

## **FIRST AMENDMENT TO LEASE**

THIS FIRST AMENDMENT TO LEASE (the "Amendment"), dated for reference purposes only as of April 19, 2012, is by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("City" or "Landlord"), acting by and through its Recreation and Park Commission (the "Commission") and PALACE OF FINE ARTS LEAGUE, INC., a California corporation ("Tenant").

### **RECITALS**

A. City and Tenant entered into that certain Lease, dated for reference purposes as of July 1, 2009 (the "Lease"), pursuant to which City leased to Tenant a portion of the Palace of Fine Arts building, located in San Francisco, California, as more particularly described in the Lease (the "Premises"), to operate and manage the Palace of Fine Arts Theatre for the purpose of arranging, scheduling and booking performances, events and activities at the Palace Fine Arts Theatre for the benefit of the public, and matters reasonably incidental thereto. The term of the Lease is presently scheduled to expire on February 28, 2013.

B. City and Tenant presently desire to extend the term of the Lease through January 31, 2014, to grant Tenant two successive options to extend the term of the Lease for six (6) months each, subject to the approval of the General Manager of the Recreation and Park Department, and to provide that City shall have the right to use the Palace of Fine Arts Theatre at cost up to two times per year, all on the terms and conditions set forth below.

### **AGREEMENT**

NOW THEREFORE, City and Tenant hereby agree as follows:

1. Defined Terms. Unless otherwise specified, each capitalized term contained herein shall have the same meaning as set forth in the Lease.
2. Extension of Term; Extension Options.
  - a. Extension of Term. Effective as of the date hereof, the Term is extended through January 31, 2014 (the "Extended Expiration Date"), subject to the provisions of this Section 2.
  - b. Options to Extend. Effective as of the date hereof, City grants to Tenant two (2) options (the "Extension Options"), each to extend the Term of the Lease for an additional six (6) month term (each, an "Extension Term"), commencing upon the date immediately following the Extended Expiration Date or the expiration of the current Extension Term, as applicable, upon the following terms and conditions, including the City's termination right set forth below. If Tenant elects to exercise an Extension Option, it must give written notice to City thereof not less than one hundred and twenty (120) days prior to the expiration date of the then-current term. Tenant's exercise of the Extension Option shall be subject to obtaining approval of such extension by the General Manager of the Recreation and Park Department (the "General Manager"), in his or her sole discretion, which approval shall be

granted or denied in written notice to Tenant given not later than thirty (30) days following City's receipt of Tenant's exercise notice. Any such exercise notice by Tenant shall be irrevocable by Tenant. If Tenant elects to exercise an Extension Option, then provided that such exercise is not voided by the General Manager, the lease for the Extension Term shall be upon all of the terms, covenants and conditions of this Lease.

3. Recreation and Park Department Use of Premises. Effective as of the date hereof, the terms of this Section 3 shall apply.

The Recreation and Park Department shall be granted the use of the Palace of Fine Arts Theatre at cost up to two times in each year, commencing on the date of this Lease Amendment and continuing through the expiration of the Term of the Lease, including any exercised Extension Term. The Recreation and Park Department shall follow Tenant's regular reservation protocols and use procedures as set forth by the Palace of Fine Arts Theatre when booking and using the Theatre. As used in this Section 3, "at cost" means there will be no charge for theatre or lobby rental for rehearsal, set-up or performance times, however City will pay Tenant's standard charges for sound, lighting and video/film equipment, and will reimburse Tenant for Tenant's actual cost of labor and janitorial services provided by Tenant for City's event promptly following receipt of Tenant's invoice detailing such charges.

4. Counterparts. This Amendment may be executed in counterparts, each of which shall constitute an original but all of which shall constitute one document.

5. Entire Agreement. This Amendment sets forth the entire understanding of the parties on the subject matter of this Amendment. There are no agreements between Landlord and Tenant relating to the Lease other than those set forth in writing and signed by the parties. Neither party has relied upon any understanding, representation or warranty not set forth herein, either oral or written, as an inducement to enter into this Amendment.

6. Lease in Full Force and Effect; Amendment Prevails. Except as amended hereby, the Lease remains unmodified and in full force and effect. To the extent the provisions of this Amendment conflict with the provisions of the Lease, this Amendment shall prevail.

[No further text this page.]

City and Tenant have executed this Amendment as of the date first written above.

**CITY:**

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By: \_\_\_\_\_

PHILIP GINSBURG, General Manager  
Recreation and Park Department

**TENANT:**

PALACE OF FINE ARTS LEAGUE, INC.,  
a California corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**APPROVED BY**

**RECREATION AND PARK COMMISSION**

**PURSUANT TO RESOLUTION NO. \_\_\_\_\_ DATED: \_\_\_\_\_**

\_\_\_\_\_  
Margaret McArthur, Commission Liaison

**APPROVED AS TO FORM:**

DENNIS HERRERA,  
City Attorney

By: \_\_\_\_\_

Anita L. Wood  
Deputy City Attorney