



AGENDA REPORT

Meeting Date: August 19, 2014

Item Number: D-10

To: Honorable Mayor and City Council

From: Brenda A. Lavender, Real Estate & Property Manager

Subject: APPROVAL OF AMENDMENT OF LEASE BY AND BETWEEN THE CITY OF BEVERLY HILLS AND WINE SOCIETE, LLC.

Attachments: 1. Amendment of Lease

RECOMMENDATION

It is recommended that City Council approve the Amendment of Lease by and between the City of Beverly Hills and Wine Societe, LLC at 9400 S. Santa Monica Blvd. A copy of the amendment is on file with the City Clerk.

INTRODUCTION

Wine Societe LLC is a French Fine Wine and Gourmet store offering a list of the best wines, bread and other products. The store will be owned and managed by Mr. Jordane Andrieu. Mr. Andrieu is the Owner/Manager of Clos du Moulin aux Moines one of the oldest vineyards in Burgundy (over 1,000 years old). Mr. Andrieu created a brand and transformed a small domain into a well-known organic Estate in Auxey-Duresses, next to Meursault. Since 2008 the Estate has doubled its production and its wine is being sold in 14 countries.

DISCUSSION

This amendment delays the rent start date by two (2) months to October 1, 2014. The term of the lease will also be extended by two (2) months for a new expiration date of June 30, 2019. Wine Societe has experienced unanticipated delays and setbacks during the store construction and City Council has agreed to defer the rent to assist the tenant.

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FISCAL IMPACT

The fiscal impact of this lease is the deferral of two months of revenue (\$19,885.50) in the first year. This revenue will be captured at the end of the lease term in 2019.


David Lightner
Approved By

Attachment 1

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL
TO:

City of Beverly Hills
455 North Rexford Drive
Beverly Hills, California 90210
Attention: City Clerk

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The undersigned declare that this Amendment of Lease is exempt from Recording Fees pursuant to California Government Code Section 27383 and exempt from Documentary Transfer Tax pursuant to California Revenue and Taxation Code Section 11911 (transfer for no consideration or value).

AMENDMENT OF LEASE

THIS AMENDMENT OF LEASE (this "**Amendment**") is dated as of August 19, 2014, by and between the CITY OF BEVERLY HILLS, a California municipal corporation ("**Landlord**"), and WINE SOCIETE, LLC, a California limited liability company (dba "**Vignes & Terroirs**") ("**Tenant**").

RECITALS

A. Landlord and Tenant, entered into that certain Lease dated as of March 19, 2013, for a portion of the ground or first floor of the building at 9400 Santa Monica Blvd., in Beverly Hills, California (the "**Premises**").

B. Landlord and Tenant also executed a Memorandum of Lease dated November 19, 2013 which was recorded on January 6, 2014 as Document 20140012949.

C. Tenant and Landlord desire to further amend the Lease as hereinafter set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Tenant and Landlord agree as follows:

1. Extension of Lease Term. The initial term of the Lease is hereby extended to June 30, 2019. The Extension Term, if any, shall be the period from July 1, 2019 to June 30, 2024. The references to "60" and "61" and "72" in Section 1(f) of the Lease are hereby changed to "62" and "63" and "74" respectively.

2. Limited Abatement of Monthly Rent. The Monthly Rent for the months of August, 2014 and September, 2014 shall be abated (due to unforeseen delays in the completion of tenant improvements that were beyond the control of Tenant).

3. Winter Shopping Season Hours and Decoration. Tenant acknowledges that the Landlord has a significant interest in promoting retail sales in the City of Beverly Hills ("City") in order to maximize sales tax revenues and otherwise benefit both the City and the retail businesses in the City. During the winter shopping/holiday season ("Winter Shopping Season") established or identified by the Beverly Hills Chamber of Commerce (the "Chamber"), Tenant shall: (i) remain open during any extended hours recommended, established or identified for the Winter Shopping Season by the Chamber; and (ii) reasonably decorate the leased premises for the Winter Shopping Season at Tenant's cost.

4. 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.

5. Continuing Effect. Except as specifically modified hereby, the Lease shall remain unaffected and unchanged, and all of the terms of the Lease shall apply to the extended Term. The Lease is hereby ratified and affirmed by Landlord and Tenant and remains in full force and effect as modified hereby.

6. 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.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

LANDLORD:

CITY OF BEVERLY HILLS,
a California municipal corporation

ATTEST:

By: _____

~~LILLI BOSSE~~ LILI BOSSE
Mayor of the City of Beverly Hills

BYRON POPE
City Clerk

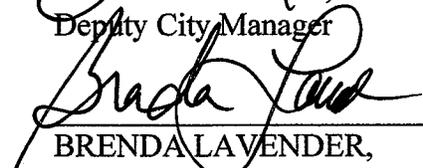
APPROVED AS TO FORM:


LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY KOLIN, ICMA-CM,
City Manager

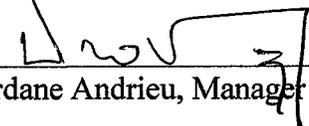

DAVID LIGHTNER,
Deputy City Manager


BRENDA LAVENDER,
Real Estate and Property Manager

TENANT:

WINE SOCIETE, LLC,
a California limited liability company

By: _____


Jordane Andrieu, Manager

State of California)
County of Los Angeles)

On August 5, 2014, before me, Scott Bettencourt,
(insert name and title of the officer)

Notary Public, personally appeared Jordane Andrieu,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]

(Seal)



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
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WITNESS my hand and official seal.

Signature _____

(Seal)