

October 19,2025

Dear Greg,

We appreciate the walk through we had with you on September 17, 2025 with the ReThink team's general contractor and consultants to provide more clarity on how this project will affect CTG's yard space, loading dock, and our performance calendar, both during construction and beyond. Together we learned how tight the space is and that CTG may not get all the spaces and uses back as before. We were accordingly reluctant to release our right to the arts space on the ground floor, especially given the space constraints, and the possibility you might need to use those art spaces to accommodate your previous commitments to us.

We were, of course, delighted to recently hear from City staff about the approved HVAC relocation in the sidewalk behind the theatre, which we all think is the best solution, and we now feel comfortable waiving our rights to the ground floor space, contingent on the City's final approval of a plan allowing the location of the HVAC in the right-of-way, and contingent on fully resolving the proposed dining in the area adjacent to our loading dock. We understand that there are financial constraints that you're worried about, and we wish to support your successful completion of this project. But whatever solution is reached must allow the theatre to operate as least as well as it does currently.

We reviewed the draft DDA you sent Friday (v17) and are in support of the language in that draft. Our release of our rights to the arts space, is expressly contingent on the City's approval of a license or other appropriate documentation to allow the relocation of the HVAC system to the public right of way, and our approval of the sidewalk dining area. As you are aware, as a condition to the relocation the City has required the following:

- The City shall not be responsible for any costs associated with the relocation of light poles, electrical vents or other improvements in the right-of-way that may be required in order to implement this use of this area or relocation of any aspect of the HVAC system. The adjacent light pole must be relocated at the sole cost of KDT and/or Rethink.
- 2. The exterior of the enclosure must be treated in a manner consistent with the Downtown landscape and KDT exterior at the sole cost of KDT and/or Rethink.
- 3. The design must be approved by the City.
- 4. An executed license agreement will be required prior to the relocation of the HVAC system and use of the public right of way. If at any point in the future these improvements in the public right-of-way are removed or relocated, Rethink/Culver LLC will be responsible for restoring the sidewalk to its original condition.

These conditions are acceptable to CTG, with the understanding that Rethink will bear all costs of compliance including relocation of the HVAC system, removal and disposal of the current HVAC system, removal and relocation of associated right-of-way improvements, and the design and installation of the enclosure, and take on any regular maintenance and upkeep associated with a



green wall incorporated as part of the enclosure. As we have all discussed, we do not think the existing HVAC system can survive a move. CTG is willing to cover the cost of all physical elements for a new system (even though the current system is functional and adequately meets our needs). However, as part of your commitments to CTG you were already going to cover the cost of relocating the HVAC system, therefore we think this is a fair solution that allows you more flexibility in your ground floor design while ensuring the long-term viability of the theatre. (The easement for the benefit of the KDT provides: "Any costs related to Permitted Construction shall be paid for by Grantor, including, without limitation, all costs of designing, constructing, and developing the Project, and including any cost to properly move, reinstall, or replace any and all HVAC, mechanical systems, plumbing, electrical, or any other systems or equipment serving the Dominant Tenement or the Easement Area to the extent required or otherwise undertaken to accommodate the Project.")

I know you've also asked us about our approval of the dining in the sidewalk adjacent to the theatre loading area and I appreciate receiving your mock-up. However, the boundaries and implications of your proposed use are not yet clear enough for us to fully assess the operational impacts. We can't support the sidewalk dining request at this time. As we all know, the devil's in the details, and given the proximity of the dining space to our loading dock we can't proceed with sharing our support until we've learned all the details. The drawing you sent show the removal of several planting beds, but the tree in the line of our driveway would remain. This means the large trucks that need to access the theatre to load and unload shows, will have to navigate a crooked, tight, driveway, leading to safety and operational deficits. We are happy to continue our conversation, but any approval is contingent on receipt of fully dimensioned drawings that show how all the uses will fit on the space both during construction and afterwards, and the City's confirmation that it will approve the relocation/removal of the planting beds and trees to accommodate the dining area. We note that we have yet to see a clear set of plans that shows all the elements we have approval rights over per our easement agreement.

Thank you for your continued efforts to make sure Center Theatre Group will be able to maintain access to spaces that are essential to operating a vibrant performance space in downtown Culver City. We look forward to continued collaboration to make your project and our theatre a win/win for the City.

Meghan Pressman Managing Director/CEO

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**Center Theatre Group**