



AGENDA REPORT

Meeting Date: December 5, 2007
Item Number: F-6
From: Brenda Lavender-Moody, Real Estate & Property Manager
Subject: LEASE AMENDMENT III WITH BEVERLY HILLS CULTURAL CENTER FOUNDATION
Attachments: 1. Lease Amendment III

RECOMMENDATION MOTION

Staff recommends the approval of Lease Amendment III ("Amendment III") a copy of which is on file in the office of the City Clerk, between the City of Beverly Hills and the Wallis Annenberg Center for the Performing Arts (also known as the Beverly Hills Cultural Center Foundation), a California nonprofit public benefit corporation. The City Manager or his designee shall administer the terms of the Lease on behalf of the City.

INTRODUCTION

The attached Lease Amendment III with Beverly Hills Cultural Center Foundation is presented for City Council approval. The amendment extends the term of the Lease for two (2) years with a new expiration date of December 31, 2009.

DISCUSSION

The City and the Beverly Hills Cultural Center Foundation entered into a long-term lease agreement on March 28, 2000, the Lease Amendment dated January 28, 2003 and the Lease Amendment II dated July 19, 2005. Among many other provisions, the Lease called upon the Foundation to meet certain timelines for fundraising, project design, and construction. The Foundation was unable to meet the original timelines because of both lawsuits and the economy's effect on fundraising throughout the country during the initial term. The Wallis Annenberg Center for the Performing Arts has currently raised over \$45 million to preserve, operate, and adapt the historic Beverly Hills Post Office, build an adjoining state-of-the-art 500-seat theater, and to establish an endowment to insure the future of the Annenberg, a nonprofit organization. The Wallis Annenberg Center is currently in the EIR process with an anticipated release date of February 2008. Upon certification of the EIR, the Annenberg will proceed to obtain the necessary permits for construction. The City is satisfied that the Foundation has made major progress in establishing a project team, a capital campaign, and preliminary project designs.

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Because it would be a disservice to the community to stop this progress prematurely, it is recommended that the lease be amended to grant a two-year extension for commencement and completion of the facility renovation.

FISCAL IMPACT

There is no financial impact related to this agenda item.


Scott G. Miller, Director of
Administrative Services, CFO

Approved By

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Beverly Hills
Office of the City Manager
455 North Rexford Drive
Beverly Hills, California 90210
Attn: City Clerk

(space above line for recorder's use)

LEASE AMENDMENT III

THIS LEASE AMENDMENT (this "**Amendment III**") is made and entered into as of December __, 2007, by and between the CITY OF BEVERLY HILLS, a California municipal corporation ("**Lessor**"), and the WALLIS ANNENBERG CENTER FOR THE PERFORMING ARTS, a California nonprofit public benefit corporation (formerly known as the BEVERLY HILLS CULTURAL CENTER FOUNDATION) ("**Lessee**"), with respect to the following recitals:

RECITALS

A. Lessor and Lessee executed that certain Lease dated as of March 28, 2000 (the "**Original Lease**"), for certain premises known as the Beverly Hills Post Office, located at 469 North Crescent Drive, Beverly Hills, California, and more particularly described therein (the "**Premises**"). Neither the Original Lease, nor a memorandum of the Original Lease, was ever recorded in the Official Records of Los Angeles County, California (the "**Official Records**"). The Original Lease was subsequently supplemented by the certain Key Receipt and Use Acknowledgment dated as of November 3, 2000, executed by Lessee (the "**Acknowledgment**"); and supplemented by that certain Lease Amendment as of January 28, 2003 recorded in the Official Records on May 15, 2003, as Document No. 03-1387962, and that certain Lease Amendment II dated July 19, 2005 recorded in the Official Records on November 23, 2005 as Document No. 052869124 (the "**Lease Amendments**"). The Original Lease, as supplemented by the Acknowledgment and Lease Amendments, is referred to herein as the "**Lease.**"

B. Lessor and Lessee now desire to further amend the Lease in order to extend the term of the Lease, all as more specifically set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference, the rents to be paid hereunder and the covenants and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee agree as follows:

1. Definitions; References. Unless otherwise defined herein, capitalized terms shall have the same meanings as set forth in the Lease. Unless otherwise specifically provided, references to sections are to sections of the Lease.

2. Term. The reference to "December 31, 2007" in Section 3.1 of the Lease, is hereby amended to be "December 31, 2009."

3. 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 III, the terms and conditions of this Amendment III shall prevail and control.

4. Continuing Effect. Except as specifically modified hereby, the Lease shall remain unaffected and unchanged by reason of this Amendment III. The Lease is hereby ratified and affirmed by Lessee and Lessor and remains in full force and effect as modified hereby.

5. Counterparts. This Amendment III 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.

[This Space Intentionally Left Blank; Signatures Begin On The Next Page]

IN WITNESS WHEREOF, Lessor and Lessee have executed this Amendment III as of the date and year first above written.

LESSEE:

WALLIS ANNENBERG CENTER FOR THE PERFORMING ARTS, a California nonprofit public benefit corporation (formerly known as the Beverly Hills Cultural Center Foundation)

By: Bram Goldsmith
Bram Goldsmith
Chairman

By: Ronald D. Rosen
Ronald D. Rosen
Secretary

LESSOR:

CITY OF BEVERLY HILLS,
a municipal corporation

By: _____
Jimmy Delshad, Mayor

ATTEST:

Byron Pope, City Clerk

APPROVED AS TO FORM:

Laurence S. Wiener
Laurence S. Wiener, City Attorney

APPROVED AS TO CONTENT

Roderick J. Wood, City Manager

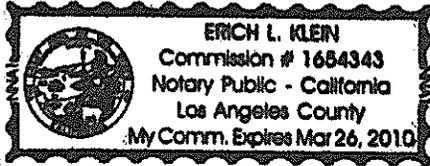
[SIGNATURES MUST BE ACKNOWLEDGED]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Los Angeles } ss.

On 11-29-07, before me, ERICH L KLEIN, NOTARY PUBLIC
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared BRAM GOLDSMITH
Name(s) of Signer(s)

- personally known to me
- 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.

WITNESS my hand and official seal.
[Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

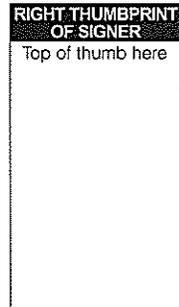
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

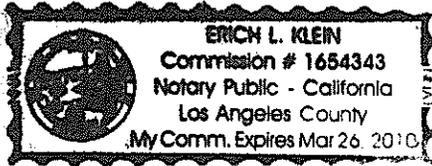


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- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

