

RECORDING REQUESTED BY AND
AFTER RECORDING MAIL TO:

CITY OF MONTEBELLO
1600 West Beverly Boulevard
Montebello, CA 90640
Attn: City Clerk

Space above this line reserved for recorder's use
[Exempt From Recording Fee Per Gov. Code §6103]

DEVELOPMENT AGREEMENT NO. 02-22 (AGREEMENT NO. 4032)

This Development Agreement (hereinafter "Agreement") is entered into by and between the CITY OF MONTEBELLO (hereinafter "City") and CLEAR CHANNEL OUTDOOR, INC., a Delaware corporation (hereinafter "Developer").

RECITALS

A. California Government Code Sections 65864, *et seq.*, ("Development Agreement Law") authorizes cities to enter into binding development agreements with persons having a legal or equitable interest in real property for the development of such property, all for the purposes of strengthening the public planning process, encouraging private participation and comprehensive planning, and identifying the economic costs of such development.

B. Developer has a leasehold interest in that certain portion of real property located at 1720 Bluff Road in the City of Montebello, CA 90640, Assessor Parcel Number 6369-008-001, as more specifically described in Exhibit "A" (the "Site") upon which Developer currently owns and operates an existing lawfully permitted double-faced 12' x 25' outdoor advertising sign with printed display faces and seeks to relocate such sign in place as a double-faced 12' x 25' outdoor advertising sign with digital display faces, as more fully described in Exhibit "B" hereto ("New Digital Billboard"), in consideration for the additional removal of the double-faced 12' x 25' outdoor advertising sign located on the real property described on Exhibit "C" hereto (the "Removed Sign" and together with the New Digital Billboard, the "Project").

C. Notwithstanding anything to the contrary in Section 17.62.105 of the City's Zoning Ordinance, the City has determined that the Project contemplated herein complies with Section 17.62.105.C of the Zoning Ordinance, as amended by the Ordinance approving this Agreement (the "Code"), and will provide public benefits among other things, resulting in a net reduction in outdoor advertising signage in the City.

D. City and Developer agree and acknowledge that the outdoor advertising sign relocation contemplated herein complies with, and serves the purposes enumerated in,

California Business & Professions Code Sections 5200 *et seq.* (the “California Outdoor Advertising Act”), including, but not limited to, Sections 5412 and 5443.5.

E. In exchange for the approvals sought to convert the existing double-faced billboard with printed display faces to the New Digital Billboard, as described above, Developer has offered to:

1. Pay to the City an annual Development Fee, as defined and provided in Section 2.6 below, for the cost to the City to ameliorate the impact of the installation of the digital sign panels on the New Digital Billboard; and

2. Provide advertising space free of charge to City on a space available basis as further described below.

3. Pay to the City a signing bonus of Twenty Thousand Dollars (\$20,000) per digital display face under this agreement to be used to refurbish the City’s existing on-premise sign located at 1600 W Beverly Blvd., Montebello CA 90640, (the “Signing Bonus”).

F. Developer and City agree that a development agreement should be approved and adopted to memorialize the expectations of City and Developer as more particularly described herein.

G. On October 26, 2022, the City Council of the City, pursuant to Government Code sections 65867 and 65867.5 and other applicable law, held a duly noticed public hearing to consider the approval of this Agreement and, after hearing public testimony thereon, considered the proposal and introduced Ordinance No. 2454.

H. The City Council has found that: this Agreement is in the best public interest of the City and its residents; adopting this Agreement constitutes a present exercise of the City’s police power; the terms of the Agreement will not be detrimental to the public’s health, safety, or general welfare; and this Agreement is consistent with the City’s General Plan and Municipal Code. This Agreement and the proposed Project (as hereinafter defined) will achieve a number of City objectives including the reduction of visual clutter, elimination of non-conforming signage, and facilitation of the orderly development, relocation and distribution of existing displays to more appropriate locations within the City, while allowing for the incorporation of modern technology into relocated displays and an overall reduction in the number of outdoor advertising signs in the City as part of the City’s planned development.

I. On November 16, 2022, the City Council held the second reading of Ordinance No. 2454, thereby approving this Agreement.

J. City finds and determines that all actions required of City precedent to approval of this Agreement by Ordinance No. 2454 of the City Council have been duly and regularly taken.

K. In exchange for the benefits to the City described in the Agreement, together with other public benefits that will result from the development of the Project (as defined below), Developer will receive by this Agreement assurance that it may proceed with the Project in accordance with Land Use Regulations (as defined below), and therefore desires to enter into this Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1 Definitions. This Agreement uses a number of terms having specific meanings, as defined below. These specially defined terms are distinguished by having the initial letter capitalized when used in the Agreement. In addition to the terms defined in the Recitals above and elsewhere in this Agreement, the defined terms include the following:

1.1.1 “ Site Lease” means the lease agreement by and between Developer and Bluff Road East LLC, a Limited Liability Company, the owner of the Site.

1.1.2 “Agreement” means this Development Agreement and all attachments and Exhibits hereto.

1.1.3 “City” means the City of Montebello, a California municipal corporation.

1.1.4 “City Council” means the City Council of the City.

1.1.5 “Developer” means Clear Channel Outdoor, LLC, a Delaware limited liability company and its successors and assigns, duly existing and operating, and doing business at 19320 Harborgate Way, Torrance, CA 90501.

1.1.6 “Development Approvals” means any and all permits and approvals which may be required by City, affected utility agencies, or any other governmental agency for the construction and/or operation of the Project by Developer pursuant to the Scope of Development, including but not limited to, necessary building permits and all approvals required under the California Environmental Quality Act (“CEQA”) and from the California Department of Transportation (“Caltrans”), if any.

1.1.7 “Effective Date” is when the Agreement is signed by both the Developer and City and when the Agreement is approved by Ordinance No. 2454, but shall be no sooner than 30 days following approval of this Agreement by Ordinance No. 2454, and after expiration of all applicable appeals periods.

1.1.8 “Land Use Regulations” means all ordinances, resolutions, codes, rules, regulations and official policies of City, including, but not limited to, the City’s General Plan, Municipal Code and Zoning Code, which govern development and use of the Site, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable to the development of the Site which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement. Land Use Regulations shall also include NPDES regulations and approvals from the California Department of Transportation Outdoor Advertising Division, to the extent applicable.

1.1.9 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device, including each of their respective successors and assigns.

1.1.10 "New Digital Billboard" means the new double-faced digital sign, as described in Exhibit "B" hereto located on the Site, and a relocation in place of the existing lawfully permitted double faced outdoor advertising structure 12' x 25' foot printed display faces on the Site.

1.1.11 "Operational" means the New Digital Billboard is capable, legally and functionally, of displaying advertising on the digital displays with a permanent source of power.

1.1.12 "Project" means the complete removal of the Removed Sign and the removal of the existing printed display faces and , and the installation of digital display faces on the New Digital Billboard " .

1.1.13 "Removed Sign" means the sign to be completely removed as more fully described on Exhibit "C" hereto.

1.1.14 "Scope of Development" means the Scope of Development attached hereto as Exhibit "D" and incorporated herein.

1.1.15 "Signing Bonus" means the upfront payment to be used by the City to refurbish its existing on-premise sign as provided in Recital E.3 above.

1.1.16 "Subsequent Land Use Regulations" means any Land Use Regulations effective after the Effective Date of this Agreement which governs development and use of the Project and/or the Site.

1.1.17 "Subsequent Development Approvals" means any and all permits and approvals which may be required by City, affected utility, or any other governmental agency for repair, maintenance, construction, reconstruction, enhancement, development, operation, or other work to be performed by Developer, including but not limited to, necessary building permits and all approvals required under the California Environmental Quality Act ("CEQA"), that occurs after the Project has been constructed and become operational. Consistent with the Outdoor Advertising Act (Bus. & Profs. Code, § 5200 et seq.), the performance of customary maintenance does not require local approvals.

1.1.18 "Term" shall have the meaning provided in Section 2.4, unless earlier terminated as provided in this Agreement.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of this Agreement: Exhibit "A" (Legal Description of Site), Exhibit "B" (Description of New Billboard), Exhibit "C" (Removed Billboards), and Exhibit "D" (Scope of Development)

2. GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. From and following the Effective Date, actions by the City and Developer with respect to the Site, the Project, or the New Digital Billboard, including actions by the City on applications for Subsequent Development Approvals affecting the

Site, shall be subject to the terms and provisions of this Agreement; provided, however, that nothing in this Agreement shall be deemed or construed (i) to modify or amend the Site Lease, or any of Developer's obligations thereunder; (ii) bind or restrict the owner of the Site with respect to its ownership or operation of the Site; or (iii) to impose any obligation whatsoever on the owner of the Site, including without limitation any obligation with respect to the Project, except as expressly set forth in this Agreement.

2.2 Interest in the Site. City and Developer acknowledge and agree that Developer has a legal or equitable interest in the Site and thus is qualified to enter into and be a party to this Agreement under California Government Code 65864 *et. seq.* If Developer's leasehold interest is prematurely terminated by the owner of the Site, then Developer shall have no further obligations under Section 3.2 4 or Exhibit "D" of this Agreement relative to the construction or maintenance of the sign thereon, including but not limited to any payments under Section 2.6 or elsewhere hereunder. Additionally, if Developer's leasehold interest is prematurely terminated by owner of the Site, then this Agreement shall be terminated and Developer shall have no further obligations under this Agreement, except as provided under Section 4.1 with respect to Developer's responsibility to remove the digital display faces on the New Digital Billboard as provided therein.

2.3 No Assignment. Except as set forth herein, neither party may sublet, assign or otherwise transfer this Agreement, or any interest herein, either voluntarily or by operation of law, without the other party's prior written consent, which the other party shall not unreasonably withhold, condition, or delay. Notwithstanding the above, the consent of City shall not be required: (a) for Developer to assign its rights and duties under this Agreement to any type of legal entity, including but not limited to a limited liability company, corporation, or limited partnership, controlling, controlled by or under common control with Developer or to any entity that acquires a majority of Developer's assets in the Southern California market; or (b) in the event any such entity to which this Agreement has been so assigned thereafter merges with another company, reorganizes its stock, or undergoes a similar corporate restructuring, changes ownership or sells any of its assets or stock. Any security posted by Developer may be substituted by the assignee or transferee. After a transfer or assignment as permitted by this Section, the City shall look solely to such assignee or transferee for compliance with the provisions of this Agreement which have been assigned or transferred.

2.4 Term of Agreement. Unless earlier terminated as provided in this Agreement, this Agreement shall continue in full force and effect until the earlier of: (a) twenty (20) years after the date the digital display faces on the New Digital Billboard become Operational; or (b) the earlier termination of this Agreement and Site Lease and the permanent removal of the digital display faces on the New Digital Billboard constructed pursuant to the terms hereof. If one digital face is removed permanently and replaced with a printed face, then this Agreement will remain in full force and effect as to the second digital face and the annual Development Fee under Section 2.6 shall be reduced to one-half of such payments accordingly. This Agreement may be extended at Developer's option at the end of the initial term by delivery of written notice from Developer to the City not less than ninety (90) days prior to expiration of the initial term of this Agreement. Within thirty (30) days after the expiration or termination of this Agreement, the parties shall execute a written cancellation of this Agreement which shall be recorded with the County Recorder pursuant to Section 9.1 below. The term of this Agreement supersedes any amortization period that may apply under the Montebello Municipal Code as to any non-conformity as applied to the Site.

2.5 Processing Fee. Upon submission of its application for the Project approvals, Developer will pay to City a processing (“Processing Fee”) in the amount of Ten Thousand Dollars (\$10,000). This fee is in addition to the payment of customary building plan check or building permit fees. The City shall retain and use the Processing Fee, or any part thereof, for payment of any and all standard fees applicable for the necessary City review, evaluation, and analysis pertaining to the New Digital Billboard, including, but not limited to, legal fees and feasibility analysis incurred by the City in negotiation and preparation of this Agreement.

2.6 Development Fee. The potential impacts of the Project on the City and surrounding community are difficult to identify and calculate. Developer and City agree that an annual development fee paid by Developer to City would adequately ameliorate all such potential impacts. The parties therefore agree that Developer shall pay an annual development fee in the amount of Ten Thousand Dollars (\$10,000.00) per digital display face to City, (“Development Fee”), payable in monthly installments, with the first installment due within thirty (30) days after the display faces on the New Digital Billboard become Operational (the “Commencement Date”), and within thirty (30) days of the year anniversary of such Commencement Date throughout the Term of this Agreement, as follows:

2.7 Notification of Operational Date. Developer shall notify the City in writing when the digital display faces on the New Digital Billboard becomes Operational for the purpose of determining the Commencement Date. The City’s issuance of a building permit shall not be unreasonably withheld, provided the issuance of a building permit is done in compliance with the terms of this Agreement and said permit is issued in full compliance with applicable building codes and standards.

2.8 Community Benefits. Developer shall also provide the following community benefits during the entire Term of this Agreement:

2.8.1 **City’s Use of Digital Sign.** Developer shall also provide, free of charge to City on a space available basis, advertising space on the digital display faces on the New Digital Billboard for purposes of posting public service announcements and City-related advertising or announcements (“City Messages”). The City shall submit all proposed copy of City Messages to Developer not less than five (5) business days prior to the date the copy is proposed to be displayed, and, with the exception of Public Service Messages described in Section 2.8.3, the City shall notify Developer in writing not less than 30 calendar days prior to a requested display date. All proposed copy shall be subject to Developer’s standard advertising copy rejection and removal policies, which allow Developer to approve or disapprove copy and remove copy once posted or displayed. City represents and warrants that all copy, content and materials supplied by City to Developer for display under this Agreement: (i) are owned or duly licensed by City and do not infringe or misappropriate the rights of any other person or entity; (ii) comply with all applicable federal, state, and local laws, rules and regulations and any industry codes or rules by which City and/or Developer may be bound and do not contain any obscene, libelous, slanderous or otherwise defamatory materials or refer in an offensive manner to the gender, race or ethnicity of any individual or group; (iii) are accurate and that all claims contained therein have been substantiated; and (iv) do not infringe upon any copyright, trademark or other intellectual property or privacy right of any third party. Any content provided by City shall be owned and belong exclusively to the City, and Developer shall not reproduce, sell, or give away any such content without the advance written consent of the City. It is expressly understood and agreed that, absent approval from Developer, City Messages shall not include any names, logos or marks associated with any third-party non-governmental person or entity, or any products or services associated with any third-party non-governmental person or entity.

2.8.2 Indemnification for City Messages. The City shall, and hereby does agree to, indemnify, defend and hold harmless Developer for, from and against, any claims, costs (including, but not limited to, court costs and reasonable attorneys' fees), losses, actions or liabilities arising from or in connection with any third party allegation that any portion of any City Message infringes or violates the rights, including, but not limited to, copyright, trademark, trade secret or any similar right, of any third party. This indemnity shall not include Developer's lost profits or consequential damages or any similar right, of any third party.

2.8.3 Public Service Messages. During the entire Term of this Agreement and any extension, Developer shall make advertising space on the digital display faces on the New Digital Billboard Faces available to the appropriate agencies for the purposes of displaying "Amber Alert" or other emergency messages, at no cost, and in accordance with local and regional emergency protocols.

2.9 Prohibited Use. Developer shall not utilize the digital display faces on the New Digital Billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs," adult entertainment businesses, "obscene matter," as that term is defined in California Penal Code section 311, or any matter that is prohibited by any City ordinance existing as of the Effective Date of this Agreement or as may be amended or implemented from time-to-time after the Effective Date and equally applicable to all billboard displays. In addition, the Developer shall at all times comply with Article 7 § 5402 of the Outdoor Advertising Act from the Business and Professions Code. Developer shall immediately remove any prohibited content upon notice from the City. If there is a dispute between Developer and City as to whether any such content is prohibited, Developer shall remove the disputed content until the dispute is resolved.

2.10 Signing Bonus. Developer shall pay to City the Signing Bonus on the Commencement Date.

3. DEVELOPMENT AND IMPLEMENTATION OF THE PROJECT.

3.1 Vested Right to Develop The Site. Developer shall have the right to develop the Project on the Site in accordance with, and to the extent of, the Development Approvals, the Subsequent Development Approvals, and this Agreement pursuant to the Land Use Regulations including, without limitation, Developer's vested right to develop the Project on the Site; provided that nothing in this Agreement shall be deemed to modify or amend the Site Lease. In the event of any conflict or inconsistency between (i) the Agreement, any Project conditions of approval, and terms for issuance of a Project-related building permit, and (ii) the Land Use Regulations, this Agreement and any Project conditions of approval, and terms for issuance of a Project-related building permit shall prevail and control.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement: the rules, regulations and official policies governing permitted uses of the Site; the density and intensity and use of the Site; the maximum height, bulk, and size of proposed structures; the general location of public utilities; the design, and improvement and construction standards and specifications applicable to development of the Site; and other terms and conditions of development applicable to the Project, are set forth in the Land Use Regulations which are in full force and effect as of the Effective Date of this Agreement, subject to the terms of this Agreement.

3.3 Development Approvals. Developer shall, at its own expense and before commencement of demolition, construction or development of any structures or other work of

improvement upon the Site, secure or cause to be secured all necessary Development Approvals. Not by way of limiting the foregoing, in developing and constructing the Project, Developer shall comply with all (1) applicable development standards in City's Municipal Code, (2) applicable NPDES requirements pertaining to the Project, (3) all applicable building and fire codes, except as may be permitted through approved variances and modifications. Developer shall pay all normal and customary fees and charges applicable to such permits, and any fees and charges hereafter imposed by City in connection with the Project which are standard and uniformly-applied to similar projects in the City.

3.4 Purpose. The purpose of this Agreement is to set forth the rules and regulations applicable to the Project, which shall be accomplished in accordance with this Agreement, including the Scope of Development (Exhibit "D") which sets forth a description of the Project.

3.5 Changes and Amendments. Developer may determine that changes to the Agreement are appropriate and desirable. In the event Developer makes such a determination, Developer may apply in writing for an amendment to the Agreement to effectuate such change(s). The Parties acknowledge that City shall be permitted to use its inherent land use authority in deciding whether to approve or deny any such amendment request; provided, however, that in exercising the foregoing reasonable discretion, the City shall not apply a standard different than that used in evaluating requests of other developers, and the City must comply with Paragraph 9.18 of this Agreement. Accordingly, under no circumstance shall City be obligated in any manner to approve any amendment to the Agreement. Notwithstanding the foregoing, the City Manager shall be authorized, with the written consent of Developer, to approve any non-substantive amendment to the Agreement without processing a formal amendment to this Agreement. All other amendments shall require the approval of the City Council. The parties acknowledge that any extension of the Term for no more than twenty-four (24) months total is an example of a non-substantive change, which the City Manager, in his or her sole discretion, may approve in writing. Nothing herein shall cause Developer to be in default if it upgrades the digital display installed pursuant to this Agreement during the Term of this Agreement to incorporate newer technology; provided Developer shall secure all applicable ministerial permits to do so and ensure that such upgrade is consistent with the dimensions and standards for the displays, as provided under this Agreement and the Land Use Regulations.

3.6 Reservation of Authority.

3.6.1 **Limitations, Reservations and Exceptions**. Notwithstanding any other provision of this Agreement, the following Subsequent Land Use Regulations shall apply to the development of the Site:

(a) Processing fees and charges of every kind and nature imposed by the City to cover the estimated actual costs to City of processing applications for Subsequent Development Approvals to the extent such fees are assessed on a City-wide basis.

(b) Procedural regulations consistent with this Agreement relating to hearing bodies, petitions, applications, notices, findings, records, hearing, reports, recommendations, appeals and any other matter of procedure. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice.

(c) Changes adopted by the International Conference of Building Officials, or other similar body, as part of the then most current versions of the Uniform Building Code, Uniform Fire Code, Uniform Plumbing Code, Uniform Mechanical Code, or National Electrical Code, as adopted by City as Subsequent Land Use Regulations, if adopted prior to the issuance of a building permit for development of the digital display faces on the New Digital Billboard on the Site. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice.

(d) Regulations that are not in conflict with the Development Approvals or this Agreement, and do not (1) reduce the size of the Project as permitted under the Land Use Regulations; (2) interfere with the operation of the New Digital Billboard as permitted under the Land Use Regulations; (3) change the land use designation or permitted or conditionally permitted use of the Site as described in the Land Use Regulations; (4) require the issuance of permits, approvals or entitlements by City other than those required under the Existing Land Use Regulations; or (5) materially limit the processing or procuring of applications and approvals of Subsequent Development Approvals.

(e) Regulations that are in conflict with the Development Approvals or this Agreement, provided Developer has given written consent to the application of such regulations to the Development of the Site.

(f) Applicable Federal, State, County, and multi-jurisdictional law and regulations which City is required to enforce as against the Site and that do not have an exception for existing signs or legal nonconforming uses.

3.6.2 Future Discretion of City. This Agreement shall not prevent City from denying or conditionally approving any application for a Subsequent Development Approval on the basis of the Land Use Regulations.

3.6.3 Modification or Suspension by Federal or State Law. In the event that applicable federal or state laws or regulations enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, and there is no exception for the legal nonconforming use, each party shall provide the other party with written notice of such state or federal law or regulation, a copy of such law or regulation, and a statement concerning the conflict with the provisions of this Agreement. The parties shall, within thirty (30) days, meet and confer in good faith in a reasonable attempt to modify this Agreement so as to comply with such state or federal law or regulation. This Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provision impractical to enforce. Notwithstanding the foregoing, if such change materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice.

3.7 Regulation by Other Public Agencies. It is acknowledged by the parties that other public agencies not subject to control by City may possess authority to regulate aspects of the development of the Site as contemplated herein, and this Agreement does not limit the authority of such other public agencies. Developer acknowledges and represents that, in addition to the Land Use Regulations, Developer shall, at all times, comply with all applicable federal, State and local laws and regulations applicable to the New Digital Billboard and Site that do not have an exception for a legal nonconforming use. To the extent such other public agencies

preclude development or maintenance of the Project and that do not have an exception for a legal nonconforming use, Developer shall not be further obligated under this Agreement except as provided in Section 4.1. Notwithstanding the foregoing, if such action by another public agency materially changes Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice

3.8 Public Improvements. Notwithstanding any provision herein to the contrary, the City shall retain the right to condition any Subsequent Development Approvals to require Developer to pay any required development fees, and/or to construct the required public infrastructure ("Exactions") at such time as City shall determine subject to the following conditions.

3.8.1 The payment or construction must be to alleviate an impact caused by the Project or be of benefit to the Project; and

3.8.2 The timing of the Exaction should be reasonably related to the development of the Project and said public improvements shall be phased to be commensurate with the logical progression of the Project development as well as the reasonable needs of the public.

3.8.3 It being understood, however, that if there is a material increase in cost to Developer or such action by City otherwise materially impacts Developer's its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice.

3.9 Fees, Taxes and Assessments. During the Term of this Agreement, the City shall not, without the prior written consent of Developer, impose any additional fees, taxes or assessments on all or any portion of the Project, except such fees, taxes and assessments as are described in or required by this Agreement and/or the Development Approvals. However, this Agreement shall not prohibit the application of fees, taxes or assessments upon the Site only and not the New Digital Billboard or Developer directly as follows:

3.9.1 Developer shall be obligated to pay those fees, taxes or City assessments and any increases in same which exist as the Effective Date or are included in the Development Approvals;

3.9.2 Developer shall be obligated to pay any fees or taxes, and increases thereof, imposed on a City-wide basis such as, but not limited to, business license fees or taxes or utility taxes;

3.9.3 Developer shall be obligated to pay all fees applicable to a permit application as charged by City at the time such application is filed by Developer;

3.9.4 Developer shall be obligated to pay any fees imposed pursuant to any Uniform Code that existed when the application is filed by the Developer or that exists when the Developer applies for any Subsequent Development Approval.

3.10 Additional Fees; Termination. Notwithstanding anything to the contrary herein, if there is a change in such fees to those charged as of the full execution hereof, or any additional fees are charged and such additional or increased fees materially change Developer's costs or otherwise materially impacts its performance hereunder, Developer may terminate this Agreement upon ninety (90) days prior written notice.

3.11 Term. The term of any Development Approvals and Subsequent Development Approvals shall be automatically extended for the longer of the Term of this Agreement or the term otherwise applicable to the Development Approvals and Subsequent Development Approvals.

4. REMOVAL OF BILLBOARD DISPLAY FACES.

4.1 Removal by Developer. If an extension of the Term is not granted by the City according to the provisions of paragraph 2.4, above, the New Digital Billboard digital display faces will be removed and the displays may be converted back to printed displays. In the event that the digital displays are not converted back to printed displays according to the terms of this paragraph, Developer shall within sixty (60) days from expiration of the Term, at its sole cost and expense, be required to demolish and remove the New Digital Billboard digital display faces.

4.2 City's Right to Removal. Provided Developer is not in material breach hereof past any applicable notice and cure period, City will not have the right to remove the New Digital Billboard digital display faces. Should Developer be in material breach of this Agreement past any applicable notice and cure period, and subject to due process, City may only require removal of the New Digital Billboard digital display faces. If City requires the New Digital Billboard digital display faces to be removed pursuant to the terms of this paragraph, Developer shall, at its sole cost and expense, remove the digital displays upon the New Digital Billboard and convert the displays to printed displays within ninety (90) days of City's notice to Developer of such breach.

5. REVIEW FOR COMPLIANCE.

5.1 Annual Reviews. At least once every twelve (12) months, Developer shall demonstrate its good faith compliance with the terms hereof by providing written correspondence addressed to the City Manager demonstrating such good faith compliance. "Good faith compliance" shall mean that Developer has sufficiently followed the terms of this Agreement so as to carry out the intent of the parties in entering into it. After receiving and reviewing Developer's written submission, if the City Manager finds that Developer is not acting in good faith compliance with this Agreement, the City Manager shall schedule a hearing before the Planning Commission in order to evaluate Developer's good faith compliance with the terms of the Agreement. The City shall provide Developer with notice of such hearing and a copy of all staff reports and related exhibits as soon as available, but in no event later than five days prior to the hearing. The Planning Commission's determination following such hearing shall be based on substantial evidence, and shall be subject to appeal to the City Council. If the Planning Commission or City Council, as applicable, finds that the Developer is not in good faith compliance with the terms of this Agreement, the provisions of Section 6 shall govern the parties rights.

5.2 City Right of Access. The City, its officers, employees, agents and contractors, shall, in the exercise of the City's police power, have the right, at their sole risk and expense, to enter the Site consistent with any rights the City has obtained by virtue of recorded easement or other property interests or, if no such interests exist, upon execution of a license or other applicable written agreement in a form mutually acceptable to the owner of the Site and upon written notice to Developer. The access to the Site described in this paragraph shall be for the purpose of conducting the inspection, maintenance, repair, service, construction, or relocation of any public improvements or public facilities located on the Site, or to exercise its rights under section 4.2. If an emergency repair to a public improvement or public facility on the Site is required and the City does not possess and has not obtained the foregoing access rights, Developer

acknowledges that the City may exercise its police power to enter the Site and conduct such repair after providing Developer and the Site owner with reasonable advance notice, with the reasonableness of such notice to be determined from the circumstances necessitating the entry. Any damage or injury to the Site or to the improvements constructed thereon resulting from such entry shall be promptly repaired at the sole expense of the City. The City also may access the Site in order to implement any of its lawful police powers to address any nuisance, dangerous condition, or other condition prohibited under the City's ordinances, so long as the City conducts the foregoing activities in a manner consistent with and protective of Developer's and the Site owner's due process rights. Except as explicitly provided for in this Agreement (including without limitation in this Section and Section 4.2 above), the City shall have no right whatsoever to enter the Site.

5.3 Procedure. Each party shall have a reasonable opportunity to assert matters which it believes have not been undertaken in accordance with the Agreement, to explain the basis for such assertion, and to receive from the other party a justification of its position on such matters. If, on the basis of the parties' review of any terms of the Agreement, either party concludes that the other party has not complied with the terms of the Agreement, then such party may issue a written "Notice of Non-Compliance" specifying the grounds therefore and all facts demonstrating such non-compliance. The party receiving a Notice of Non-Compliance shall have forty-five (45) days to cure or remedy the non-compliance identified in the Notice of Non-Compliance, or if such cure or remedy is not reasonably capable of being cured or remedied within such forty-five (45) days period, to commence to cure or remedy the non-compliance and to diligently and in good faith prosecute such cure or remedy to completion. If the party receiving the Notice of Non-Compliance disputes that it is in non-compliance with the terms of this Agreement, that party shall respond in writing to the Notice of Non-Compliance within forty-five (45) days after receipt of the Notice of Non-Compliance. If a Notice of Non-Compliance is disputed, the parties shall, for a period of not less than fifteen (15) days following receipt of the response to the Notice of Non-Compliance, seek to arrive at a mutually acceptable resolution of the dispute. In the event that a cure or remedy is not timely effected or, if the Notice of Non-Compliance is disputed and the parties are not able to arrive at a mutually acceptable resolution of the matter(s) by the end of the fifteen (15) day period described above, the party alleging the non-compliance may thereupon pursue the remedies provided in Section 6. Neither party hereto shall be deemed in breach if the reason for non-compliance is due to a "force majeure" event as defined in, and subject to the provisions of, Section 9.10.

6. DEFAULT AND REMEDIES.

6.1 Termination of Agreement.

6.1.1 **Termination of Agreement for Material Default of Developer.**

City, in its discretion, may terminate this Agreement upon written notice to Developer for any material failure of Developer to perform any material duty or obligation of Developer hereunder or to comply with the terms of this Agreement (hereinafter referred to as "default" or "breach"); provided, however, City may terminate this Agreement pursuant to this Section only after following the procedure set forth in Section 5.3. In the event of a termination by City under this Section 6.1.1, Developer acknowledges and agrees that, unless otherwise set forth below, City may retain all fees, including the Processing Fee and the Development Fee paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee within sixty (60) days after the date of termination and removal of the New Digital Billboard that equates to the percentage of time elapsed in the year of the Term at the time of termination. In the event that City terminates this Agreement under this Section 6.1.1 before the New Digital Billboard

digital display faces become Operational, City shall refund any portion of the Processing Fee that the City has not reasonably expended at the time of such termination after payment to City of the fees and costs described in Section 2.5.

6.1.2 Termination of Agreement for Material Default of City.

Developer, in its discretion, may terminate this Agreement upon written notice to City for any material failure of City to perform any material duty or obligation of City hereunder or to comply in with the terms of this Agreement; provided, however, Developer may terminate this Agreement pursuant to this Section only after following the procedure set forth in Section 5.3. In addition, Developer may terminate this Agreement upon written notice to City, if despite Developer's good faith efforts, it is unable to secure the Development Approvals and any other necessary approvals and/or compliance with requirements under laws necessary to effectuate the Project is not feasible. In the event of a termination by Developer under this Section 6.1.2, Developer acknowledges and agrees that, unless otherwise set forth below, City may retain all fees, including the Processing Fee and the Development Fee, paid up to the date of termination, and Developer shall pay the prorated amount of the Development Fee within sixty (60) days after the date of termination and removal of the New Digital Billboard digital display faces that equates to the percentage of time elapsed in the year of the Term at the time of termination. In the event that Developer terminates this Agreement under this Section 6.1.2 before the New Digital Billboard digital display faces become Operational, City shall refund any portion of the Processing Fee that the City has not reasonably expended at the time of such termination after payment to City of the fees and costs described in Section 2.5.

6.1.3 Rights and Duties Following Termination.

Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to (i) any default in the performance of the provisions of this Agreement which has occurred prior to said termination, (ii) Developer's obligation to remove the digital display faces on the New Digital billboard pursuant to Section 4.1 or (iii) any continuing obligations to indemnify other parties.

6.2 Remedies.

In addition to the rights of termination set forth above, in the event of a default by either party, the non-defaulting party shall have the right to: (a) bring any proceeding in the nature of specific performance, injunctive relief, declaratory relief, or mandamus and/or; (b) bring any action at law or in equity to compensate the non-defaulting party for all the detriment proximately caused by the defaulting party's default; provided, however, that Developer's sole and exclusive remedy shall be specific performance and Developer shall not have the right to recover monetary damages (compensatory, consequential, or punitive) against the City other than attorneys' fees to the extent provided in Section 9.13 below, and the City shall only have the right to recover actual, direct damages (and not consequential or punitive damages) against Developer, as well as attorneys' fees to the extent provided in Section 9.13 below.

7. INSURANCE, INDEMNIFICATION AND WAIVERS.

7.1

7.1.1 Types of Insurance.

(a) **Liability Insurance.** Beginning on the Effective Date hereof and until completion of the Term, Developer shall, at its sole cost and expense, keep or cause to be kept in force for the mutual benefit of City, as additional insured, and Developer comprehensive broad form general liability insurance covering Developer's possession and use of the Site and

providing protection of at least Two Million Dollars (\$2,000,000) for bodily injury or death to any one person, at least Four Million Dollars (\$4,000,000) in the aggregate for any accidents or occurrences, and at least One Million Dollars (\$1,000,000) for property damage. Developer shall also furnish or cause to be furnished to City evidence that any contractors with whom Developer has contracted for the performance of any work for which Developer is responsible maintains the same limits of coverage, as specified above. Developer shall provide to the City annual proof of insurance consistent with terms and conditions of this agreement.

(b) Worker's Compensation. Developer shall also furnish or cause to be furnished to City evidence that any contractor with whom Developer has contracted for the performance of any work for which Developer is responsible hereunder carries worker's compensation insurance as required by law.

(c) Insurance Policy Form, Sufficiency, Content and Insurer. All insurance required by express provisions hereof shall be carried only by responsible insurance companies qualified to do business by California with an AM Best Rating of no less than "A". All such policies shall be non-assignable and shall contain language, to the extent obtainable, to the effect that (i) the policies are primary and noncontributing with any insurance that may be carried by City, but only with respect to the liabilities assumed by Developer under this Agreement; and (ii) the policies cannot be canceled or materially changed by Developer except after written notice by Developer to City or City's designated representative and the City's approval thereof. Developer shall furnish City with certificates of insurance evidencing that Developer has complied with the requirements of this paragraph 7.1.1.

7.1.2 Failure to Maintain Insurance and Proof of Compliance. Developer shall deliver to City, in the manner required for notices, copies of certificates of all insurance policies required of each policy within the following time limits:

(1) For insurance required above, within seven (7) days after the Effective Date or consistent with the requirements of Exhibit "C" (Schedule of Performance), Item No. 8.

(2) The City can request current certificates of all insurance policies as required. The City reserves the right to obtain copies of relevant policy forms and endorsements of the required insurance policies.

Developer's failure or refusal to procure or maintain insurance as required herein or failure or refusal to furnish City with proof that the required insurance has been procured and is in full force and effect may, after complying with the requirements of Section 5.3, be deemed a default under the terms of this Agreement.

7.2 Indemnification.

7.2.1 **General.** Developer shall indemnify the City, and its respective officers, employees, and/or agents against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person(s), firm, or entity arising out of or in connection with this Agreement and/or the work, operations, or activities of Developer, its agents, employees, subcontractors, and/or invitees, hereunder, upon the Site.

(a) Developer will defend any action or actions filed in connection with any of said claims or liabilities covered by the indemnification provisions herein and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith, which attorneys will be the attorneys hired by the insurance company where insurance coverage applies.

(b) Developer will promptly pay any judgment rendered against the City or its respective officers, agents, or employees that falls within the scope of Developer's indemnity obligations, as defined above in paragraph 7.2.1.

7.2.2 Exceptions. The foregoing indemnity shall not include claims or liabilities arising from the sole negligence or willful misconduct of the City, its officers, agents, or employees or contractors. The foregoing indemnity shall also not include claims or liabilities arising from City's use of Developer's advertising space pursuant to paragraph 2.9.1 above.

7.2.3 Additional Coverage. Without limiting the generality of the foregoing, Developer's indemnity obligation shall include any liability arising by reason of any accident or other occurrence caused by Developer in or on the Site causing injury to any person or property;

(a) **Loss and Damage.** Except as set forth below, City shall not be liable for any damage to property of Developer or others located on the Site, nor for the loss of or damage to any property of Developer or others by theft or otherwise. Except as set forth below, City shall not be liable for any injury or damage to persons or property resulting from fire, explosion, steam, gas, electricity, water, rain, dampness or leaks from any part of the Site or from the pipes or plumbing, or from the street, or from any environmental or soil contamination or hazard, or from any other latent or patent defect in the soil, subsurface or physical condition of the Site, or by any other cause of whatsoever nature. The provisions of this subparagraph (a) shall not apply (i) to the extent City or its agents, employees, subcontractors, invitees or representatives causes such injury or damage, or (ii) to the extent covered in any permit to enter the Site executed by the City.

(b) **Period of Indemnification.** The obligations for indemnity under this Section 7.2 shall begin upon the Effective Date and shall survive termination of Development Agreement.

8. MORTGAGEE PROTECTION.

The parties hereto agree that this Agreement shall not prevent or limit Developer, in any manner, at Developer's sole discretion, from encumbering the Site or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Site. City acknowledges that the lenders providing such financing may require certain Agreement modifications and City agrees upon request, from time to time, to meet with Developer, the owner of the Site, and representatives of such lenders to negotiate in good faith any such request for modification. Subject to compliance with applicable laws, City will not unreasonably withhold its consent to any such requested modification provided City determines such modification is consistent with the intent and purposes of this Agreement. Any Mortgagee of the Site shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Project or the Site made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Project or the Site, or any part thereof, which Mortgagee has submitted a request in writing to the City in the manner specified herein for giving notices, shall be entitled to receive written notification from City of any default by Developer in the performance of Developer's obligations under this Agreement.

(c) If City timely receives a request from a Mortgagee requesting a copy of any notice of default given to Developer under the terms of this Agreement, City shall make a good faith effort to provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to Developer. The Mortgagee shall have the right, but not the obligation, to cure the default during the period that is the longer of (i) the remaining cure period allowed such party under this Agreement, or (ii) sixty (60) days.

(d) Any Mortgagee who comes into possession of the Project or the Site, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Project or the Site, or part thereof, subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of Developer's obligations or other affirmative covenants of Developer hereunder, or to guarantee such performance; except that (i) to the extent that any covenant to be performed by Developer is a condition precedent to the performance of a covenant by City, the performance thereof shall continue to be a condition precedent to City's performance hereunder, and (ii) in the event any Mortgagee seeks to develop or use any portion of the Project or the Site acquired by such Mortgagee by foreclosure, deed of trust, or deed in lieu of foreclosure, such Mortgagee shall strictly comply with all of the terms, conditions and requirements of this Agreement and the Development Approvals applicable to the Project or the Site or such part thereof so acquired by the Mortgagee.

9. MISCELLANEOUS PROVISIONS.

9.1 Recordation of Agreement. This Agreement shall be recorded with the County Recorder by the City Clerk within ten (10) days of execution, as required by Government Code Section 65868.5. Amendments approved by the parties, and any cancellation, shall be similarly recorded.

9.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties with respect to the subject matter set forth herein, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

9.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, then that term, provision, covenant or condition of this Agreement shall be stricken and the remaining portion of this Agreement shall remain valid and enforceable if that stricken term, provision, covenant or condition is not material to the main

purpose of this agreement, which is to allow the Project to be permitted and operated and to provide the Development Fee to the City; otherwise, this Agreement shall terminate in its entirety, unless the parties otherwise agree in writing, which agreement shall not be unreasonably withheld.

9.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning, to achieve the objectives and purposes of the parties hereto. The rule of construction, to the effect that ambiguities are to be resolved against the drafting party or in favor of the non-drafting party, shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and hereof.

9.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

9.6 Singular and Plural. As used herein, the singular of any word includes the plural.

9.7 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

9.8 Waiver. Failure of a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

9.9 No Third Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit for the parties and their owner, successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

9.10 Force Majeure. Notwithstanding the contrary herein, neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by earthquakes, other acts of God, fires, rains, winds, wars, pandemics, epidemics, terrorism, riots or similar hostilities, strikes and other labor difficulties beyond the party's control (including the party's employment force), government actions and regulations (other than those of the City), court actions (such as restraining orders or injunctions), or other causes beyond the party's reasonable control. If any such events shall occur, the term of this Agreement and the time for performance shall be extended for the duration of each such event, provided that the term of this Agreement shall not be extended under any circumstances for more than five (5) years and further provided that if such delay is longer than six (6) months, Developer may terminate this Agreement upon written notice to City and City shall return to Developer any portion of the Development fee paid for any period after the effective date of such termination.

9.11 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

9.12 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same affected as if all of the parties had executed the same instrument.

9.13 Litigation. Any action at law or in equity arising under this Agreement or brought by any party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Los Angeles, State of California, or such other appropriate court in said county. Service of process on City shall be made in accordance with California law. Service of process on Developer shall be made in any manner permitted by California law and shall be effective whether served inside or outside California. In the event of any action between City and Developer seeking enforcement or interpretation of any of the terms and conditions to this Agreement, the prevailing party in such action shall be awarded, in addition to such relief to which such party is entitled under this Agreement, its reasonable litigation costs and expenses, including without limitation its expert witness fees and reasonable attorneys' fees.

9.14 Covenant Not To Sue. The parties to this Agreement, and each of them, agree that this Agreement and each term hereof are legal, valid, binding, and enforceable. The parties to this Agreement, and each of them, hereby covenant and agree that each of them will not commence, maintain, or prosecute any claim, demand, cause of action, suit, or other proceeding against any other party to this Agreement, in law or in equity, which is based on an allegation, or assert in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable.

9.15 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the Development of the Project is a private Development, that neither party is acting as the agent of the other in any respect hereunder, and that each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between City and Developer is that of a government entity regulating the Development of private property, on the one hand, and the holder of a legal or equitable interest in such property on the other hand. City agrees that by its approval of, and entering into, this Agreement, that it is not taking any action which would transform this private Development into a "public work" project, and that nothing herein shall be interpreted to convey upon Developer any benefit which would transform Developer's private project into a public work project, it being understood that this Agreement is entered into by City and Developer upon the exchange of consideration described in this Agreement, including the Recitals to this Agreement which are incorporated into this Agreement and made a part hereof, and that City is receiving by and through this Agreement the full measure of benefit in exchange for the burdens placed on Developer by this Agreement.

9.16 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

9.17 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by City of its power of eminent domain or Developer's right to seek and collect just compensation or any other remedy available to it.

9.18 Amendments in Writing/Cooperation. This Agreement may be amended only by written consent of both parties specifically approving the amendment and in accordance with the Government Code provisions for the amendment of Development Agreements. The parties shall cooperate in good faith with respect to any amendment proposed in order to clarify the intent and application of this Agreement, and shall treat any such proposal on its own merits, and not as a basis for the introduction of unrelated matters. Minor, non-material modifications may be approved by the City Manager upon approval by the City Attorney.

9.19 Corporate Authority. The person(s) executing this Agreement on behalf of each of the parties hereto represent and warrant that (i) such party, if not an individual, is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement such party is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which such party is bound.

9.20 Notices. All notices under this Agreement shall be effective when delivered by United States Postal Service mail, registered or certified, postage prepaid return receipt requested; and addressed to the respective parties as set forth below or as to such other address as the parties may from time to time designate in writing by providing notice to the other party:

To City: City of Montebello
1600 West Beverly Boulevard
Montebello, CA 90640
Attn: City Manager

To Developer: Clear Channel Outdoor, Inc.
19320 Harborgate Way
Torrance, CA 90501
Attn: Vice President, Real Estate & Public Affairs

With Copy To: Clear Channel Outdoor, LLC
2325 E. Camelback Road, Suite 250
Phoenix, AZ 85016
Attn: Operations Counsel

9.21 Nonliability of City Officials. No officer, official, member, employee, agent, and/or representatives of City shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, member, employee, agent, and/or representative.

9.22 No Brokers. City and Developer represent and warrant to the other that neither has employed any broker and/or finder to represent its interest in this transaction. Each party agrees to indemnify and hold the other free and harmless from and against any and all liability, loss, cost, or expense (including court costs and reasonable attorneys' fees) in any manner connected with a claim asserted by any individual or entity for any commission or finder's fee in connection with this Agreement or arising out of agreements by the indemnifying party to pay any commission or finder's fee.

9.23 No Amendment of Lease. Nothing contained in this Agreement shall be deemed to amend or modify any of the terms or provisions of the Lease. Nothing contained in this Agreement shall constitute or be deemed to constitute a limit on any of Developer's

obligations under the Lease, or any of Owner's rights or remedies against Developer under the Lease.

WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first set forth above.

City: CITY OF MONTEBELLO

By: _____

Mayor

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

Developer:

Clear Channel Outdoor, LLC a Delaware limited liability company

Bryan Parker, Executive Vice President

[end of signatures]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

On _____, before me, _____, a 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 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 _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Los Angeles)

On _____, before me, _____, a 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 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 _____

EXHIBIT "A"

LEGAL DESCRIPTION OF SITE

EAST LAGUNA LOT EX OF HIKING AND RIDING TRAIL COM AT MOST N COR OF LOT 23 TH S
6746'15" E TO SE BDRY LINE OF MONTEBELLO CITY TH SW THEREON TO NE LINE OF
SLAUSONAVE TH NW ON SD NE LINE BEG PART OF LOT 23

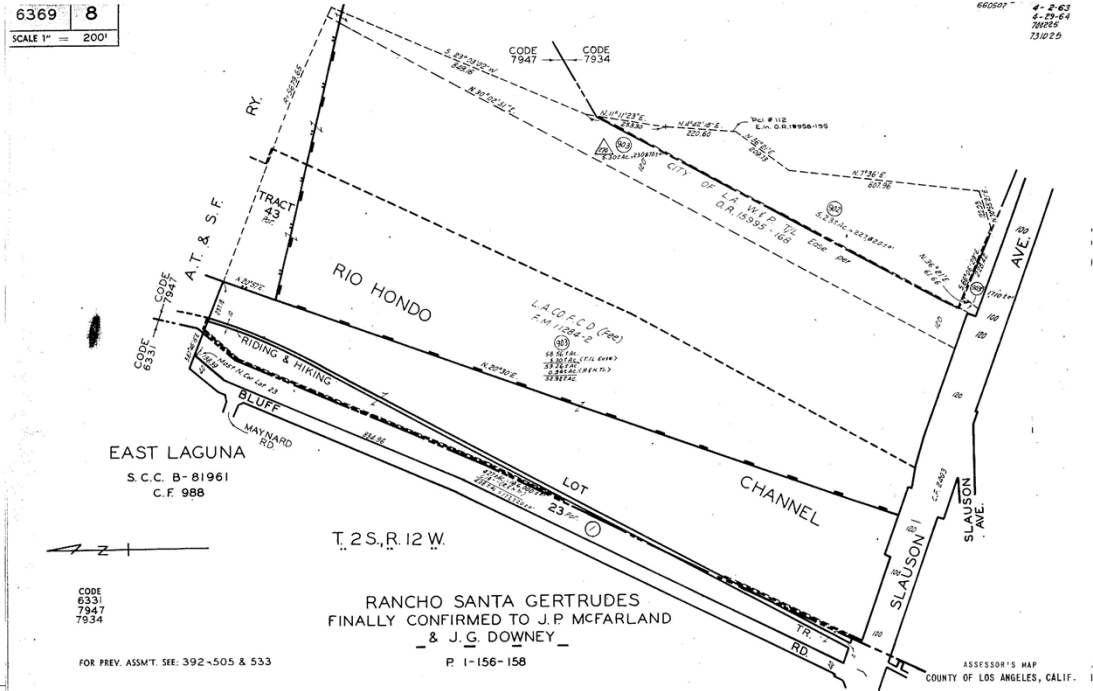


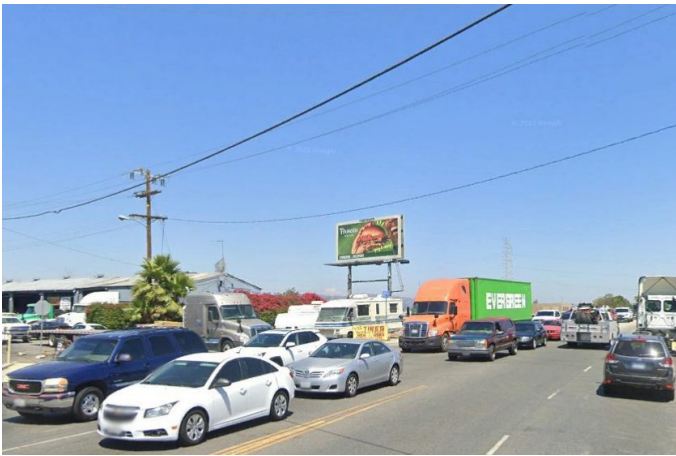
EXHIBIT "B"

Description of New Digital Billboard

CCO will be removing the existing Deck and External Lights

CCO will be relocating the existing printed display faces in place as a double-faced 12' x 25' outdoor advertising sign with digital display faces

Existing West Face



Existing East Face



Digital Panel Sample



EXHIBIT "C"
Billboard Structure and Faces To Be Removed

8105 Slauson Ave., Montebello, CA 90640 (Panels #5272 & #5273)

East Face



West Face



EXHIBIT "D"

SCOPE OF DEVELOPMENT INCLUDING SIGN PLANS

Developer and City agree that the Development shall be undertaken in accordance with the terms of the Agreement, which include the following:

1. **Project.** Developer shall relocate in place the existing printed sign faces and shall convert it to the New Digital Billboard with digital display faces in accordance with the terms of this Agreement. The existing structure will have two (2) new digital display faces (each display face measuring approximately 12' x 25') within the Site.

2. **Building Fees.** Developer shall pay all applicable City building fees, as described in this Agreement, at the time that a building permit is issued for the installation of the New Digital Billboard Faces on the Site.

3. **Maintenance and Access.** Developer, for itself and its successors and assigns, hereby covenants and agrees to be responsible for the following:

(a) Maintenance and repair of the New Digital Billboard and Site (where authorized pursuant to the Site Lease) including but not limited to, the displays installed thereon, and all related on-Site improvements, easements, rights-of-way at its sole cost and expense. Developer's maintenance and repair obligation shall include, without limitation, maintaining any poles, lighting, signs and walls in good repair and free of graffiti, rubbish, debris and other hazards to persons using the same. Developer shall maintain and repair the New Digital Billboard digital display faces in accordance with all applicable laws, rules, ordinances and regulations of all federal, State, and local bodies and agencies having jurisdiction over the Site [unless those federal, State, and local bodies have an exception for a legal nonconforming use]. Such maintenance and repair shall include, but not be limited to, the following: (i) sweeping and trash removal related to the Project; (ii) replacement of any fixtures, equipment or property damaged by the Project to the extent required by this Agreement or applicable law; (iii) the ongoing maintenance by the Developer of any access points to the New Digital Billboard to minimize dust caused by the Project; and (iv) the repair, replacement and repainting of the New Digital Billboard structure and display faces as necessary to maintain such billboard in good condition and repair.

(b) Maintenance of the Site (where authorized pursuant to the Site Lease) in such a manner as to avoid the reasonable determination of a duly authorized official of the City that a public nuisance has been created by the absence of adequate maintenance of the New Digital Billboard digital display faces or structure such as to be detrimental to the public health, safety or general welfare or that such a condition of deterioration or disrepair causes appreciable harm or is materially detrimental to property or improvements within three hundred (300) feet of Site.

4. **Other Rights of City.** In the event of any violation or threatened violation of any of the provisions of this Exhibit "D," then in addition to, but not in lieu of, any of the rights or remedies the City may have to enforce the provisions of this Agreement, the City shall have the

right, after complying with Section 5.3 of this Agreement, (i) to enforce the provisions hereof by undertaking any maintenance or repairs required by Developer under Paragraph 3 above (subject to the execution of a permit to enter in form reasonably acceptable to Owner) and charging Developer for any actual maintenance costs incurred in performing same, and (ii) to withhold or revoke in the manner proscribed by law, after giving written notice of said violation, any building permits, occupancy permits, certificates of occupancy, business licenses and similar matters or approvals pertaining to the New Digital Billboard digital display faces.

5. No City Liability. The granting of a right of enforcement to the City does not create a mandatory duty on the part of the City to enforce any provision of this Agreement. The failure of the City to enforce this Agreement shall not give rise to a cause of action on the part of any person. No officer or employee of the City shall be personally liable to the Developer, its successors, transferees or assigns, for any default or breach by the City under this Agreement.

6. Conditions of Approval. The following additional conditions shall apply to the installation of the New Digital Billboard digital display faces and, where stated, on the Site, shall conform to all applicable provisions of the Montebello Municipal Code (MMC) and the following conditions, in a manner subject to the approval of the Planning Manager or designee:

(a) A building permit will be required and structural calculations shall be prepared by a licensed civil engineer and approved by the City Building Official.

(b) The New Digital Billboard shall remain located in the portion of the Site as described in attached Exhibit A and as set forth herein and based on dimensions described in Section 1, above.

(c) The size of each digital display face of the New Digital Billboard shall not exceed a maximum area of 300 square feet with no extensions or borders.

(d) Plans and specifications for the proposed installation of the New Digital Billboard digital display faces, including all utility plans, shall be submitted to the City Planning and Building Departments for plan check and approval prior to the issuance of building permits.

(e) Prior to the approval of the final inspection, all applicable conditions of approval and all mandatory improvements shall be completed to the reasonable satisfaction of the City.

(f) Developer shall maintain the Site and use thereof in full compliance with all applicable codes, standards, policies and regulations imposed by the City, County, State or federal agencies by any duly and valid city, county or state ordinance with jurisdiction over the facilities, unless the Project is exempted as a legal nonconforming use.

(g) The Developer shall pay any and all applicable fees due to any public agency pertaining to the New Digital Billboard digital display faces prior to the final issuance of the building permits.

(h) The activities proposed in this Agreement shall be conducted completely upon the Site and shall not use or encroach on any public right-of-way.

(i) All graffiti shall be adequately and completely removed or painted over within 48 hours of notice to Developer of such graffiti being affixed on the New Digital Billboard.

(j) Developer shall comply with the standards as adopted by the Outdoor Advertising Association of America, Inc. (OAAA), including but not limited to, the 0.3 foot-candles limitation over ambient light levels at 250 feet, and ensuring additional flexibility in reducing such maximum light level standard given the lighting environment, the obligation to have automatic dimming capabilities, as well as providing the City's Planning Manager or designee with a designated Developer employee's phone number and/or email address for emergencies or complaints that will be monitored 24 hours a day/7 days per week. Upon any reasonable complaint by the City's Planning Manager or designee, Developer shall perform a brightness measurement of the display using OAAA standards and provide City with the results of same within 15 days of the City's complaint. Developer shall dim the display to the appropriate setting immediately upon the conclusion of any such measurement that concluding that the light standards were exceeded.

(k) In the event ten percent (10%) or more of the digital sign face is not operating correctly or in the event of a malfunction, Developer shall immediately turn the entire display off, or show a one hundred percent (100%) black image on the display until corrected.

(l) The interval between the change in digital content shall be a minimum of eight (8) seconds and the images shall change instantaneously, without special transitional effects.