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OFFICE OF THE CITY ATTORNEY
ROCKARD J. DELGADILLO
CITY ATTORNEY

January 22, 2007

Mr. Kenneth E. Owen
Greater Griffith Park Neighborhood Council
P. O. Box 27003
Los Angeles, California 90027

RE: Off-Site Signs

Dear Mr. Owen,

Per your request on January 17, 2007 enclosed please find copies of the following documents:

BILL BOARDS

- 1. The Vista Medial Group, Inc. and City of Los Angeles Settlement Agreement;
- 2. The Clear Channel, CBS Outdoor Inc. and City of Los Angeles Settlement Agreement; and,
- 3. Section 91.6205.18 of the Los Angeles Municipal Code.

I have been advised that the Vista Settlement Agreement has been approved by the Court. However, the Clear Channel, CBS Settlement Agreement is still under review by the court and a hearing is set for February 2, 2007. If you have any additional questions or requests regarding the Off-Site Sign litigation please contact Deputy City Attorney Steve Blau at (213) 978-8244.

Sincerely,

ARLETTA MARIA BRIMSEY
Deputy City Attorney

AMB/gl
Enclosures

M:\Real Prop_Env_Land Use\Land Use\Maria Brimsey\Miscellaneous Requests\off-site signs.doc



SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into as of September 30, 2006 ("Effective Date") by and among the City of Los Angeles, a California municipal corporation ("City" or "Defendant"), on the one hand, and Clear Channel Outdoor, Inc. ("Clear Channel"), CBS Outdoor Inc., and National Advertising Company (CBS Outdoor Inc. and National Advertising Company are referred to collectively herein as "CBS"), on the other hand.

RECITALS

- A. WHEREAS, Clear Channel and CBS are outdoor advertising companies that own and/or operate outdoor advertising structures within the City.
- B. WHEREAS, CBS Outdoor Inc. is the successor in interest to Viacom Outdoor Inc. ("Viacom").
- C. WHEREAS, in 2002, the Los Angeles City Council ("City Council") passed Ordinance Numbers 174442 and 174736 to amend the Los Angeles Municipal Code ("Municipal Code") to establish an off-site sign structure inspection program ("Program"). The Program established, among other things, an inspection fee ("Inspection Fee") of \$314 per Off-Site Sign Structure ("Structure") (as defined in Section 91.6203 of the Municipal Code) for 2002.
- D. WHEREAS, on September 27, 2002 Clear Channel and Viacom filed a Complaint against the City and others in the United States District Court, Central District of California, titled *Clear Channel Outdoor, Inc. et al. v. City of Los Angeles et al.*, Case No. 02-7586 (the "Federal Action"), asserting that the Program was invalid, and Clear Channel and CBS are continuing to prosecute the Federal Action.
- E. WHEREAS, Clear Channel and Viacom are Cross-Complainants in an action in the Superior Court of California, County of Los Angeles, titled *Vista Media Group, Inc. v. City of Los Angeles et al.*, Case No. BC282832 (the "State Action"), which also asserts that the Program is invalid.
- F. WHEREAS, the City desires to ensure the prompt removal of unpermitted Off-Site Signs and to ensure that Off-Site Sign Structures conform with their applicable permits; CBS and Clear Channel dispute the amount of the Inspection Fee but desire to resolve permitting issues; and the Parties mutually desire to resolve the issues using as little staff time as possible so as to keep the City's costs low.
- G. WHEREAS, having engaged in good faith negotiations, the Parties wish to settle the Federal Action and the State Action on the terms specified in this Agreement. As part of that settlement, they wish to provide for the take-down of certain of Clear Channel's and CBS's Structures, as well as to provide for the Re-permitting, as described in Section 6 herein, and/or modernization of certain of Clear Channel's and CBS's Structures that fall within the specified categories, as specified in this Agreement. The City will obtain the benefit of the removal of a number of Structures, and the Inspection Fee will be reduced to reflect Clear Channel's and CBS's cooperation with City enforcement efforts.

NOW, THEREFORE, in consideration of the mutual covenants and agreements described below, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. Federal Action and State Action

The Parties agree to settle the Federal Action and the State Action and in connection therewith the Parties shall jointly file in the State Court Action, within sixty (60) days of the Effective Date of this Agreement, a stipulated judgment dismissing the specific claims asserted in the State Court Action and providing that the State Court shall retain jurisdiction over the Parties to enforce this Agreement pursuant to California Code of Civil Procedure Section 664.6. Within 10 court days following the State Court's approval of the stipulated judgment, the Parties shall file a stipulated judgment of dismissal in the Federal Court Action. In such stipulated dismissals Clear Channel and CBS shall agree to dismiss its challenge of the Inspection Fee and the Program. Such dismissal shall not waive any other rights of Clear Channel or CBS in law or in equity.

2. Fees

A. Initial Inspection Fee – The Initial Inspection Fee shall be \$186 per Structure, which shall represent a lump-sum prepayment of a \$62 per year annual fee for the Initial Inspection Period, which shall be the longer of (i) three years from March 30, 2007 (or a later date at the election of the City) (“Inspection Start Date”) or (ii) the period between the Inspection Start Date and the date by which each Structure has been inspected once. The Initial Inspection Fee shall be due and payable by March 30, 2007 (or, if the City desires a later Inspection Start Date, within 60 days of the date CBS and Clear Channel receive written notice from the City requesting such payment).

B. Second Inspection Fee – Subject to section 2.B.1, the Second Inspection Fee shall be \$184 per Structure, which shall represent a lump sum prepayment of \$61.33 per year annual fee for the Second Inspection Period, which shall be the longer of (i) three years after the expiration of the Initial Inspection Period or (ii) the period between the expiration of the Initial Inspection Period and the date by which each Structure has been inspected a second time. The Second Inspection Fee shall be due and payable three years from the Inspection Start Date.

C. Delinquent Fees – If the fees identified in Section 2.A or 2.B are not paid on or before the last day of the month in which they are due, a monthly penalty equal to five percent (5%) of any outstanding fees, but not less than \$10.00, shall be added to said fees. Any fees remaining unpaid after the last day of the month shall continue to accrue an additional monthly penalty of five percent (5%) of the outstanding principal fees on the last day of each month until paid in full. The City shall not assess any other penalty for the failure to timely pay those fees.

D. Right to Inspect Records – Clear Channel and CBS shall have a right to inspect at any time all books and records of the City that the City maintains in its ordinary course of business, including electronic records such as e-time and other cost accounting programs relating to costs for the inspections. The City shall provide reasonable assistance to Clear Channel and CBS in reviewing such records, including but not limited to providing accurate reports that the City maintains in its ordinary course of business and that are available through the City's electronic systems relating to the costs of the program.

3. Data Collection

A. No later than the Inspection Start Date, Clear Channel and CBS will provide:

- i. Copies of building permits in their files for each Structure.
- ii. If a building permit is not available in Clear Channel's or CBS's files for any Structure, Clear Channel or CBS, as applicable, shall provide the City with the following information for each Structure instead, such information to be provided in electronic format:
 - a) Address of Structure (either street address, lot/block address, or location with reference to nearest intersection);
 - b) The year the Structure was erected to the best of the company's knowledge;
 - c) For all Structures erected on or before July 1, 1986 ("Pre-1986 Structure"), a basis for Clear Channel's or CBS's contention that the sign was erected on or before July 1, 1986, e.g., the existence of a deed, construction records, advertising records, a certificate of occupancy that specifically refers to a sign, an electrical permit, a lease, tax records, or other similar records; and
 - d) The type of Structure, where available (e.g., roof sign, pole sign).

B. Undisclosed Structures

- i. If, during the Initial Inspection Period, the City discovers any sign Structure belonging to Clear Channel or CBS, which Structure was not identified pursuant to Section 3.A, above, the City shall so notify the relevant company, which shall, within 30 days, provide the data set forth in Section 3.A for such Structure. If, the company has not complied with Section 3.A. within 30 days of receiving such notice, the company shall pay to the City the sum of \$500 per undisclosed Structure (in addition to the fees set forth in Section 2).
- ii. The City has represented that neither wall signs nor street furniture on public property (including but not limited to benches, bus shelters, kiosks, newsstands, and public toilets) are a subject of the inspection efforts that are

to be covered by the program. Therefore, the disclosure obligations set forth in Section 3.A shall not be required as to any wall sign or street furniture, and this Agreement has no application to wall signs or street furniture. Roof signs are subject to this Agreement.

C. The City shall consult with Clear Channel and CBS on the technical aspects of its data base, including but not limited to technical requirements to facilitate the maintenance of confidentiality for Clear Channel's and CBS's trade secrets. The City shall cooperate in making relevant public records available to Clear Channel and CBS in order to facilitate their disclosure, with Clear Channel and CBS paying the same expenses for such cooperation as would other members of the public.

D. Confidentiality and Consent Judgment

i. The City has represented that competitors of Clear Channel and CBS have, from time to time, sought information regarding all signs owned or controlled by one or both of these companies.

ii. Clear Channel believes that the compilation of its data called for in Section 3.A, including but not limited to compiled information disclosing the location of all or substantially all of Clear Channel's sign Structures, is confidential and proprietary in nature and constitutes trade secret information that is commercially valuable to Clear Channel. Clear Channel believes that it could suffer substantial and irreparable business harm if a compilation of information regarding all or a substantial portion of its sign Structures were to be shared with any other company.

iii. CBS believes that the compilation of its data called for in Section 3.A, including but not limited to compiled information disclosing the location of all or substantially all of CBS's sign Structures, is confidential and proprietary in nature and constitutes trade secret information that is commercially valuable to CBS. CBS believes that it could suffer substantial and irreparable business harm if a compilation of information regarding all or a substantial portion of their sign Structures were to be shared with any other company.

iv. Accordingly, as a condition of this Agreement coming into effect, the parties agree to jointly request the Court in the State Action to enter judgment embodying the terms of this Agreement in a form to be agreed upon by the Parties. In such request, CBS and Clear Channel will ask the Court to enter a finding that the data to be provided to the City pursuant to Section 3.A, above (a) is a protectible trade secret, made available to the City pursuant to the settlement of litigation, (b) that such compilations are exempt from public disclosure pursuant to Cal. Govt. Code §§ 6254.7(d) & 6254.15; LAAC § 12.21(d) & (l), and (c) that the City may not make such compilations publicly available. The City agrees to take no position on this aspect of the consent judgment.

v. The Parties agree that the confidentiality of the data compilation called for in Section 3.A is a material term of this Agreement, and in the absence of a court order designating such data as a trade secret, CBS and Clear Channel do not agree to the entry of judgment on the remaining terms of this Agreement, and neither this Agreement nor any part of the proposed consent judgment shall come into effect.

vi. In the event that the Court approves the trade secret designation of the data called for in Section 3.A, the City shall ensure that any publicly accessible database including permit information obtained from either Clear Channel or CBS, as applicable, pursuant to this Agreement, shall not permit members of the public to search for signs based upon Clear Channel's or CBS's association with such sign.

vii. In the event that any person requests that the City provide it with all or a substantial portion of the permit information provided to the City by either Clear Channel or CBS pursuant to Paragraph 3.A, the City shall, at least 10 days before making such disclosure, provide Clear Channel or CBS, as the case may be, with written notice regarding the nature of the request for information.

viii. Nothing in this Agreement shall prevent the City from providing to the public the name of the sign company associated with any sign if requested to do so based upon the location of or complaint about a particular sign. Nor shall this Agreement prevent City personnel from searching its own data base for information based on ownership information.

4. **Take Downs**

A. CBS represents that it has 1,628 sign Structures in the City of Los Angeles.

B. Clear Channel represents that it has 1,657 sign Structures in the City of Los Angeles.

C. In exchange for the consideration provided by the City in Sections 5, 6, and other provisions of this Agreement, CBS and Clear Channel will each take down 3% of their respective sign Structures, *i.e.*, forty-nine (49) sign Structures each. Each company shall take down no less than 25 of these sign Structures by the end of the Initial Inspection Period, with the remainder to be taken down no later than the end of the Second Inspection Period.

D. Sign Structures taken down for any reason, including but not limited to being ineligible for Re-permitting pursuant to Section 6, shall count toward the total number of take downs.

E. Final selection of sign Structures for removal shall be at the sole discretion of CBS and Clear Channel, as applicable.

F. Disputes regarding this Section 4 shall be resolved pursuant to the dispute resolution procedure set forth in Section 8, below.

5. Modernization Permits

A. Types of Modernizations

Subject to the limits set forth in Section 7.A, below, CBS and Clear Channel, respectively, shall be entitled to add to, convert, or rebuild their currently existing Structures to include (i) digital technology that allows static advertising copy to be changed remotely by electronic communications rather than by changing the advertising copy on site with poster sheets, or vinyl ("digital posting" also known as "programmable electronic messages"); (ii) tri-vision Structures (*i.e.*, Structures with moving three-sides slats); (iii) horizontal or vertical back-lit 30 sheets; or (iv) an additional face on a single-faced Structure (collectively, "Modernizations").

B. Conditions on Modernizations

i. Modernizations must comply with current building and electrical Code provisions relating to Structural and Electrical Safety, as defined in Section 5.B.(iv) below. The messages displayed on the Structures identified in Sections 5.A.(i) and 5.A.(ii) must not change more than once every four seconds or include motion pictures or slide projections. No blank interval shall be required between images consecutively displayed on Structures identified in Sections 5.A.(i) or 5.A.(ii).

ii. Notwithstanding anything else in this Agreement or the Municipal Code, neither Clear Channel nor CBS will be denied a permit for any Modernization on any existing Structure, or restricted in the use of any Modernization, based upon the fact that the sign to be modernized is a roof sign or based on the fact that any Structure to be modernized may otherwise fall within a prohibition or restriction in any of the following Ordinances, Code provisions, interpretations or memoranda:

- a) LAMC § 12.21A7(l);
- b) LAMC § 12.21.1.A10;
- c) LAMC § 12.22A23;
- d) ZA 2000-0581;
- e) Memorandum dated Oct. 13, 2000 re: signs on mini-shopping centers or commercial corner developments;
- f) LAMC § 91.6205.11(11) or any other ban on one or more categories of signage;
- g) LAMC § 91.6205.18;

- h) Ordinance No. 174,547
- i) Ordinance No. 175,223
- j) Memorandum dated May 17, 1988 re Electronic Message Display Signs

iii. Permits and work approvals for Modernizations shall not be denied to or withheld from any Structure based upon LAMC §§ 91.6206.3 or 91.6202.3, so long as Clear Channel or CBS, respectively, has obtained a building permit for the relevant Structure, either pursuant to this Agreement or otherwise. For Pre-1986 Structures,

a) Permits and work approvals for Modernizations pursuant to Section 5.A.i, 5.A.ii, or 5.A.iii shall not be denied or withheld based on LAMC § 91.6218 (except for subsections 6218.8 and 6218.9), so long as neither the height nor the area of the face of the requested Modernization is greater than those of the original Structure, and so long as neither the orientation nor location of the Structure is altered.

b) Permits and work approvals for Modernizations pursuant to Section 5.B.iv. for the construction of a new second face shall not be denied or withheld based on LAMC § 91.6218 (except for 6218.8 and 6218.9), so long as the size and height of a requested second face are no greater than those of the original face. Such Modernizations must comply with relevant zoning regulations, including Specific Plans, such as the Ventura Boulevard Plan and Westwood Plan, where applicable. The City represents and warrants that City zoning regulations do not restrict the other Modernizations or re-permitting allowed pursuant to this Agreement, and with the exception of the construction of new second faces pursuant to Section 5.B.iv, no Modernization or re-permitting for an existing structure shall be denied based on zoning regulations.

iv. It is the intent of the parties that permits and work approvals for Modernizations will not be denied or withheld, and the use of Modernizations will not be restricted, based on any other prohibition or restriction of the Los Angeles Municipal Code, which, like those listed in Section 5.B.ii and 5.B.iii, is not directly and predominantly related to "Structural or Electrical Safety" (i.e., sturdiness of building materials, wind resistance, methods of attachment, electrical safety, and earthquake safety). Work performed on a sign Structure pursuant to this Agreement shall not be considered a violation subject to LAMC § 91.6202. Nor shall any work performed on a sign Structure pursuant to this Agreement cause any otherwise lawfully erected Structure to lose its status as having been lawfully erected.

a) The City may conduct inspections of work performed to modernize signs authorized by this Agreement to ensure Structural

and Electrical Safety pursuant to LAMC 91.108. Provided such Modernizations satisfy the requirements for Structural and Electrical Safety and comply with applicable permits and plans, the City shall issue all further approvals for work on such Modernizations, including signing off with final approval on the inspection record card for the Structure. Such final sign off shall evidence the lawfulness of a Modernized Structure. The City shall also input identifying information pertaining to the Modernized Structure into all relevant City information systems as a finally approved, lawfully erected Structure.

v. Spacing requirements of the Municipal Code shall not be applied to prevent the Modernization (pursuant to Section 5) or Re-permitting (pursuant to Section 6) of any single-faced Structure to include a second face ("back-up"), on the ground that the back-up or sign to be modernized is not sufficiently far away from the other face on the subject Structure or that it is not sufficiently far from any illegal sign or any 8-sheet sign erected or modified after June 10, 2002.

vi. Except as set forth in Section 5.B.v, Modernizations to Structures erected on or after July 1, 1986 shall comply in all respects with LAMC § 91.6218.

vii. All digital postings authorized under Section 5.A.(i) shall comply with the lighting standards set forth in L.A.M.C. § 91.6205.13, which provides: "No sign shall be arranged and illuminated in such a manner as to produce a light intensity of greater than three footcandles above ambient lighting, as measured at the property line of the nearest residentially zoned property." In the event that any such digital posting ceases to comply with L.A.M.C. § 91.6205.13, CBS or Clear Channel, as applicable, shall bring such posting into compliance promptly upon receipt of written notice from the City.

C. Upon payment of applicable fees as set forth below, the City shall issue permits authorizing CBS and Clear Channel, respectively, to perform work to modernize the Structures listed in Section 5.A pursuant to the procedures set forth in Section 5.D, below. The total fees charged for Modernizations requested pursuant to Sections 5.A.i, ii, and iii shall be no greater than the fees listed in Section 6.A.iv, below. The total fees charged for adding an additional face to a single-faced structure pursuant to Section 5.A.iv shall be no greater than the fees listed in Section 6.C.vii, below. Final selection of sign Structures for such Modernizations shall be at the sole discretion of CBS and Clear Channel, as applicable.

D. The procedure for the issuance of a permit for the structural modifications described in Section 5.A shall be as follows:

i. On or before the 15th day of each month after the Effective Date of this Agreement, CBS and Clear Channel may each provide the City with a

list of up to 10 Structures for which the Modernizations described in Section 5.A, above, are requested ("Monthly Submission Date"). For each Structure on this list, CBS and Clear Channel, as the case may be, shall provide applicable City building plans pursuant to LAMC § 91.106.3 and building permit and plan check fees pursuant to LAMC § 91.107.2.3 and § 91.107.3.1.2. In the event that the requested Modernization will require CBS or Clear Channel to rebuild a structure in order to support the requested Modernization, Clear Channel or CBS, as the case may be, shall also pay to the City a Demolition Pre-inspection Fee of \$80 pursuant to LAMC § 91.107.3.2, and, provided such pre-inspection does not reveal safety hazards associated with demolition, the City shall issue a demolition permit. Other than the fees described in this paragraph and the fees set forth in Section 2, no other fees shall be due for these Modernizations.

ii. The City shall use its best efforts to complete its review and issue appropriate permits for each set of 10 Structures per company by the 15th day of the month following the Monthly Submission Date. In the event that, despite its best efforts, the City is unable to process and act upon the permit applications within such time, and until the City has done so, the City shall refrain from acting upon any applications for building, demolition, or relocation permits for any structure, including but not limited to signs, submitted to it after the applicable Monthly Submission Date.

iii. In the event that the City contends that a proposed Modernization fails to comply with the applicable building and electrical provisions of the Municipal Code pursuant to Section 5.B, above, the City shall, at the time that it denies or otherwise acts on the application, provide a complete statement of reasons and evidence as to why the Modernizations are not permissible under the applicable building and electrical provisions of the Municipal Code. The City shall have no discretion to decline approval under this Section for any reason other than (a) that the requested Modernization would not comply with the applicable building and electrical provisions of the Municipal Code as specified in Section 5.B; (b) non-payment of fees; or (c) the submission of a building plan that deviates in material terms from the types of Modernizations permitted under this Agreement.

iv. If CBS or Clear Channel, as applicable, disagrees with a decision by the City to deny a requested permit under Section 5.D.iii, above, it may provide to the City reasons or evidence as to why it believes that the requested Modernization should be allowed. In the alternative, and without waiving their rights to obtain a Modernization as originally requested, CBS and Clear Channel, as applicable, shall be entitled to designate alternative Modernization without the initial request counting as a "Credit" under Section 7, subject to the same procedures as described above.

v. In the event of a dispute, resolution of the issues shall be pursuant to the process described in Section 8, below. The City has the burden to demonstrate that the Modernization requested by Clear Channel or CBS, as

applicable, is not authorized pursuant to this Section 5 and that the City has complied with the requirements of this Section 5.

6. Re-Permitting

A. No Existing Permit and Permits for Pre-1986 Structures

i. A permit issued by the City shall constitute conclusive evidence that the Structure is lawfully constructed to the extent the Structure complies with the height, size, and orientation limits of the permit. Clear Channel and CBS may have Pre-1986 Structures in their inventory for which no permit can presently be found or which do not match an existing permit. Such Structures shall be allowed to continue to exist, and without regard to the limit set forth in Section 7.A, the City shall use its best efforts best efforts to issue permits evidencing the lawfulness of such Structures within 30 days of receiving a request by either Clear Channel or CBS for a permit. In the event that, despite its best efforts, the City is unable to process and act upon the permit requests within such time, and until the City has done so, the City shall refrain from acting upon any applications for building, demolition, or relocation permits for any structure, including but not limited to signs, submitted to it after the date the applicable date of the Clear Channel or CBS request. Except with respect to condemnation proceedings, addressed in Section 6.A.vi, below, the City agrees to recognize the legality of all of Clear Channel's and CBS's Pre-1986 Structures and to issue permits for such Structures.

ii. If a Sign Structure was (a) erected between July 1, 1986 and December 31, 1998; (b) has no permit; and (c) is not entitled to re-permitting pursuant to this Agreement, such Structure shall be taken down. Subject to the limit of Section 7.A, below, Sign Structures erected between July 1, 1986 and December 31, 1998 shall be entitled to re-permitting if either (aa) the sign Structure could have been lawfully erected in its original condition at the time of its construction, and any subsequent modifications could have been lawfully made at the time they were made; or (bb) the sign Structure could have been lawfully erected in its original condition at the time of its construction and any subsequent modification that could not have been lawfully made at the time it was made is either remedied or receives a new permit pursuant to Section 5 or Section 6.C.

iii. Plans, Inspections, and Approvals

a. The City may inspect both the plans for and the construction of any sign Structure for which either CBS or Clear Channel requests re-permitting. Such inspections shall be limited to ensuring the Structural or Electrical Safety of such Structure pursuant to the law in effect at the time the Structure was erected.

b. CBS and Clear Channel will provide the City with either standard plans or a specific plan for each Structure as to which re-permitting is requested. For roof signs, CBS and Clear Channel may satisfy this requirement by providing plans or engineering specifications in accordance with a format that the parties will negotiate in good faith following execution of this Agreement.

c. Following inspection, unless the re-permitted Structure does not comply with the requirements of Structural and Electrical Safety in effect at the time the Structure was erected, the City shall issue all further approvals for such Structure, including signing off with final approval on the inspection record card or permit for the Structure. Such final sign off shall evidence the lawfulness of a re-permitted Structure. The City shall also input identifying information pertaining to the re-permitted Structure into all relevant City information systems as a finally approved, lawfully erected Structure.

d. In the event that the City, in inspecting a sign Structure or plan pursuant to Section 6.A.iii.a, concludes that any construction or modification is required in order for a Structure to satisfy the applicable standards for Structural and Electrical Safety, the City shall issue all necessary building or other permits to allow for such construction or modification and shall issue all applicable approvals, including final approval for work conducted pursuant to this Section.

iv. Schedule of fees: The total fees charged for issuance of permits pursuant to this Subsection 6.A (including all plan check fees, inspection fees, or other fees charged in connection with process of obtaining City approvals) shall be as follows:

	14' x 48'	Structure between 12' x 24' & 14' x 48', including 24' x 26'	12' x 24'
2 sided sign, no lights	\$3,217.95	\$2,365.70	\$1,878.71
2 sided sign with lights	\$3,548.78	\$2,696.54	\$2,209.54
1 sided sign, no lights	\$2,791.83	\$2,000.45	\$1,756.96
1 sided sign with lights	\$3,122.66	\$2,331.28	\$2,087.79

v. Sign Structures erected on or after January 1, 1999 and for which no permit can be found shall be taken down.

vi. Condemnation Proceedings: In any condemnation proceeding, the City shall retain its right to argue that any sign re-permitted pursuant to Section 6.A. was not lawfully erected or modified. Clear Channel and CBS retain their right to argue that such signs were lawfully erected or modified based on California Business & Professions Code § 5216.1 or any other reason. The issuance of a new permit pursuant to this Section shall not be used as evidence in favor of or against any party in any such condemnation proceeding and shall not waive any rights either side may have with respect to any re-permitted structure in such proceeding.

B. The Dispute Resolution procedures set forth in this Section 6.B. and Section 8 below shall apply to any dispute arising under or relating to Section 6 of this Agreement, including but not limited to whether a sign complies with an existing permit.

i. The following non-exclusive categories of records, if they disclose a relevant date, shall constitute sufficient evidence regarding the date that a sign was erected or modified: a deed, construction records, advertising records, a certificate of occupancy that specifically refers to a sign, an electrical permit, a lease, tax records, and other similar records.

C. Signs That Vary From Permit -- Existing sign Structures erected at any time and for which a permit has been issued, but which are out of compliance with their permits shall be allowed if they are returned to compliance with their permits, including permits relating to any modification. In the alternative, at the election of CBS or Clear Channel, as applicable, a permit shall be reissued for the Structure in its current condition under the circumstances set forth below. The total number of such Re-permitted Structures shall be consistent with the limitation set forth in Section 7.A., below. Any disputes concerning Modifications shall be resolved pursuant to Section 6.B. and 8 of this Agreement.

i. Height -- The sign Structure is no more than 10 feet higher than specified in the permit and does not exceed any other applicable height limitations in effect at the time the Structure was built or the height altered.

ii. Double Panels -- The Structure was permitted for a single panel but actually has two panels, and the Structure as originally constructed could have been so constructed at the time of its construction and the subsequently added back-up could have been lawfully added at the time it was added. For purposes of this Section, a spacing violation caused by a sign Structure that did not exist at the time that the back-up was added to either Clear Channel's or CBS's sign Structure shall not provide a basis for denial of a new permit for the existing Clear Channel or CBS back-up. In addition, the spacing requirements applicable to the Re-permitting of double paneled signs shall be applied in conformance with Section 5.B.vi.

iii. Location – The Structure is not located as specified in the legal description on the permit (with such legal description defined with reference to the time the Structure was built or relocated), but the Structure meets the following criteria: (a) it is located in the same lot or on a lot immediately adjacent to the lot for which it is permitted, (b) it is on the same side of the street or road for which it was permitted, (c) it does not violate spacing regulations that were in effect at the time the Structure was built or altered, and (d) it is not on a lot in a current residential zone. In addition, the spacing requirements of LAMC § 91.6218.4 shall not be applied to prevent the Re-permitting of a re-located sign Structure on the ground that the new location is not sufficiently far away from any 8-sheet sign or that a back-up on a re-located double-faced Structure is not sufficiently far away from the other face on the subject Structure.

iv. Size – The overall area of a sign displayed on a sign Structure is no more than 10% greater than the area authorized on its permit, and such size would have been permissible under applicable ordinances/regulations in effect at the time the Structure was built or its size altered.

v. Multiple Non-Conformances – If a Structure is non-conforming in more than one way, but each non-conformance individually would be permitted under this Agreement, the Structure may be retained.

vi. Plans, Inspections, and Approvals

a. For any part of a sign Structure that is not in conformance with an existing permit ("Modification"), the City may inspect any existing plans for the existing Structure or Modification. Such inspections shall be limited to ensuring that the Modification satisfies the criteria in 6.C.i.-6.C.v., above and to ensuring the Structural or Electrical Safety of the Modification, under the law in effect at the time the Modification was made, pursuant to the criteria set forth in Section 5.B.iv.

b. CBS and Clear Channel will provide the City with either standard plans or a specific plan for each Structure as to which re-permitting is requested pursuant to Section 6.C. For roof signs, CBS and Clear Channel may satisfy this requirement by providing plans or engineering specifications in accordance with a format that the parties will negotiate in good faith following execution of this Agreement.

c. Following inspection, unless the Modification does not comply with the requirements of Structural and Electrical Safety in effect at the time the Modification was made, the City shall issue all further approvals for such Modification, including signing off with final approval on the inspection record card or permit for the Structure. Such final sign off shall evidence the lawfulness of a re-permitted Structure with the applicable Modification. The City shall

also input identifying information pertaining to the re-permitted Structure with the applicable Modification into all relevant City information systems as a finally approved, lawfully erected Structure.

d. In the event that the City, in inspecting a Modification or plan pursuant to Section 6.C, concludes that any construction or modification is required in order for a Structure to satisfy the applicable standards for Structural and Electrical Safety, the City shall issue all necessary building or other permits to allow for such construction or modification and shall issue all applicable approvals, including final approval for work conducted pursuant to this Section.

vii. The fees charged for issuance of permits and approvals pursuant to Section 6.C.ii shall be calculated as follows:

	14' x 48'	Structure between 12' x 24' & 14' x 48', including 24' x 26'	12' x 24'
1 additional face with lights	\$841.29	\$781.21	\$480.83
1 additional face with no lights	\$664.63	\$604.55	\$304.17

viii. Procedures – If the City and the sign company do not agree on whether a Structure qualifies for Re-permitting pursuant to the criteria set forth in this Section 6.C., the matter shall be resolved pursuant to the dispute resolution procedures set forth in Section 8 below, with the City having the burden to demonstrate that a Structure is not entitled to Re-permitting under the standards set forth above.

ix. Nothing in this Agreement shall be construed to limit the rights of Clear Channel and CBS to contend that a sign is in compliance with an existing permit.

D. Cut-outs/Extensions

i. Clear Channel and CBS may elect to use up to 75 of the Credits allocated in Section 7 for the purpose of creating cut-outs or erecting extensions on any 75 of their respective Structures erected on or after July 1, 1986, so long as there are no more than 75 such cut-outs or extensions on such post-1986 signs per company at any one time and such cut-outs or extensions are not greater in size or height than provided for in Title 4,

Division 6, Section 2242(k) and (o) of the California Code of Regulation and California Business & Professions Code Section 5408(a).

ii. CBS and Clear Channel may submit for approval standard plans illustrating the largest possible cut-outs or extensions they intend to erect under Section 6.D.i ("Maximum Plan"). Consistent with the timing requirements of Section 5.D.ii, the City shall review such plans solely to ensure that the size is allowable under Section 6.D.i and to ensure Structural or Electrical Safety pursuant to the criteria set forth in Section 5.B.iv. Consistent with the timing requirements of Section 5.D.ii, the City shall either approve and issue a permit for such Maximum Plan or provide a complete statement of reasons and evidence as to why such Maximum Plan is not approved. Any disputes as to whether a Maximum Plan should be approved will be resolved either by Clear Channel or CBS, respectively, submitting a revised Maximum Plan or pursuant to the Dispute Resolution provisions of Section 8 of this Agreement.

iii. Once Clear Channel and CBS, respectively, have obtained approval for their Maximum Plan, they may erect cut-outs or extensions permitted pursuant to Section 6.D.i. so long as the particular cut-out is no greater in size than that approved in the Maximum Plan and complies with the physical requirements of the Maximum Plan in terms of materials, methods construction, and methods of attachment. Following the erection of such cut-outs, Clear Channel and CBS, respectively, shall promptly provide a certification to the City that the relevant cut-outs were erected in accordance with the Maximum Plan.

iv. Nothing in the foregoing shall restrict the right of Clear Channel and CBS to display cut-outs consistent with LAMC Section 91.6207(a) (repealed 1986) and similar provisions on any Pre-1986 Structure, and Clear Channel and CBS may continue to display cut-outs on all such signs subject to the legal requirements in effect at the time such signs were erected.

E. In the event that either CBS or Clear Channel has within its inventory sign Structures that do not qualify for Re-permitting pursuant to the standards set forth in Section 6.A or 6.C, above, nothing in the foregoing shall prevent CBS or Clear Channel, as applicable, from restoring such Structures to permit compliance and continuing to maintain such Structures as restored. Nor shall anything in this Agreement constitute a waiver of any right that CBS or Clear Channel may otherwise have to claim that any Structure satisfies the requirements of its permit or that any alteration was lawful.

7. Credits For Modernization And Re-Permitting

A. Clear Channel and CBS, respectively, may each designate up to 420 Structures ("Credits") for which it desires to make Modernizations or obtain Re-Permitting set forth in Section 5, 6.A.ii, and/or 6.C.

i. The use of such Credits shall be subject to the relevant City approvals described in Sections 5 and 6, above. It shall be within the sole discretion of CBS and Clear Channel as to how to use their respective Credits.

ii. Except with respect to adding a second face pursuant to Section 5.A.iv, the use of Credits shall apply on a structure-by-structure basis so that Clear Channel and CBS may (except for the addition of second faces pursuant to Section 5.A.iv) make multiple Modernizations pursuant to Section 5.A and obtain re-permitting pursuant to Section 6.A.ii and/or 6.C, using a single "Credit" for such structure. The construction of a second face pursuant to Section 5.A.iv shall require the use of one Credit. To the extent Clear Channel or CBS desires to take advantage of the right to erect Cut-outs or Extensions as set forth in Section 6.D., the number of Credits shall be reduced on a one-to-one basis.

iii. Clear Channel and CBS each may be allowed to use Credits for second faces pursuant to Section 5.A.iv on no more than 100 Structures. In addition, such second faces will not be oriented in such a manner that they are primarily viewed from a street containing residentially zoned frontage within 100 feet of the sign and from which residentially zoned property the face of the new second face is visible. A sign face is "viewed primarily from a street" if the message on the face may be seen with reasonable clarity for a greater distance by a person traveling on such street than by a person traveling on any other street.

8. Dispute Resolution

A. Any dispute concerning any matter relating to this Agreement ("Dispute") shall be resolved exclusively pursuant to the procedures set forth in this Agreement. For the avoidance of doubt, and by way of example only, until the caps set forth in Section 7.A are reached, all disputes regarding permit compliance issues that fall within the categories for which Re-permitting, Modernization, or other accommodation, or remediation may be available herein shall be resolved pursuant to the procedures set forth in this Agreement.

i. In the event of a Dispute, Clear Channel or CBS, as applicable, will first seek to resolve such dispute informally with the City.

ii. If the parties to any Dispute are unable to resolve their Dispute informally, such Dispute shall be (a) submitted to the Board of Building and Safety Commissioners ("Board"), or (b) at the election of CBS or Clear Channel, as applicable, submitted for non-binding early neutral evaluation to one of the following pre-designated neutrals ("Neutrals") listed in Section 8.A.iii. below. In the event that CBS or Clear Channel, as applicable, elects to have a Dispute resolved through non-binding early neutral evaluation, such company shall pay all of the Neutral's fees and costs. The Parties are free to agree on other methods of dividing payment for the services of the Neutral.

- iii. The designated Neutrals are:
- A) Richard Mainland
 - B) Eli Chernow
 - C) Charles Vogel
 - D) Lourdes Baird
- iv. The Board or the Neutral, as applicable, shall review the matter *de novo*. A decision by the Board or the Neutral shall be supported by law and substantial evidence.
- v. Disputes concerning Clear Channel shall be consolidated and presented to either the Board or a single Neutral for decision on a semi-annual basis. Disputes concerning CBS shall be consolidated and presented to either the Board or a single Neutral for decision on a semi-annual basis. The Parties may select a different Neutral in each semi-annual period.
- vi. All early neutral evaluations pursuant to this Section shall be conducted pursuant to the AAA Commercial Arbitration rules, but the Party selecting early neutral evaluation may elect not to have the evaluation administered through the AAA. Any Party may request that the Neutral permit specified discovery in connection with any early neutral evaluation under this Agreement, and, upon a showing of good cause, the Neutral shall permit reasonable discovery, including depositions, document production, and responses to interrogatories and/or requests for admission.
- vii. Review of a decision of the Board shall be to the Honorable Ralph Dau, Los Angeles Superior Court, shall be governed by *de novo* review, and shall, except as to matters subject to judicial notice, be limited to the record developed before the Board.
- viii. If any Party either refuses to participate in early neutral evaluation, fails to comply with discovery ordered by the Neutral, or declines to accept the decision of the Neutral in writing within 30 days of such decision, the other Party may file an action in Los Angeles Superior Court relating to such dispute. Such action shall be referred as a related case to Hon Ralph Dau, who shall rule on the matter *de novo*. Unless either party has refused to participate in the early neutral evaluation or has failed to provide discovery permitted by the Neutral, such action shall be limited to the record developed in the early judicial evaluation and matters subject to judicial notice.
- ix. Unless the City demonstrates that there is an immediate threat to public safety, neither Clear Channel nor CBS shall be required to remove or modify any Structure or sign face during the pendency of any proceeding pursuant to this Agreement, nor shall the City interfere with the regular

maintenance or operation of such Structure or sign face during the pendency of such proceeding.

x. Unavailability of Designated Neutral

A) Neutral -- In the event that Clear Channel Parties elect early judicial evaluation, but none of the pre-designated Neutrals is available to resolve the dispute, the Parties shall meet and confer in an effort to agree on a new decision maker. If they cannot agree within 10 court days, then Clear Channel or CBS, as applicable, may seek to have a Neutral appointed pursuant to California Civil Code Section 1281.6 with the requirement that the selected Neutral shall be a retired state or federal judge based in California. Payment for the Neutral's fees and costs in this case shall be as set forth in Section 8.A.ii, above.

B) Judge Dau -- In the event that Judge Dau is not available to resolve disputes that the Parties have agreed to submit to him under this Agreement, the Parties shall meet and confer in an effort to jointly agree on a new judicial authority of whom to make a joint request to assume jurisdiction over such matters. In the event they are not able to agree within 10 days, or in the event that the chosen judicial authority declines to assume jurisdiction, the party seeking either judicial review of a decision by the Board or seeking an adjudication of matters previously submitted for early neutral evaluation may file an appropriate action in the Los Angeles Superior Court subject to the remaining provisions of Section 8.A.vii and 8.A. viii concerning the record and the standard of review.

9. Enforcement

A. If, during the term of this Agreement, a dispute arises as to a matter that is outside of the scope of this Agreement (e.g., the City receives a complaint that a sign carries an obscene message or is structurally unsound), such disputes may be addressed in accordance with the City Municipal Code enforcement procedures.

B. The Parties agree to seek to resolve all such disputes informally before the City initiates any punitive action against either CBS or Clear Channel.

10. Most Favored Nations; Future Program And Fees

A. If by agreement or legislative or administrative process the City grants any other outdoor advertising company a lower fee than either of the fees set forth in Section 2.A. or 2.B, above for comparable services, then Clear Channel and CBS shall have the right, in their sole discretion, to have their fees reduced to equal the lower fee described above and shall be entitled to a refund for any fees that they have paid in excess of those required of another company.

B. In addition, if by agreement or legislative or administrative process the City allows any other outdoor advertising company to obtain new or modified permits in any of the categories of Modernizations and/or Re-permitting set forth above in

Sections 5 and 6 for a higher percentage of the other company's inventory, Clear Channel and CBS shall each be entitled to increase the number of Structures for which it is entitled to new or modified permits so that the percentage of its Modernized or Re-permitted inventory is at least equal to that of the other company.

C. If a court of competent jurisdiction determines that any part of the Program is unconstitutional or invalid, and that court's determination is or becomes final and non-appealable, or if the Program is otherwise ceased (whether through repeal or otherwise), then Clear Channel and CBS shall each have the option of terminating this Agreement. The decision of either Clear Channel or CBS to terminate shall not operate to terminate the Agreement as to the other company.

D. If a new billboard inspection program is enacted, Clear Channel and CBS may (i) continue with the process provided in this Agreement or (ii) terminate this Agreement and become subject to the new program. The decision of Clear Channel or CBS to become subject to such new program shall not bind the other company.

E. This Agreement does not in any way affect or alter Clear Channel's and CBS's or the City's rights or obligations under any existing or future supplemental use district, specific plan, development agreement, or other similar regulatory requirement or program, other than the Program. Any take-downs under this Agreement shall not be credited or utilized under any other City program.

11. Termination

A. If either Party believes that another Party has breached or is currently breaching this Agreement, then that Party ("Non-Breaching Party") shall give notice to the other Party ("Breaching Party") stating the nature of the breach and the way in which the breach may be remedied. If the Breaching Party does not remedy the breach within sixty (60) days (or ninety (90) days if the breach cannot reasonably be remedied within sixty (60) days), then the Non-Breaching Party may terminate this Agreement or seek enforcement of this Agreement through the court. If the Breaching Party disputes the existence of a breach, then, within the sixty (60) day cure period, the Breaching Party may initiate the dispute resolution process contained in Section 8. In that case, the Non-Breaching Party shall not have the right to terminate this Agreement and instead the dispute shall be resolved through the dispute resolution process, including (if necessary) the enforcement of this Agreement through the Court.

B. If this Agreement is terminated for any reason (including expiration), then Clear Channel's and CBS's Structures shall become subject to the program (as the same may exist at the time of termination). If this Agreement is terminated before the completion of the Initial Inspection Period, then Clear Channel and CBS shall not be required to pay the inspection fee under the program (as the same may exist at the time of termination) until each of the Structures has been inspected once, and any permits have been issued or re-issued as required by Sections 5 and 6 above, provided that Clear Channel and CBS, as applicable, have completed the take downs

pursuant to Section 4, paid \$186 per Structure pursuant to Section 2.A and provided data pursuant to Section 3.

C. Except as provided below, if this Agreement is not terminated earlier pursuant to the terms of this Agreement, the Agreement shall end automatically six (6) years from the date of execution of this Agreement, provided that the obligation to issue or re-issue permits as required by Sections 5 and 6 shall survive such expiration. The City shall notify Clear Channel and CBS no later than sixty (60) days before the end of the initial six (6) year term (and any successive term) in writing of the Annual Fee that would be applicable to the Structures for the following six (6) years if this Agreement were to be extended for that period. If Clear Channel and/or CBS agree to such Annual Fee within sixty (60) days of receiving such notice, this Agreement shall be extended to Clear Channel and/or CBS, as applicable, for a further six (6) years. If Clear Channel and/or CBS do not agree to such Annual Fee, this Agreement shall expire as to Clear Channel and/or CBS, as applicable, and the City and Clear Channel and/or CBS, as applicable, shall have any remedy available to them at law or in equity to raise claims relating to any inspection program and/or fee (if any) existing as of the time of expiration of this Agreement. In the event of such an expiration, the obligation to issue or re-issue permits as required by Sections 5 and 6 shall survive such expiration, provided that Clear Channel and CBS, as applicable, have completed the take downs pursuant to Section 4, paid \$186 per Structure pursuant to Section 2.A and provided data pursuant to Section 3.

12. Representations And Warranties of Clear Channel And CBS

Clear Channel and CBS make the following representations and warranties, each of which is material and is being relied on by City, all of which shall be true as of the date hereof:

A. Status – Clear Channel and CBS are each Delaware corporations, duly organized or formed, validly existing and in good standing under the laws of the State of Delaware and qualified to transact business in the State of California.

B. Authority – The execution and delivery of this Agreement and the performance of Clear Channel's and CBS's obligations hereunder have been or will be duly authorized by all necessary action on the part of Clear Channel and CBS, as applicable, and this Agreement constitutes the legal, valid and binding obligation of Clear Channel and CBS, as applicable.

C. Non-Contravention – (I.) The execution and delivery of this Agreement by Clear Channel and the consummation by Clear Channel of the transactions contemplated hereby will not, to Clear Channel's knowledge, (A) violate any judgment, order, injunction, decree, regulation or ruling of any court or governmental entity or (B) conflict with, result in a breach of, or constitute a default under the organizational documents of Clear Channel, any note or other evidence of indebtedness, any mortgage, deed of trust or indenture, or any lease or other material

agreement or instrument to which Clear Channel is a party or by which Clear Channel may be bound.

(II.) The execution and delivery of this Agreement by CBS and the consummation by CBS of the transactions contemplated hereby will not, to CBS's knowledge, (A) violate any judgment, order, injunction, decree, regulation or ruling of any court or governmental entity or (B) conflict with, result in a breach of, or constitute a default under the organizational documents of CBS, any note or other evidence of indebtedness, any mortgage, deed of trust or indenture, or any lease or other material agreement or instrument to which CBS is a party or by which CBS may be bound.

D. Non-Foreign Entity -- Neither Clear Channel nor CBS is a "foreign person" or "foreign corporation" as those terms are defined in the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

E. Consents -- No consent, waiver, approval or authorization is required from any person or entity (that has not already been obtained) in connection with the execution and delivery of this Agreement by Clear Channel and CBS or the performance by Clear Channel and CBS of the transactions contemplated hereby.

13. City's Representations And Warranties

City represents and warrants to Clear Channel and CBS the following:

A. Status -- City is a municipal corporation, duly organized and validly existing under its Charter and the laws of the State of California and is qualified to transact business in the State of California.

B. Authority -- The execution and delivery of this Agreement and the performance of City's obligations hereunder have been or will be duly authorized by all necessary action on the part of City and this Agreement constitutes the legal, valid and binding obligation of City.

C. Non-Contravention -- The execution and delivery of this Agreement by City ~~and the actions to be undertaken by the City contemplated hereby will not violate~~ any judgment, order, injunction, decree, regulation or ruling of any court or governmental entity or conflict with, result in a breach of, or constitute a default under the organizational documents of City, any note or other evidence of indebtedness, any mortgage, deed of trust or indenture, or any lease or other material agreement or instrument to which City is a party or by which it is bound.

D. Consents -- No consent, waiver, approval or authorization is required from any person or entity (that has not already been obtained) in connection with the execution and delivery of this Agreement by City or the performance by City of the transactions contemplated hereby.

with Copies to:

CBS Outdoor Inc.
405 Lexington Ave.
New York, NY 10174
Attn: General Counsel

- and -

Richard B. Kendall
Irell & Manella LLP
1800 Avenue of the Stars
Los Angeles CA 90067
Facsimile: (310) 203-7199

If to City of Los Angeles:

City of Los Angeles
Los Angeles Department of Building & Safety
3550 Wilshire Boulevard, Suite 1800
Los Angeles, CA 90010
Attn: Chief of the Code Enforcement Bureau
Facsimile: (213) 252-3911

with Copies to:

City Attorney's Office
City of Los Angeles
700 City Hall East
200 North Main Street
Los Angeles, CA 90012
Attn: Manager Land Use Litigation Division
Facsimile: (213) 978-8090

Any such notices may be sent by (a) certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the U.S. mail, (b) a recognized and reputable overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with such courier (on or prior to 6:00 p.m., Pacific Time; if deposited after such time, it shall be deemed to have been deposited on the next business day), or (c) facsimile transmission, to be followed by service by certified mail or overnight courier, in which case notice shall be deemed delivered upon electronic verification (on or prior to 6:00 p.m., Pacific Time; if verification is received after such time, it shall be deemed to have been delivered on the next business day) that transmission to recipient was completed. The above addresses and facsimile numbers may be changed by written notice to the other Party; provided that no notice of a change of address or facsimile number shall be effective until actual receipt of such notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

16. Governing Law, Waiver and Severability

A, This agreement shall be governed by, and construed in accordance with, the laws of the State of California, without regard to any otherwise applicable principles of conflicts of laws.

B. The City hereby waives any right it may otherwise have to deny or otherwise challenge the validity of any permit issued pursuant to this Agreement in any eminent domain action or other proceeding, regardless of whether such application was filed before or after the commencement of any such eminent domain action or other proceeding.

C. If any provision of this Agreement is held invalid or unenforceable, Clear Channel and CBS shall be entitled to a refund of all fees or other moneys paid to the City pursuant to this Agreement, and such refund shall not affect the ongoing legality of the permits issued pursuant to this Agreement or the City's waiver of any right it would otherwise have to deny or otherwise challenge the validity of such permits.

D. The headings and captions used in this Agreement are for convenience only and shall not be deemed to affect in any way the language of the provisions to which they refer.

17. Limited Liability

A. Neither the members, managers, employees, agents, shareholders, officers, directors, employees or agents of Clear Channel and CBS, nor any of Clear Channel's and CBS's related entities shall be liable under this Agreement, and the City shall look solely to the assets of Clear Channel and CBS, as applicable, for the payment of any claim or the performance of any obligation by Clear Channel and CBS, as applicable.

B. No member, official, employee, or agent of City shall be personally liable to Clear Channel or CBS, or any successor in interest, in the event of any default or breach by City, or for any amount which may become due to Clear Channel or CBS or its successors, or on any obligations under the terms of this Agreement.

18. Third Party Beneficiaries

A. Property owners who lease signs to Clear Channel and CBS shall be deemed to be third-party beneficiaries of this Agreement. The City shall not apply the Off-Site Sign Inspection Program to such lessors on account of their ownership or control of Off-Site Sign Structures. ~~Nor shall the City otherwise take such action against~~ Clear Channel's or CBS's lessors that would be barred as against Clear Channel or CBS under the terms of this Agreement. This Agreement shall not be construed to provide any third party with any rights or remedies as against Clear Channel or CBS.

B. In the event that any third party brings any challenge (i.e., administrative proceeding or lawsuit or motion filed in state or federal court) either to this Agreement as a whole or to any application for permits or approvals under this Agreement, the City shall give sufficiently prompt notice to Clear Channel and CBS of such challenge and shall in all events give such notice within 10 days of the date that either the Department or the Office of the City Attorney first learns of the challenge. The City will not voluntarily assist in any such third-party challenge or take any position adverse to CBS or Clear Channel in connection with such third-party challenge. In the event that any such third-party challenge impairs any of

CBS's or Clear Channel's rights under this Agreement, CBS or Clear Channel, as the case may be, may terminate the Agreement but no Party may recover damages against any other Party for breach of this Agreement based upon such challenge. The Agreement shall remain in effect as between the City and the non-terminating Party.

19. Estoppel Certificate

Either Party may, at any time, and from time to time, deliver written notice to the opposing Party requesting such Party to certify in writing that, to the knowledge of the certifying Party, (a) this Agreement is in full force and effect and a binding obligation of the Parties, (b) this Agreement has not been amended or modified either orally or in writing, and if so amended, identifying the amendments, (c) the requesting Party is not in default in the performance of its obligations under this Agreement, or if in default, to describe therein the nature and amount of any such defaults, (d) the fees paid by Clear Channel and CBS pursuant to this Agreement, (e) the number of Structures and panels taken down pursuant to this Agreement, (f) the number of Structures for which Modernization permits have been issued pursuant to Section 5, above, (g) the number of Structures for which new permits have been issued pursuant to Section 6, above, and (h) any other matter reasonably requested by the requesting Party as to the status of performance of this Agreement by the Parties. A Party receiving a request hereunder shall execute and return such certificate within sixty (60) days following the receipt thereof. The City Attorney shall have the right to execute any certificate requested by Clear Channel and CBS hereunder. City acknowledges that a certificate hereunder may be relied upon by transferees of Clear Channel and CBS (subject to Section 20 below (Assignment)).

20. Assignment

A. Clear Channel and CBS -- This Agreement is intended to bind Clear Channel, CBS and any future owner or operator of the Structures during the term of this Agreement. To the extent that Clear Channel or CBS sell, assign or otherwise transfer any Structures during the term of this Agreement, whether through a stock or assets transfer or otherwise, Clear Channel or CBS, as applicable, shall provide the transferee with a copy of this Agreement, and the transaction documents transferring the Structures shall include a statement to the following effect: "The Structures are subject to a binding Settlement Agreement among Clear Channel Outdoor, Inc., CBS Inc., National Advertising Company, and the City of Los Angeles effective as of September 30, 2006. A copy of such Settlement Agreement has been provided to [transferee]. [Transferee] has read and understands the terms of the Settlement Agreement, and agrees to comply with the Settlement Agreement with respect to the Structures for the term of the Settlement Agreement."

B. City -- City shall not have the right to assign its duties and obligations under this Agreement

21. Time of Essence

Time is of the essence of this Agreement.

22. Computation of Time

Unless otherwise required by a specific provision of this Agreement, time hereunder is to be computed by excluding the first day and including the last day.

23. Calendar Days

All references in this Agreement to a number of days in which any Party shall have to consent, approve or perform shall mean calendar days unless specifically stated to be business days.

24. Approvals

Except as expressly stated otherwise in this Agreement, approvals required of the Parties or any of them shall not be unreasonably withheld or delayed, and approval or disapproval shall be given within the time set forth in this Agreement, or, if no time is given, within a reasonable time.

25. No Waiver

No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver, nor shall a waiver in any instance constitute a waiver in any subsequent instance. No waiver shall be binding unless executed in writing by the Party making the waiver.

26. Specific Performance

The Parties acknowledge that the benefits conveyed to each Party under this Agreement are unique, that a failure by a Party to perform its obligations under this Agreement will cause irreparable injury to the other Party, and that actual damages to a Party for any such failure may be difficult to ascertain and may be inadequate. Consequently, the Parties agree that they shall be entitled, in the event of a failure of the other Party to perform its obligations under this Agreement, to specific performance of any of the provisions of this Agreement in addition to any other legal or equitable remedies to which such Party may be otherwise entitled. If any action is brought by a Party against the other for failure by such Party to perform its obligations under this Agreement, the Party will waive the defense that there is an adequate remedy at law.

27. Further Acts and Assurances

Each Party, at the request of the other, shall execute, acknowledge or have notarized (if appropriate) and deliver in a timely manner such additional documents, and do such other additional acts, also in a timely manner, as may be reasonably required in order to accomplish the intent and purposes of this Agreement. The Parties acknowledge that this Agreement requires a high degree of cooperation between the Parties, and the Parties agree to work together in good faith to implement this Agreement in a manner that achieves its intents and purposes.

28. Mutual Contribution

The Parties to this Agreement and their counsel have mutually contributed to its drafting. Consequently, no provision of this Agreement shall be construed against any Party on the ground that such Party drafted the provision, or caused it to be drafted, or the provision contains a covenant of such Party.

29. Amendment and Modification

Subject to applicable law, this Agreement may be amended, modified, or supplemented only by a written agreement signed by the Parties.

30. Counterparts

This Agreement may be executed in two or more fully or partially executed counterparts, any one or more of which may be executed and delivered by facsimile transmission, each of which will be deemed an original binding the signer thereof against the other signing Parties, but all counterparts together will constitute one and the same instrument.

31. Entire Agreement

This Agreement and any other document to be furnished pursuant to the provisions hereof embody the entire agreement and understanding of the Parties hereto as to the subject matter contained herein. There are no restrictions, promises, representations, warranties, covenants, or undertakings other than those expressly set forth or referred to in such documents. This Agreement and such documents supersede all prior agreements and understandings among the Parties and any documents dated prior to execution of this Agreement with respect to the subject matter hereof.

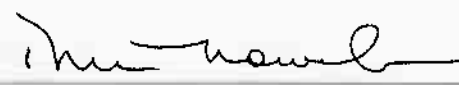
[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of _____, 2006.

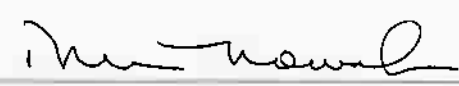
Clear Channel Outdoor, Inc.: Clear Channel Outdoor, Inc.

By: 


CBS Outdoor Inc. CBS Outdoor Inc.

By: 

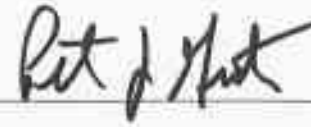
National Advertising Company National Advertising Company

By: 

City: City of Los Angeles,
a California municipal corporation

By: 
Name: Sharon Sedorf Cardenas
Title: Assistant City Attorney

Approved as to Form: City Attorney

By: 
Name: Peter D. Gutierrez
Title: Assistant City Attorney

permits except the permit with the earlier date and time of issuance shall be invalid.

91.6205.17. Notification to Sign Purchasers. (Added by Ord. No. 172,703, Eff. 8/16/99.) Any person who sells an identification sign, monument sign, pole sign, projecting sign or wall sign, as those terms are defined in Section 91.6203 of this Code, for installation in the City of Los Angeles, shall provide written notice of the provisions of this division to the purchaser. The Superintendent shall promulgate regulations setting forth the content for this notification.

91.6205.18. Off-Site Sign Periodic Inspection Program. (Added by Ord. No. 174,442, Eff. 4/1/02.)

91.6205.18.1. General. All off-site signs subject to the provisions of Section 91.6218 *et seq.* of this Code will be subject to regular inspection by the Superintendent or an authorized representative. Inspections may also be complaint-based.

91.6205.18.2. Fees for Inspection. This fee shall be known as the "Off-Site Sign Periodic Inspection Fee." The person in control of an off-site sign subject to inspection shall pay a regulatory fee on or before October 1, 2002. Thereafter, the fee shall be due on October 1 of each and every year. The fee for the 2002-2003 fiscal year is \$314.00 per off-site sign structure.

If the fees are not paid on or before the last day of the month in which they are due, a monthly penalty equal to five percent (5%) of any outstanding fees, but not less than \$10.00, shall be added to said fees. Any fees remaining unpaid after the last day of the month shall continue to accrue an additional monthly penalty of five percent (5%) of the outstanding principal fees on the last day of each month until paid in full. Should the owner fail to pay the required fee, the City of Los Angeles will recover it, plus accrued penalties, utilizing any remedies provided by law.

The Department shall cause all money collected pursuant to this section to be deposited into the Off-Site Sign Periodic Inspection Fee Trust Fund described in Section 5.111.17 of the Los Angeles Administrative Code for purposes of disbursement as that section permits. Any unspent fees collected under the provisions of this section shall be credited and considered for purposes of determining the amount of the fee for the next fiscal year. The Department of Building and Safety shall report to the City Council, no later than June 30 of each year, on the actual costs of the regulatory program and shall recommend the amount of the fee for the next fiscal year.

The regulatory fee shall be used to finance the costs of administering the inspection program, including but not limited to investigation, inspection, issuance of inspection certificates, maintenance of the off-site sign database and the cost of civil enforcement. Payment of the fee shall not create a presumption that the sign is lawfully erected, as that term is defined in Section 91.6202.3 of this Code. (Amended by Ord No. 174,736, Eff. 9/13/02.)

91.6205.18.3. Inspection Certificate. The Department or its designee shall upon payment of proper fees, and furnishing of the building permit number, or a copy of the building permit, or a statement signed under penalty of perjury setting forth the circumstances by which the sign was acquired and/or installed and/or the date of issuance of the building permit, issue a certificate affirming that the "Off-Site Sign Periodic Inspection Fee" was paid. Thereafter, the Department or its designee shall issue a renewal certificate upon payment of proper fees and the furnishing of a statement affirming that there are no changes to the information provided for the original inspection certificate, or a statement signed under penalty of perjury setting forth any updated information. The certificate or renewal certificate shall be attached to the exterior surface of the sign body in a location that will be readable from ground level.

91.6205.18.4. Frequency of Inspection. Each off-site sign shall be inspected annually after the initial inspection.

91.6205.18.5. Off-Site Sign Inventory. The Department shall maintain a database containing the following information on all signs subject to inspection pursuant to Section 91.6205.18 *et seq.* of this Code. The database shall contain: building permit number, size of sign as shown on the building permit, date installed, any subsequent building permits issued for that sign, and any information required pursuant to this Chapter or obtained pursuant to inspection.

91.6205.18.6. Orders. If, upon inspection, the Superintendent or an authorized representative discovers one or more violations of this Code, the Superintendent shall cause to be issued an Order To Comply.

91.6205.18.7. Reinspection. The Superintendent or an authorized representative shall reinspect the off-site sign after the time specified in the order has passed to determine whether the violation has been corrected. If it has not been corrected, then the Superintendent may take any enforcement action the Superintendent deems appropriate.

91.6205.18.8. Violations. If the person in control of an off-site sign fails to pay the fees required in this section and the Department determines that the off-site sign was not lawfully erected, the off-site sign shall be subject to the provisions of Section 91.6202.3 of this Code.

SEC. 91.6206. EXISTING SIGNS.

(Amended by Ord. No. 171,175, Eff. 7/25/96.)

91.6206.1. Existing Sign Rights. Every existing sign and/or sign support structure constructed under a valid permit and used in conformance with the code regulations and Department approvals in effect at the time of construction shall be allowed to continue to exist under those regulations and approvals even though subsequent adopted regulations and approvals have changed the requirements.

91.6206.2. Maintenance of Existing Signs. (Every sign and/or sign support structure shall be maintained in conformity with Section 91.6205.9.

91.6206.3. Illegal Signs, Construction and Use. Every existing sign and/or sign support structure, or portion thereof, constructed without a valid building permit shall be made to conform to the current provisions of this Code or shall be demolished and removed. Any use of an existing sign constructed without a valid building permit shall be discontinued.

91.6206.4. Alterations, Repairs or Rehabilitation.

91.6206.4.1. Alterations, repairs or rehabilitation of any existing sign and/or support structure may be of the same type of construction as the existing sign or sign support structure provided:

1. The aggregate value of such work in any one year does not exceed 10 percent of the replacement cost of both the sign and sign support structure; and