOR’S STANDARDS FOR REHABILITATION

The ten standards for rehabilitation are as follows:

1. A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships.
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 will 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, will not be undertaken.
4. Changes to a property that have acquired historic significance in their own right will be retained and preserved.
5. Distinctive materials, features, finishes and construction techniques or examples of craftsmanship that characterize a property will 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 will 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 will 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 will be undertaken 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.

**EXHIBIT C - PHOTOGRAPHS**



8420  
Medical Group  
Beverly Hills

THE  
SABAN  
THEATRE  
FOR  
DOWNTOWN  
BEVERLY HILLS  
CALL 310.453.0001  
OR VISIT  
SABANTHEATRE.ORG

Available  
310.453.0001

MEDICAL OFFICE  
SPACE  
FOR LEASE  
917.5477

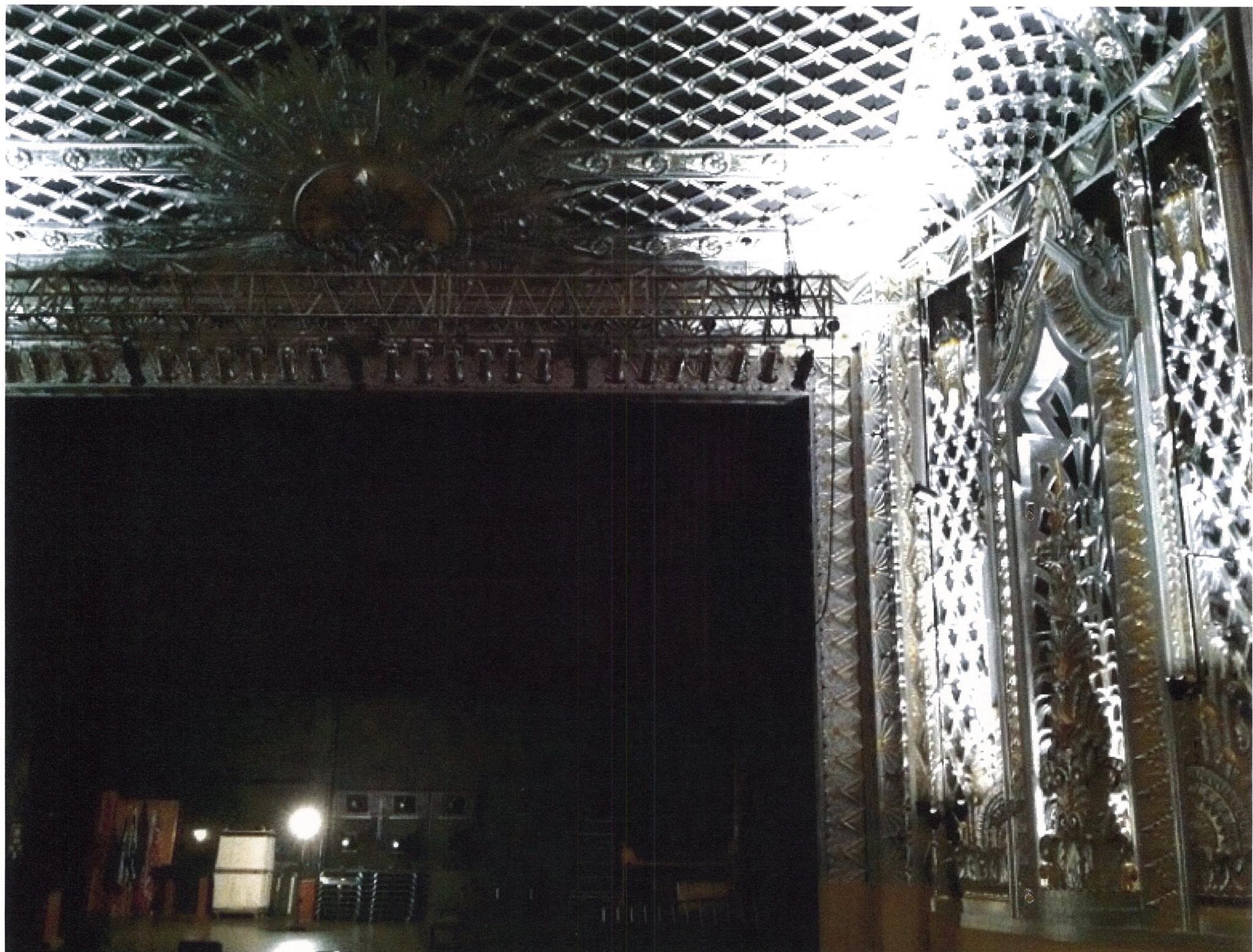
SABAN THEATRE  
FOR DOWNTOWN AND INBO  
CALL 310.453.0001 OR VISIT  
SABANTHEATRE.ORG





















Available  
310.433.0501

ARIELA HANSEN

8444 WILSHIRE

THE HILL

LUNCH SPECIAL



SABAN THEATRE  
FOR BOOKING AND INFO  
CALL 323 655 4900 OR VISIT  
SABANTHEATRE.ORG

SABAN THEATRE  
MARIANNE WILLIAMSON  
MONDAY LECTURES  
730 PM

SABAN THEATRE  
FOR BOOKING AND INFO  
CALL 323 655 4900 OR VISIT  
SABANTHEATRE.ORG

Marianne  
Williamson  
Weekly Talks Based on  
a Course in Miracles  
Monday 7:30PM  
at the SABAN THEATRE

6434

THE  
SABAN THEATRE  
MONDAY LECTURES  
7:30 PM

# Marianne Williamson

Weekly Talks Based on  
*A Course in Miracles*

**Mondays 7:30PM**

**The SABAN THEATRE**

[www.marianne.com](http://www.marianne.com)

REUNION OF  
TEMPLE  
OF ARTS  
SHEETS THEATRE  
HIGH THAT DAY'S DOORS

TEMPLE  
OF ARTS



Available  
310.415.0001

WYMAN  
MUSIC THEATRE  
HOME OF THE JAZZ  
AND BLUES  
LIVE MUSIC



NO PARKING  
IN THIS ZONE  
EXCEPT FOR  
EMERGENCY  
VEHICLES  
OR VEHICLES  
WITH  
PERMITS

FIRE  
NO  
OPEN FLAMES  
OR SMOKING





**EXHIBIT D – PRESERVATION PLAN**

**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>\$ 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>\$ 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>\$ 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>\$ 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>\$ 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>