

SIGN RELOCATION AGREEMENT

This Agreement ("Agreement") is made at Oakland, California as of August 11, 2010 ("Effective Date"), between the City of Oakland, a municipal corporation ("City"), and Clear Channel Outdoor, Inc., a Delaware Corporation ("Clear Channel").

Recitals

WHEREAS, the City has a policy favoring reduction of billboards in the City; and

WHEREAS, Clear Channel maintains a number of billboards within the City; and

WHEREAS, Clear Channel is agreeable to demolishing and removing thirty-three (33) billboard facings (16 billboard structures) it operates in the City if the City permits Clear Channel to: (i) construct one (1) new off-premise billboard (2 facings) ("New Billboard"); and (ii) relocate/convert one (1) existing on-premise billboard (1 facing) into an off-premise billboard ("Existing Billboard" that, together with the New Billboard, shall collectively be referred to herein as the "New Signs"), both to be located in the City at the Main Wastewater Plant owned by the East Bay Municipal Utility District ("EBMUD"); and

WHEREAS, Clear Channel has executed an Amended and Restated Billboard Lease Agreement with EBMUD, dated March 23, 2010 (the "EBMUD Lease"), whereby, among other things, Clear Channel obtained permission from EMBUD to construct and operate the New Signs at EBMUD's Main Wastewater Plant; and

WHEREAS, this Agreement, among other things: (1) requires Clear Channel to remove at its sole cost and expense, and without compensation to Clear Channel, the entirety of the billboard structures specified on Exhibit A (collectively, the "Removed Signs"); (2) permits Clear Channel, pursuant to the EBMUD Lease, to construct/convert/relocate the "New Signs," as applicable; (3) requires Clear Channel to contribute to the City's General Fund, to be used as the City determines in its sole and absolute discretion: (i) within seven (7) days of the execution of this Agreement, a cash contribution of \$400,000 (the "Initial City Payment"); and (ii) an amount calculated on an annual basis, and payable pursuant to the terms of this Agreement: the greater of: (A) ten percent (10%) of the gross revenue from the New Signs; or (B) seventy-

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thousand dollars (\$70,000).

WHEREAS, removal of the Removed Signs is consistent with the City's objective to remove billboard signage throughout the City to enhance the City's physical attributes; and

WHEREAS, Clear Channel will waive any rights to compensation, including all real property and personal property interests, in the Removed Signs, when Clear Channel actually demolishes the Removed Signs; and

WHEREAS, all of the Removed Signs will be removed by Clear Channel at its sole cost and expense by the dates set forth in this Agreement, subject to Force Majeure as described in Paragraph 14A, infra, and in any event before any copy or advertising is placed on either of the New Signs; and

WHEREAS, the City recognizes that prior to constructing the New Signs, Clear Channel will need to procure permits, among others, from the California Department of Transportation (CalTrans) ("State Permit"), and that the City will reasonably assist Clear Channel in obtaining such permits, except that City shall have no obligation to incur out-of-pocket costs for such assistance; and

WHEREAS, the City has a policy favoring reduction of billboards in the City, and the State of California, through Bus. & Prof. Code Sections 5412 et seq and 5443.5 has a policy that encourages local municipalities to relocate outdoor advertising structures; and

WHEREAS, this Agreement results in a significant net decrease of outdoor advertising throughout the City; and

WHEREAS, the New Signs will not be allowed to advertise alcohol, tobacco, or firearms; and

WHEREAS, Clear Channel has previously represented and warranted in separate agreements with the City that it has fully complied with the Eller Media Co. Amortization Settlement Agreement between the City and Clear Channel, effective November 3, 1999 (the "Amortization Settlement Agreement"), and hereby reconfirms those previous representations and warranties as partial consideration for the City's execution of this Agreement;

Now therefore, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

Agreements

1. The recitals set forth above are true and correct.
2. Pursuant to City of Oakland Resolution 78209 C.M.S. and City of Oakland Planning Code section 17.104.060, in consideration of City's approval of said entitlements and agreement to issue all required sign and building permits ("City Permits") for the New Signs and removal authorization for the Removed Signs as contemplated under this Agreement, and subject to execution of this Agreement and satisfaction of any and all other conditions of approval and the terms and conditions of this Agreement, Clear Channel hereby waives its rights to, releases and forever discharges City, Redevelopment Agency of the City of Oakland ("Agency"), and their respective successors, assigns, officers, agents, employees and any and all persons, firms and corporations having any interest in them (hereafter called an "Indemnified Party" or collectively called "Indemnified Parties") or any of them of and from any and all claims and demand of any kind, nature and description whatsoever and from any and all liabilities, damage, injuries, action or causes of action either at law or in equity, whether for interests in real or personal property, including, but not limited to, any fees and/or costs reasonably incurred by City's staff attorneys or outside attorneys (hereafter collectively called "CLAIMS") which Clear Channel has or in the future may have against an Indemnified Party or any one or more of them, arising out of or in any way related to or connected with construction of the New Signs, or removal of the Removed Signs, including, but not limited to, any CLAIMS made or arising under the Outdoor Advertising Act (Chapter 2 of Division 3 of the Business & Professional Code, Section 5200 et seq.), CLAIMS for compensation arising under the California or United States Constitution, CLAIMS for damages under the California Tort Claims Act, or any relocation assistance or payment pursuant to the provisions of Title 1, Division 7, Chapter 16, of the Government Code of the State of California (Sections 7260 et seq.) or pursuant to any other local, state or federal laws or regulations with respect to any relocation of its business or activities, except for CLAIMS based on the City's failure to perform the terms of this Agreement. Clear Channel retains the right to claim just compensation from any entity having powers of eminent domain who acquires an interest in the property(ies) leased for construction of the New Sign(s) and who, after acquiring the property(ies) by eminent domain or the substantial equivalent, seeks to terminate Clear Channel's use of the New Sign(s).
3. It is understood and agreed that this is a full and final release applying to all unknown and unanticipated claims of Clear Channel in connection with the New Signs or the Removed Signs, as defined

in the prior paragraph, and as a further consideration and inducement for this Agreement, Clear Channel hereby expressly waives all rights or benefits which it may now have or in the future may have under the provisions of Section 1542 of the California Civil Code, which Section provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known to him must have materially affected his settlement with the debtor.”

4. Clear Channel agrees that it shall fully defend (with counsel reasonably acceptable to the City), indemnify, and hold harmless the Indemnified Parties from and against all CLAIMS, to which any or all of them may be subjected, arising directly or indirectly from or connected with, or related to, (a) this Agreement; (b) the New Signs; and (c) the Removed Signs, including, but not limited to, any CLAIMS made or arising under the Outdoor Advertising Act (Chapter 2 of Division 3 of the Business & Professions Code, Section 5200 et seq.), CLAIMS for compensation arising under the California or United States Constitution, claims for damages under the California Tort Claims Act or any relocation assistance or payment pursuant to the provisions of Title 1, Division 7, Chapter 16, of the Government Code of the State of California (Sections 7260 et seq.) or pursuant to any other local, state or federal laws or regulations with respect to any relocation of its business or activities. Clear Channel's obligations under this paragraph 4 shall survive any termination of this Agreement.

5. A) The Existing Billboard located at the site shown on Exhibit B attached hereto shall have the following physical characteristics: (1) shall be a traditional “static” sign with one (1) static advertising face on a monopole structure directed westerly along I-80, and shall not use LED, Tri-Vision, rotating or alternating, digital, or similar technology; (ii) shall be converted/retrofitted//relocated to be used as an off-premise outdoor advertising display; (iii) shall have an advertising display area height of 14 feet and an advertising display area width of 48 feet, with a total of 672 square feet of advertising display area; (iv) shall have two (2) – four hundred watt halophane light fixtures that directly illuminate the advertising display area; (v) shall be situated within 300 feet of I-80; and (vi) shall conform to the site plan, elevations, and the structural drawing and rendering, as depicted on Exhibit B attached hereto.

B) The New Billboard shall be located at the site shown on Exhibit C attached hereto, and shall have the following physical characteristics: (i) shall be a traditional “static” sign display with two (2) static advertising faces on a monopole structure directed west and east along I-80, and shall not use LED, Tri-

Vision, rotating or alternating, digital, or similar technology; (ii) shall have an advertising display area height of 14 feet and an advertising display area width of 48 feet, with a total of 1,344 square feet of advertising display area; (iii) shall have two (2) – four hundred watt halophane light fixtures that directly illuminate each of the two advertising faces; (iv) shall be situated within 200 feet of I-80; and (v) shall conform to the site plan, elevations, and the structural drawing and rendering as depicted on Exhibit C attached hereto..

6. During the process of securing all necessary State and City Permits for the construction/relocation/conversion of the New Signs, Clear Channel shall diligently, expeditiously, in good faith, and using best efforts, obtain City Permits for demolition to remove each of the Removed Signs. Subject to receipt of the State and City Permits for the New Signs, Clear Channel shall remove an individual Removed Sign within thirty (30) days from the date it receives a City Permit to demolish that individual Removed Sign, subject to Force Majeure as described in Paragraph 14B. Clear Channel shall bear all costs related to procuring all authorizations including, without limitation, City and State Permits, to demolish the Removed Signs, and constructing/converting/relocating, as the case may be, the New Signs. The City agrees that customary maintenance of the New Signs will not require the procurement of a new City building permit.

7. Clear Channel may construct a New Sign only after complying with paragraph 6 and only after Clear Channel has: (1) removed all of the Removed Signs within the time frame specified in Paragraph 6 subject to Force Majeure as described in Paragraph 14B; (2) made the Initial City payment within the time frame set forth and as defined in paragraph 9 hereof; and (3) obtained all required State and City Permits for construction/relocation/conversion of a New Sign, as applicable.

8. Without in any way limiting the City's remedies for breach of any provision of this Agreement, Clear Channel's failure to remove all of the Removed Signs within the timeframes set forth in paragraph 6, subject to Force Majeure as described in Paragraph 14B, shall constitute a material default, entitling the City to the remedies set forth in Paragraph 15 hereof.

9. (A) Clear Channel agrees to diligently, in good faith, and using best efforts: (i) seek to obtain all State, City and any other permits or approvals necessary for the construction/relocation/conversion, as applicable, of both of the New Signs (collectively the "Permits"); (ii) after obtaining Permits, construct the New Signs, but in any event, no later than six (6) months after obtaining the Permits for a respective New Sign.

(B) Clear Channel's rights under this Agreement are subject to obtaining all required Permits to construct/relocate/convert the New Signs for commercial outdoor advertising purposes. If Clear Channel obtains Permits for both New Signs, but fails to construct/relocate/convert both New Signs under the terms of this Agreement, then this Agreement shall terminate. Upon termination, the parties shall have no rights or remedies against the other, except that the City shall be entitled to keep the Initial City Payment if Clear Channel failed to comply with its obligations under Paragraph 9(A) hereof. If, despite its diligent, good faith and best efforts, Clear Channel obtains Permits for the construction/relocation/conversion of only one New Sign within the timeframes set forth herein, then: (1) all provisions of this Agreement shall apply to construction and operation of the one permitted New Sign; (2) if Clear Channel is not otherwise in default under this Agreement, the City shall return to Clear Channel one-half of the Initial City Payment, within thirty (30) days; and (3) there shall be no pro-ration of Clear Channel's other obligations under this Agreement, including, without limitation, its obligation to demolish all of the Removed Signs.

(C) Within seven (7) days of the execution of this Agreement, Clear Channel shall make the Initial City Payment. Subject to Paragraph 9(B), if Clear Channel, after proceeding diligently, in good faith, and using best efforts, fails to obtain the Permits for both New Signs within the timeframe set forth in Paragraph 14B, and Clear Channel is not otherwise in default hereunder, then this Agreement shall terminate and, within thirty (30) days of the expiration of the date set forth in Paragraph 14B, City shall return the Initial City Payment to Clear Channel.

(D) Clear Channel, at its sole cost and expense, shall: (i) install ten (10) native California oak trees at the time and at a location in West Oakland, to be designated by the City; and (ii) within thirty (30) days of completion of tree installation, pay to the City the sum of four thousand six hundred and ninety dollars (\$4,690) representing a reasonable estimate of the tree maintenance costs for one (1) year. After the City receives the aforementioned payment, the City, and not Clear Channel, shall have sole responsibility for maintaining the trees.

10. In addition to the Initial City Payment, Clear Channel agrees to pay the City, without offset or deduction, a Minimum Annual Guarantee Payment and Percentage Rent (collectively "Rent") as described below.

(1) Clear Channel shall pay City a minimum annual guarantee payment of seventy thousand dollars (\$70,000) ("Minimum Annual Guarantee Payment"), payable monthly in equal installments. Clear Channel

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shall pay the first Minimum Annual Guarantee Payment beginning on the fifteenth (15th) day of the first month following the Commencement Date of the EBMUD Lease, with subsequent monthly payments due on the fifteenth (15th) day of each month thereafter for the Term of this Agreement.

(2) In addition to the monthly installment of the Minimum Annual Guarantee Payment, Clear Channel shall pay to the City as Percentage Rent for each month at the same time as the monthly installment of the Minimum Annual Guarantee Payment during the Term an amount equal to ten percent (10%) of the Gross Revenue (as hereafter defined) derived from the New Signs for the previous month less the monthly installment of the Minimum Annual Guarantee Payment paid for such previous month.

(3) Upon the termination or expiration of this Agreement, Clear Channel shall pay any unpaid Minimum Annual Guarantee Payments and Percentage Rent within 15 days after said expiration or termination.

(A) The term "Gross Revenue" when used in this Agreement shall include all gross receipts from any and all revenue derived in whole or in part from the New Signs, including, without limitation, revenues from: (1) advertising sales, and (2) telecommunications revenue arising from the granting of licenses, permits, or any other rights granted by Clear Channel or EBMUD in or about the New Signs. Gross Revenue shall be determined on an accrual basis whether or not actually received. Gross Revenue shall include all cash and the fair market value of any other consideration from such business. Except as expressly provided herein, no cost or expense shall be deducted in computing Gross Revenue.

(B) No deduction shall be made from Gross Revenue by reason of a delinquent or missed payment by a debtor, or any credit loss sustained or discount or deduction that may be applicable by reason of the acceptance or use of credit cards, other credit arrangements or the like. If a debtor fails to make a payment due under a valid contract, the missed or delinquent payment (less any applicable advertising commission as described below) shall be included in the Gross Revenue calculation. If a charge for any non-advertising sale is not made or collected, the fair market value thereof nevertheless shall be included in the term Gross Revenue.

(C) Clear Channel agrees that it will exercise its good faith business judgment, consistent with standard advertising industry business practices and then-existing economic and advertising

sales conditions, to sell advertising in a manner so as not to undermine the City's right to Rent as contemplated hereunder. By way of example, and not limitation, Clear Channel shall not exercise bad faith in an attempt to minimize the City's Rent by: (i) selling advertising on a face as part of a string or group of signs with an improper allocation of Gross Revenue attributable to the New Signs; (ii) improperly discounting the New Signs in exchange for other business with its clients; or (iii) improperly minimizing any trade value Clear Channel receives in exchange for advertising on the New Signs.

- (D) Gross Revenue shall not include reasonable and customary commissions paid for advertisement placement, up to a maximum of 15% of the cost of each such advertisement. Thus, Clear Channel shall exclude reasonable and customary advertising agency commissions actually paid by Clear Channel for placement of advertising copy on the New Signs (up to a maximum of 15% of the cost of such advertising) from calculation of Gross Revenue prior to payment of the percentages of such Gross Revenues to the City. No commissions may be deducted from Gross Revenue for telecommunications revenue
- (E) Clear Channel acknowledges that late payment of any Rent payment will cause the City to incur costs not contemplated by this Agreement, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges. Accordingly, if the City receives any Rent Payment later than ten (10) days after such amount is due, then, without any requirement for notice to Clear Channel, Clear Channel shall immediately pay to the City a one-time late charge equal to five percent (5%) of each such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs the City will incur by reason of such late payment. Acceptance of such late charge by the City shall not constitute a waiver of Clear Channel's default, breach, or event of default with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies under this Agreement. In addition, any monetary payment to the City other than the late charges, not received when due by the City, shall bear interest from its due date at the rate of ten percent (10%) per annum. Interest is payable in addition to any late charge imposed.
- (F) Within thirty (30) days after the close of each calendar year, Clear Channel shall submit to the City a written year-end reconciliation report which identifies by month Gross Revenues, commissions, trade/barter, unsold and/or discount or bonus space and explanation therefore, and a calculation of Percentage Rent. Clear Channel shall comply with any written request of the

City for copies of advertiser contracts and commission agreements within five (5) business days after receipt of the City's request. An annual adjustment shall be made with respect to Percentage Rent for such calendar year as follows: If Clear Channel shall have paid to the City an amount greater than Clear Channel is required to pay as Percentage Rent for such year, Clear Channel shall be entitled to a credit against Clear Channel's next monthly Rent payments for the amount of such overpayment; provided that, should this Agreement terminate or expire, then the City shall reimburse Clear Channel for such amount within thirty (30) calendar days of receipt of Clear Channel's written request, or if Clear Channel shall have paid an amount less than the Percentage Rent required to be paid, then Clear Channel shall immediately pay such difference to the City. In no event shall Percentage Rent be less than zero. Notwithstanding the provisions for payment of Percentage Rent, the City shall not, in any event, be deemed to be a partner or associate of Clear Channel in the conduct of its business.

- (G) Clear Channel shall maintain or cause to be maintained adequate accounting systems and controls to insure that all Gross Revenue is recorded on an accrual basis. Clear Channel shall keep or cause to be kept true and accurate books and records showing all of such business transactions in connection with this Agreement, and the City shall have the right, through its representatives and at all reasonable times, upon at least 7 business days' prior written notice to Clear Channel, to inspect such books and records, including City business tax records and State of California sales tax return records as pertains solely to transactions in connection with this Agreement, and Clear Channel hereby agrees to make or cause to be made such books and records available to the City or its authorized representatives upon request. Said books and records shall be retained for at least seven (7) years after occurrence of the transactions to which they relate. If such books and records are not kept and maintained within a radius of 50 miles from the main office of the City in Oakland, California, upon request of the City, Clear Channel shall make such books and records available to the City for inspection and audit at a location within said 50-mile radius or Clear Channel shall pay to the City the reasonable and actual costs incurred by the City in inspecting and auditing such books and records, including but not limited to travel, lodging and subsistence costs. If the City's examination of Clear Channel's records shows a deficiency, Clear Channel shall immediately pay the deficiency plus ten percent (10%) from the date due to the City. Additionally, if the City's audit reveals that for any one year period Gross Revenue reported in Clear Channel's monthly accounting to the City was 3% (or more) less than the Gross Revenues required to be reported pursuant to this Agreement, Clear Channel

shall pay to the City all of the City's reasonable and actual costs (including without limitation the prorated salary of the City's auditors, fringe benefits and overhead allocation, or the costs of the City's outside auditors) incurred by the City in auditing such books and records. If, however, the parties cannot agree on the results of the City's audit, the City may (but is not required to) have an audit performed by independent certified public accountants (CPA). The City shall present to Clear Channel the names of 3 CPA firms, none of whom are rendering service to the City at the time of such submission or who have rendered service to the City within the preceding year. Within 15 days thereafter Clear Channel shall, by written notice to the City, select one of said firms who shall be the firm to perform the audit. If Clear Channel fails to select a firm within said period, the City shall select the firm. Clear Channel and the City agree that the CPA's decision shall be final and conclusive. Clear Channel shall pay to the City the City's costs of retaining the CPA firm, as well as the City's said reasonable and actual costs incurred by the City in inspecting such books and records, if the CPA determines that the Gross Revenue reported in any month by Clear Channel in any one year is 3% (or more) less than the Gross Revenue which Clear Channel was required to report.

- (H) Clear Channel covenants and agrees for itself and its permitted successors and assigns that, for the Term of this Agreement, it will continuously operate its business of selling space on the New Signs and in a manner that will maximize to the greatest extent reasonably possible Gross Revenue.

11. In addition to, and without limiting in any way, the provisions of Paragraph 4 of this Agreement, Clear Channel agrees to the following:

(A) To the maximum extent permitted by law, Clear Channel shall defend (with counsel reasonably acceptable to the City), indemnify, and hold harmless the City of Oakland, the Oakland City Council, the City of Oakland Redevelopment Agency, the Oakland City Planning Commission and its respective agents, officers, and employees (for purposes of this Paragraph 11, individually a "City Party" or collectively, "City Parties") from any liability, damages, claim, judgment, loss (direct or indirect), action, causes of action or proceeding (including legal costs, attorneys' fees, expert witness or consultant fees, City Attorney or staff time, expenses or costs) (collectively called "Action") against a City Party to attack, set aside, void or annul, (1) an approval by a City Party relating to this Agreement, any New Sign or any Removed Sign; or (2) implementation of any action authorized by this Agreement. The City may elect, in its sole discretion, to participate in the defense of said Action and Clear Channel shall reimburse the City for its reasonable legal

costs and attorneys' fees.

Within ten (10) calendar days of the filing of any Action as specified in preceding paragraph above, Clear Channel shall execute a Letter of Agreement with the City, acceptable to the Office of the City Attorney, which memorializes the above obligations. These obligations and the Letter of Agreement shall survive termination, extinguishment or invalidation of the approval. Failure to timely execute the Letter of Agreement does not relieve the applicant of any of the obligations contained in this Paragraph or any other requirements or conditions of approval that may be imposed by the City.

(B) Clear Channel represents and warrants that the map attached hereto as Exhibit D depicts the location of the New Signs, and that as of the date hereof, and expressly subject to and based upon current local and state rules and regulations in effect, such location of the New Signs will not prevent an off-premise sign from being constructed on the parcels marked "West Gateway Area," "East Gateway Area," "Central Gateway Area," and "North Gateway Area." Clear Channel shall defend, indemnify, and hold harmless any City Party (as defined in paragraph 11(A)) above, if the immediately preceding representation and warranties prove incorrect. Clear Channel's obligations under this paragraph 11(B) shall survive any termination of this Agreement.

12. Neither of the New Signs will ever be used to advertise alcohol, tobacco or guns/firearms.

13. **TRANSFERS; SIGNIFICANT CHANGE**

(A) **Consent of the City.** Clear Channel, its permitted successors and permitted assigns shall not (i) suffer or permit any Significant Change to occur, or (ii) assign or sell any interest in this Agreement either voluntarily or by operation of law (both (i) and (ii) above, a "Transfer"), without the prior written consent of the City, which consent shall not be withheld or delayed unreasonably by the City. The City shall not withhold its consent to any Transfer if the conditions set forth in Paragraph 13(C) are satisfied and if the City determines, in its reasonable judgment, that the transferee (i) has the financial capacity to own and operate the New Signs and to perform the obligations hereunder; (ii) has a good reputation; and (iii) has sufficient experience in the operation and maintenance of advertising signs of a type and size comparable to the New Signs.

(B) **Partial Transfer.** Clear Channel shall not effect a Transfer hereunder of less than both New Signs without the City's consent, which may be withheld in the City's sole and absolute discretion.

(C) **Conditions.** Any Transfer is further subject to the satisfaction of the following conditions precedent, each of which is hereby agreed to be reasonable as of the date hereof:

- (1) any proposed transferee, by instrument in writing, for itself and its successors and assigns, and expressly for the benefit of the City, must expressly assume all of the obligations of "Clear Channel" under this Agreement and any other agreements or documents entered into by and between the City and Clear Channel relating to the New Signs, and must agree to be subject to all of the conditions and restrictions to which Clear Channel is subject under such documents. It is the intent of the Parties, to the fullest extent permitted by law and equity, that no Transfer of this Agreement, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, may operate, legally or practically, to deprive or limit the City of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the New Signs that the City would have had, had there been no such Transfer. It shall be reasonable for the City to withhold its consent to the extent that any such Transfer would serve to so deprive or limit the City with respect to its rights under this Agreement; and
- (2) all instruments and other legal documents involved in effecting the Transfer shall have been submitted to the City for review, including the agreement of sale, transfer, or equivalent, any regulatory approvals, and the City shall have approved such documents which approval shall not be unreasonably withheld or delayed; and
- (3) Clear Channel shall have complied with the provisions of Paragraph 13(D) hereof; and
- (4) there shall be no uncured event of default or unmatured event of default on the part of Clear Channel under this Agreement uncured or any of the other documents or obligations to be assigned to the proposed transferee, or if uncured, Clear Channel or the proposed transferee have made provisions to cure the event of default, which provisions are satisfactory to the City in its sole and absolute discretion; and
- (5) the proposed transferee (a) has demonstrated to the City's reasonable satisfaction that it is capable, financially and otherwise, of performing each of Clear Channel's obligations under this Agreement and any other documents to be assigned, and (b) is subject to the jurisdiction of the courts of the State of California; and
- (6) Clear Channel deposits sufficient funds to reimburse the City for its reasonable legal expenses to review the proposed Transfer.

(D) **Delivery of Executed Transfer.** No Transfer of any interest in this Agreement made with the City's consent, or as herein otherwise permitted, will be effective unless and until there has been delivered to the City, within thirty (30) days after Clear Channel entered into such Transfer, an

executed counterpart of such Transfer containing an agreement executed by Clear Channel and the transferee, wherein and whereby such transferee assumes performance of all of the obligations on the Clear Channel's part to be performed under this Agreement and the other assigned documents to and including the end of the term of this Agreement (provided, however, that the failure of any transferee to assume this Agreement, or to assume one or more of Clear Channel's obligations under this Agreement, will not relieve such transferee from such obligations or limit the City's rights or remedies under this Agreement or under applicable law). The form of such instrument of Transfer shall be subject to the City's approval, which approval shall not be unreasonably withheld or delayed.

(E) No Release of Clear Channel's Pre-Transfer Liability or Waiver by Virtue of Consent.

The consent by the City to a Transfer hereunder is not in any way to be construed to (i) from and after the date of such Transfer, relieve Clear Channel of any liability arising out of or with regard to the performance of any covenants or obligations to be performed by Clear Channel hereunder prior to the effective date of such Transfer, or (ii) relieve any transferee of Clear Channel from its obligation to obtain the express consent in writing of the City to any further Transfer.

(F) Notice of Significant Changes; Reports to the City. "Significant Change" means (a) any dissolution, merger, consolidation or other reorganization, or any issuance or transfer of beneficial interests in Clear Channel, directly or indirectly, in one or more transactions, that results in a change in the identity of the persons controlling Clear Channel, or (b) the sale of fifty percent (50%) or more of Clear Channel's assets, capital or profits, or the assets, capital or profits of any person controlling Clear Channel. Clear Channel must promptly notify the City of any and all Significant Changes. At such time or times as the City may reasonably request, Clear Channel must furnish the City with a statement, certified as true and correct by an officer of Clear Channel, setting forth all of the constituent members of Clear Channel and the extent of their respective interests in Clear Channel, and in the event any other persons have a beneficial interest in Clear Channel, their names and the extent of such interest.

(G) Affiliate. Notwithstanding anything to the contrary in this Agreement, Clear Channel shall have the right to Transfer this Agreement to an Affiliate without the consent of the City subject, however, to Clear Channel's compliance with the conditions in Subparagraphs (C)(1)-(4) and (6), (D), and (E) of this Paragraph 13. For purposes of this Paragraph 13: (i) "Affiliate" means any entity Controlling, Controlled by, or under Common Control with another entity; and (ii) "Control" means the ownership by one entity of more than fifty percent (50%) of the profits or capital of another entity, and Controlled and Controlling have correlative meanings. Common Control means that two

entities are both Controlled by the same other entity.

14(A) . Prior to construction/relocation/conversion of the New Signs, Clear Channel shall: (i) provide a copy of this Agreement to EBMUD; (ii) include a reference in the EBMUD Lease: that the EBMUD Lease is subject to the terms of this Agreement with respect to the New Signs and binding on any subsequent transferee of either EBMUD or Clear Channel; and (iii) at Clear Channel's expense, record with the Alameda County Recorder a fully executed Memorandum of Lease substantially in the form attached hereto as Exhibit E. Clear Channel shall provide City with written documentation that it has complied with the conditions set forth in clauses (i) and (ii) above within ten (10) days of compliance. Within ten (10) of recording, Clear Channel shall give City a conformed, filed copy of the executed and recorded Memorandum of Lease referred in clause (iii) above.

14(B). If, by reason of acts of God, the initiation of legal action, bureaucratic delay, or any other cause or event beyond Clear Channel's reasonable control ("Force Majeure"), Clear Channel is, after diligent, good faith, and best efforts, (i) delayed in procuring the Permits or in removing the Removed Signs, constructing the New Signs, or (ii) unable to fulfill or is delayed in fulfilling any of Clear Channel's other obligations under this Agreement, other than (x) any obligation resulting from financial inability, Clear Channel shall have an additional period equal to the period of Force Majeure to obtain the Permits, remove the Removed Signs, construct the New Signs, or to comply with any other obligation under this Agreement. If Clear Channel fails to procure the Permits within six months of the final execution of this Agreement, but reasonably demonstrates to City that it is proceeding in good faith and diligently and using best efforts to procure the Permits, the parties will attempt to agree to extend the terms of this Agreement on such terms as they deem fit. If Clear Channel does not procure the Permits within six months of the final execution of this Agreement, or such extension as the parties may agree, this Agreement shall become null and void; Clear Channel may maintain the Removed Signs (subject to any obligation to remove one or more of the Removed Signs pursuant to a City amortization requirement); Clear Channel shall be entitled to recover the Initial City Payment under the terms set forth in paragraph 9 hereof; neither party shall have a claim against the other party; and, except for any obligation that expressly survives termination of this Agreement, each party shall release the other from any liability hereunder. The City shall cooperate with Clear Channel if necessary to obtain approval from Caltrans and any other oversight agency for the construction of the New Signs by providing a letter in support of the Relocation/Construction of the New Signs, provided that City shall not be required to incur any out-of-pocket costs. Notwithstanding anything in this Paragraph 14B, under no circumstances shall a Force Majeure attributable to a bureaucratic delay of

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CalTrans regarding issuance of Permits for erection of the New Signs, exceed a total of six (6) months (i.e., such that the total time for Clear Channel to obtain the CalTrans permits shall not exceed 12 months from the execution of this Agreement).

15. Subject to paragraph 14B, if, after City gives a written notice ("Notice") demanding compliance with a material provision of this Agreement, Clear Channel (i) fails to comply with the Notice within fifteen days; or, (ii) if the cure cannot reasonably be completed within that time, fails to diligently commence to cure; or, (iii) in any event, fails to complete the cure within a reasonable time which in any event shall not exceed sixty (60) days, then at its option City has the following cumulative, non-exclusive remedies: (a) the right to terminate this Agreement; (b) the right of injunctive relief and specific performance, (c) the right to require Clear Channel, at its expense and without any compensation, to demolish one or both of the New Signs; (d) the right to obtain compensatory and consequential damages; and (e) any other remedy provided by law. Under no circumstances shall City be required to return to Clear Channel all or any portion of the Initial City Payment or any Rent Payments. This last sentence is not intended to limit Clear Channel's remedies at law or equity in the event of a material breach of this Agreement by the City.

16. In the event of a voluntary or involuntary liquidation or reorganization case by or against Clear Channel under bankruptcy, receivership or other insolvency law, federal or state, Clear Channel agrees that the City shall be free to pursue enforcement of this Agreement and to enforce the advertising sign restrictions specified under Paragraph 12, without opposition or interference by Clear Channel; that the City shall be entitled to seek and obtain relief from any automatic stay under section 362 of the Bankruptcy Code, and/or the state equivalent, as such law(s) may be amended, if such a stay is applicable, without objection by Clear Channel; and that any rights to stay, enjoin, or otherwise delay or impede the City's remedies for violations of this Agreement or to enforce the City's rights in and to the consideration provided pursuant to this Agreement, including without limitation any rights under sections 105 and 362 of the Bankruptcy Code, and/or the state equivalent, as such law(s) may be amended, are hereby released and waived. Clear Channel further agrees that it will not dispute any claim by the City that an action to enforce the provisions of Paragraph 12 constitutes an action to enforce the City's police and regulatory powers, within the meaning of section 362(b) of the Bankruptcy Code, and/or the state equivalent, as such laws may be amended, if the City makes such a claim in any such enforcement proceeding.

17. The terms of this Agreement are contractual in nature and shall remain valid no matter the outcome of the claim of any decision by the U.S. Supreme Court or any other court, or any duly enacted law,

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regulation or statute, in the field of advertising, alcohol, firearms, or tobacco regulation.

18. This Agreement may be pleaded as a full and complete defense to, and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of this Agreement.

19. No failure by any party to insist on the strict performance of any obligation of another party under this Agreement or to exercise any right, power, or remedy arising out of a breach hereof, will constitute a waiver of such breach or of the enforcing party's right to demand strict compliance with any terms of this Agreement. No acts or admissions by any party or its employees, agents or contractors, will waive any or all of the enforcing party's rights under this Agreement.

20. This document, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alterations to the terms of this Agreement shall be valid unless approved in writing by City and Clear Channel.

21. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Litigation arising out of or connected with this Agreement shall be instituted and maintained in the courts of Alameda County.

22. The person(s) signing this Agreement for Clear Channel hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of Clear Channel, thereby binding Clear Channel to the terms and conditions of this Agreement.

23. Time is expressly declared to be of the essence in the performance of this Agreement specifically including, without limitation, the provisions of Paragraphs 6, 7, 9 and 10 hereof.

24. This Agreement is binding upon and inures to the benefit of the parties hereto, and their respective heirs, executors, administrators, trustors, trustees, beneficiaries, predecessors, successors, assigns, members, partners, partnerships, shareholders, parent, subsidiary, affiliated and related entities, officers, directors, principals, agents, employees, servants, representatives, attorneys, insurers and sureties, and all persons, firms, associations and/or corporations connected with them, including without limitation, their insurers,

sureties and/or attorneys, and any others claiming through or under or having the right to claim through or under any or all of them.

25. Any notice, including correspondence, required or made with respect to this Agreement, shall be in writing, and sent to the following persons, or to such person or persons as any party may subsequently identify (in accordance with this provision) to the other party; provided, however, that courtesy copy notices are not required to be received in order for the notice to be deemed effective:

For Clear Channel:

Mr. Todd Hansen, President & General Manager
Clear Channel Outdoor, Inc.
555 12th Street, Suite 950
Oakland, CA. 94607
Phone: (510) 835-5900
Facsimile: (510) 834-9410

For the City:

City of Oakland
C/o Community and Economic Development Agency
250 Frank H. Ogawa Plaza, Suite 5313
Oakland, CA 94612
Attn: Agency Administrator

And

Dianne M. Millner
Deputy City Attorney
One Frank H. Ogawa Plaza, 6th Floor
Oakland, CA 94612
Facsimile: (510) 238-6500
Email: dmillner@oaklandcityattorney.org

And

John A. Russo
City Attorney
One Frank H. Ogawa Plaza, 6th Floor
Oakland, CA 94612
Facsimile: (510) 238-6500
Email: jrusso@oaklandcityattorney.org

All notices required or permitted to be given under this Agreement shall be sufficiently given if personally delivered, or mailed by registered or certified United States mail, postage prepaid, addressed to the 649477-8

party as specified in this paragraph 25. If mailed, the written notice shall be deemed received and shall be effective on the earlier of the date of actual receipt by the addressee or three (3) business days after deposit in the United States mail in the State of California. Any party to this Agreement may change the name or address of representatives for purposes of this Notice Paragraph, by providing written notice to all other parties ten (10) business days before the change is effective.

26. Clear Channel for itself, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree with respect to its activities under this Agreement:

a. That Clear Channel shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, actual or perceived sexual orientation, national origin, age, physical or mental handicap or disability as set forth in the Americans with Disabilities Act of 1990, or veteran's status. Clear Channel shall take affirmative action to ensure that applicants and employees are treated fairly. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Clear Channel agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City's Equal Opportunity Employment Officer setting forth the provisions of this Paragraph;

b. That Clear Channel shall, in all solicitations or advertisements for employees placed by or on behalf of Clear Channel, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, actual or perceived sexual orientation, national origin, age, physical or mental handicap or disability as set forth in the Americans With Disabilities Act of 1990, or veteran's status; and

c. That Clear Channel's noncompliance with the provision of this clause shall constitute a material breach of this Agreement.

27. This Agreement may be subject to the City of Oakland's Campaign Reform Act of Chapter 3.12 of the Oakland Municipal Code, and its implementing regulations. The City of Oakland Campaign Reform Act prohibits contractors covered by the Act that are doing business with or seeking to do business with the City of Oakland from making campaign contributions to Oakland candidates between the commencement of negotiations and either 180 days after completion of, or termination of, contract negotiations. If applicable, 649477-8

Clear Channel must sign and date an Acknowledgment of Campaign Contribution Limits Form as required by the Oakland Municipal Code.

28. The Parties will work together in the spirit of good faith and cooperation to successfully implement this Agreement. To the extent there are any disagreements among the Parties, including alleged violations of the Agreement, the Parties will immediately raise those disagreements. Prior to initiating any legal action, the Parties will meet in good faith to attempt to resolve the disagreement. If the issue still remains unresolved 5 business days after the meeting, any of the Parties may bring a legal action to enforce this Agreement. However, any and all legal actions may be brought only if the preceding dispute resolution process has been completed.

29. If any phrase, clause, section, subsection, paragraph, subdivision, sentence, term or provision of this Agreement, or its application to a particular situation, shall be finally found to be void, invalid, illegal or unenforceable by a court of competent jurisdiction, then notwithstanding such determination, such term or provision shall remain in force and effect to the extent allowed by such ruling and all other terms and provisions of this Agreement or the application of this Agreement to other situation shall remain in full force and effect. Notwithstanding the foregoing, if any material term or provision of this Agreement or the application of such material term or condition to a particular situation is finally found to be void, invalid, illegal or unenforceable by a court of competent jurisdiction, then the parties hereto agree to work in good faith and fully cooperate with each other to amend this Agreement to carry out its intent.

30. The parties agree that they jointly drafted this Agreement. Accordingly, the parties agree that any and all rules of construction to the effect that ambiguity is construed against the drafting party shall be inapplicable in any dispute concerning the terms, meaning, or interpretation of this Agreement.

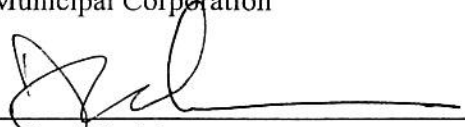
31. Nothing in this Agreement shall otherwise affect any obligation to remove one or more of the Removed Signs pursuant to a City amortization requirement.

32. Nothing in this Agreement including, without limitation, paragraph 9 hereof, shall confer any rights in favor of any third parties.

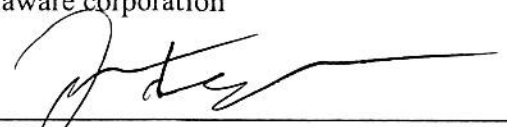
33. This Agreement may be executed in counterparts, and in facsimile and/or electronic form, and all so executed, shall constitute an agreement which shall be binding upon all Parties hereto, notwithstanding that the signatures of all Parties' designated representatives do not appear on the same page.
34. Each party acknowledges that he, she, or it has had an opportunity to have, and did have, this Agreement reviewed by an attorney.
35. This Agreement may be amended only by an instrument in writing signed by authorized representatives of the party against whom enforcement is sought.
36. Until Arizona rescinds SB 1070, the City of Oakland urges City departments (1) to the extent where practicable, and in instances where there is no significant additional cost to the city or conflict with law, to refrain from entering into any new or amended contracts to purchase goods or services from any company that is headquartered in Arizona, (2) to not send City officials or employees to conferences in Arizona, and (3) to review existing contracts for the purchase of goods and services with companies headquartered in Arizona and explore opportunities to discontinue those contracts consistent with the terms of those contracts and principles of fiscal responsibility. Clear Channel represents, warrants, and certifies that Clear Channel is not headquartered in Arizona.
37. The Term of this Agreement is from the Effective Date until the earlier of: (1) the expiration or earlier termination of the EBMUD Lease, or (2) the earlier termination of this Agreement pursuant to its terms. At the end of the Term, Clear Channel shall, at its sole cost and expense, promptly demolish or remove the New Signs and any improvements related thereto.

Executed as of the day first above stated.

City of Oakland,
A Municipal Corporation


By: City Administrator

Clear Channel Outdoor, Inc.,
a Delaware corporation


By: _____
Todd Hansen
Its: President & General Manager,
Northern California Division

Approved as to form and legality:


Deputy City Attorney

EXHIBIT A

LIST OF SIGNS TO BE REMOVED

x TEL V

x 

Exhibit A (Revised 10/7/09)

Billboards Identified for Removal/Relocation Exchange

Parcel #	Square Footage	Description	Address or Parcel #
122	72	Broadway eastline 206ft north of Mather - facing south - 1	4300 Broadway
123	72	Broadway eastline 206ft north of Mather - facing south - 2	4300 Broadway
153	72	International Blvd southline 5ft east of 52nd Av - facing west	5201 International Blvd.
154	72	International Blvd southline 5ft east of 52nd Av - facing east	5201 International Blvd.
160	72	International Blvd northline 15ft east of 64th Av - facing west	6406 International Blvd.
161	72	International Blvd northline 15ft east of 64th Av - facing east	6406 International Blvd.
191	72	Fruitvale westline 90ft north of 7th St - facing north	Railroad Property
192	72	Fruitvale westline 90ft north of 7th St - facing south	Railroad Property
115	72	Harrison eastline 300ft south of 17th St - facing north	1530 Harrison St.
116	72	Harrison eastline 339ft south of 17th St - facing south - 1	1530 Harrison St.
117	72	Harrison eastline 339ft south of 17th St - facing south - 2	1530 Harrison St.
126	72	Mac Arthur northline 105ft west of Market - facing west	912 W. MacArthur Blvd.
127	72	Mac Arthur northline 105ft west of Market - facing east	912 W. MacArthur Blvd.
143	72	3rd St southline 5ft east of Jefferson - facing west	590 2nd St.
144	72	3rd St southline 5ft east of Jefferson - facing east	590 2nd St.
161	72	27th St southline 315ft east of Telegraph - facing west	473 27th St.
162	72	27th St southline 315ft east of Telegraph - facing east	473 27th St.
175	72	23rd Ave westline 109ft south of E 20th St - facing north - 1	1951 23rd Ave.
176	72	23rd Ave westline 109ft south of E 20th St - facing north - 2	1951 23rd Ave.
156	72	International Blvd northline 158ft east of 55th Ave. - facing west	5500 East 14th Street - 038-3232-017
157	72	International Blvd northline 158ft east of 55th Ave. - facing east	5500 East 14th Street - 038-3232-017
175	72	Foothill Blvd. southline 98ft west of 19th Ave. - facing west	1839 Foothill Blvd - 020-0164-006
176	72	Foothill Blvd. southline 98ft west of 19th Ave. - facing east	1839 Foothill Blvd - 020-0164-006
135	72	Mac Arthur northline 101ft east of 75th Ave. - facing west	7526 MacArthur Blvd - 040A-3409-00113
136	72	Mac Arthur northline 101ft east of 75th Ave. - facing east	7526 MacArthur Blvd - 040A-3409-00113
177	72	San Leandro southline 34ft west of 35th Ave. - facing east	3435 San Leandro St. - 033-2188-007
178	72	San Leandro southline 34ft west of 35th Av - facing west	3435 San Leandro St. - 033-2188-007
196	300	San Pablo westline 5ft south of Castro - facing north	2040 Castro - 003-0039-002-2
173	300	Castro eastline 95' north of 16th St. - facing south	698 - 16th St. - 003-0059-019
173	300	M.L.K. Jr. Way westline 75' north of 27th St. - facing south	2721 M.L.K. Jr. Way - 009-0069-002
174	300	Webster WS 87ft N/O 20th St F/N - 1	2011 Webster - 008-0651-012-1
182	300	27th St. WS 10' W/O San Pablo Ave. F/E - 1	2625 San Pablo Ave - 003-0005-002
101	672	Broadway eastline 75ft north of Mather - facing north	5343 Broadway - 014-1248-004

EXHIBIT B

Mapped Location of “Existing EBMUD Billboard”
and
“Existing EBMUD Billboard” Site Plan and Elevations,
Structural Drawing and Rendering