GARDEN GROVE CITY COUNCIL

RESOLUTION NO. 9259-14

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE APPROVING A BILLBOARD REMOVAL AND RELOCATION AGREEMENT WITH CLEAR CHANNEL OUTDOOR, INC.

WHEREAS, Clear Channel Outdoor Inc. has proposed a Billboard Removal and Relocation Agreement pursuant to California Business and Professions Code Section 5412 pertaining to the removal of three existing billboard structures within the City (the "Existing Signs") and the erection and maintenance of a relocated electronic billboard pursuant to Site Plan No. SP-12-2014 to land located at west end of the Cardinal Circle cul-de-sac, west of Harbor Boulevard, along the south side of the Garden Grove (22) Freeway, at 11615 Cardinal Circle, Assessor's Parcel No. 100 122 01; (collectively referred to herein as the "Project") and subject to adoption of Code Amendment No. A-011-2014 to amend Section 9.20.110 (Billboards) of Chapter 20 of Title 9 of the Garden Grove Municipal Code to allow billboards that are proposed to be relocated along the Garden Grove (22) Freeway Corridor to be converted to electronic billboards of; and

WHEREAS, following a duly noticed Public Hearing, on September 18, 2014, the Planning Commission of the City of Garden Grove (i) recommended the City Council adopt a Mitigated Negative Declaration for the Project and approve Amendment No. A-011-2014, and (ii) approved Site Plan No. SP-12-2014, subject to City Council adoption of the Mitigated Negative Declaration and approval of Amendment No. A-011-2014; and

WHEREAS, the City Council held a duly noticed Public Hearing on October 14, 2014 and duly considered the Project, the initial study, the Mitigated Negative Declaration, and the proposed Billboard Removal and Relocation Agreement: and

WHEREAS, following the Public Hearing held on October 14, 2014, the Garden Grove City Council adopted a Mitigated Negative Declaration for the Project and introduced and conducted the first reading of an Ordinance approving Code Amendment No. A-011-2014 (hereafter referred to herein as the "Ordinance"); and

WHEREAS, a copy of the proposed Billboard Removal and Relocation Agreement has been provided for public review in accordance with applicable law; and

WHEREAS, subject to its terms, the Billboard Removal and Relocation Agreement provides that the Existing Signs will be permanently removed; and

WHEREAS, subject to its terms, the Billboard Removal and Relocation Agreement directly benefits the City though mitigation fees and other public benefits to assist the City in providing vital services to its residents, in addition to elimination of the Existing Signs; and

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WHEREAS, California Business and Professions Code Section 5412 authorizes the City of Garden Grove and Clear Channel Outdoor, Inc. to enter into the proposed Billboard Removal and Relocation Agreement.

NOW, THEREFORE, BE IT RESOLVED, FOUND, AND DETERMINED as follows:

- 1. The City hereby finds and determines that the above recitals are true and correct and are incorporated herein by this reference.
- 2. The Billboard Removal and Relocation Agreement between the City of Garden Grove and Clear Channel Outdoor, Inc. (hereafter referred to herein as the "Agreement") in substantially the form attached as Exhibit "A" to this Resolution is hereby approved, subject to the adoption of the Ordinance. If the Ordinance is not adopted, this Resolution shall be null and void and of no effect.
- 3. The City Manager is hereby authorized to execute the Agreement on behalf of the City of Garden Grove and to make minor modifications thereto as necessary.
- 4. The City Manager is hereby authorized to implement the Agreement on behalf of the City once it is fully executed, including, without limitation, granting extensions of the twelve (12) month period pursuant to Section 1 of the Agreement.
 - 5. This Resolution shall take effect immediately.

Adopted this 14th day of October 2014.

ATTEST:	/s/ BRUCE A. BROADWATER
	MAYOR
/s/ KATHLEEN BAILOR, CMC	
CITY CLERK	

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STATE OF CALIFORNIA)
COUNTY OF ORANGE) SS:
CITY OF GARDEN GROVE)

I, KATHLEEN BAILOR, City Clerk of the City of Garden Grove, do hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Garden Grove, California, at a meeting held on the 14th day of October 2014, by the following vote:

AYES: COUNCIL MEMBERS:

(5) BEARD, JONES, NGUYEN, PHAN, BROADWATER

NOES: COUNCIL MEMBERS:

(0) NONE

ABSENT: COUNCIL MEMBERS:

(0) NONE

<u>/s/ KATHLEEN BAILOR, CMC</u>
CITY CLERK

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EXHIBIT "A"

BILLBOARD REMOVAL AND RELOCATION AGREEMENT

BILLBOARD REMOVAL AND RELOCATION AGREEMENT

THIS BILLBOARD REMOVAL AND RELOCATION AGREEMENT ("Agreement") is entered into as of this 11th day of November, 2014 (the "Effective Date"), by and among the CITY OF GARDEN GROVE, a municipal corporation ("City") and CLEAR CHANNEL OUTDOOR, INC., a Delaware corporation ("Company"). City and Company are sometimes referred to in this Agreement separately as "Party" or collectively as "Parties."

RECITALS

- A. This Agreement is entered into pursuant to Section 5412 of the California Outdoor Advertising Act, Business and Professions Code Sections 5200 *et seq.*, (the "Act") and Section 9.20.110 of the Garden Grove Municipal Code, as amended pursuant to Ordinance No. 2847, adopted November 11, 2014 by City's City Council (hereafter, "GGMC Section 9.20.110).
- B. Company currently owns and operates certain legal non-conforming billboards on sites within City's jurisdictional boundaries (the "Existing Billboard Sites"), consisting of four (4) billboard sign faces and associated structures, which Company has agreed to permanently remove pursuant to, and subject to the conditions of, this Agreement (the "Existing Billboards"). The Existing Billboards and Existing Billboard Sites are more specifically described and depicted on Exhibit "A-1," which is attached hereto and incorporated herein by reference.
- C. In accordance with GGMC Section 9.20.110, Company seeks to install one (1) new relocated billboard advertising structure having a total of two (2) automatically changeable digital displays oriented towards the State Route 22 Freeway (the "East-Facing Digital Billboard" and the "West-Facing Digital Billboard," respectively, and together, the "Digital Billboards") on property located at approximately 11615 Cardinal Circle, with APN No. 100-122-01, in the City of Garden Grove, County of Orange, California (the "Relocation Site"). The Digital Billboards and the Relocation Site are more specifically described and depicted on Exhibit "A-2," which is attached hereto and incorporated herein. The owner(s) of the fee interest for the Relocation Site is(are) different than Company and are referred to herein as "Owners."
- D. Removal of the Existing Billboards from the Existing Billboard Sites and construction and installation of the Digital Billboards at the Relocation Site are collectively referred to in this Agreement as the "Project."
- E. On September 18, 2014, City's Planning Commission conducted a duly noticed public hearing regarding the Project and (i) adopted Resolution No. 5830-14 recommending City Council adoption of a mitigated negative declaration for the Project and adoption of an Ordinance to amend Section 9.20.110 of the Garden Grove Municipal Code to facilitate the Project; and (ii) adopted Resolution No. 5831-14_approving Site Plan No. SP-012-2014 for erection of the Digital Billboards, subject to City Council adoption of the proposed Ordinance.
- F. On October 14, 2014, pursuant to the California Environmental Quality Act, California Public Resources Code Section 21000 et seq. ("CEQA") and CEQA's implementing

guidelines, California Code of Regulations, Title 14, Section 15000 et seq., City's City Council adopted Resolution No. 9258-14 adopting a mitigated negative declaration for the Project (the "Mitigated Negative Declaration").

- G. On October 14, 2014, following a duly noticed public hearing, City's City Council (i) introduced and conducted the first reading of Ordinance No. 2847, and (ii) adopted Resolution No. 9259-14 approving this Agreement, subject to adoption of Ordinance No. 2847, and authorizing City's City Manager to execute this Agreement on behalf of the City.
- H. On November 11, 2014, City's City Council adopted Ordinance No. 2847 amending GGMC Section 9.20.110. As amended pursuant to Ordinance No. 2847, GGMC Section 9.20.110 authorizes the erection and operation of the Digital Billboards at the Relocation Site pursuant to Site Plan No. SP-012-2014 and this Agreement.
- I. City's City Council has found this Agreement is in the best public interest of City and its residents, entry into this Agreement constitutes a present exercise of City's police power, and this Agreement is consistent with City's General Plan. The Project is intended to achieve a number of City objectives including utilizing the areas adjacent to the State Route (SR) 22 Freeway in exchange for removal of billboards elsewhere in the City. As an additional material consideration for City's approval of this Agreement, Company has agreed to provide public services to City, as set forth in Section 4 of this Agreement, and to pay the Processing Fee and Annual Mitigation Fee, as set forth in Section 7 of this Agreement.
- J. City and Company desire to enter into this Agreement to memorialize the terms and conditions upon which Company may undertake the Project.

AGREEMENT

- NOW, THEREFORE, in consideration of the foregoing Recitals, which Recitals are incorporated herein by reference, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and consideration of the mutual covenants set forth herein, the Parties hereby agree as follows:
- 1. <u>CONDITIONS TO AGREEMENT'S EFFECTIVENESS</u>. Company understands and hereby acknowledges the effectiveness of this Agreement is subject to the approval of demolition permits from City's Building Division for the removal of the Existing Billboards and the Development Approvals, as described in Subsection 5.a., below. Company further understands and hereby acknowledges the effectiveness of this Agreement and Company's right to install the Digital Billboards is also subject to Ordinance No. 2847 taking effect. The Parties understand and agree (i) this Agreement does not bind City to not rescind Ordinance No. 2847 prior to its taking effect or to approve any Development Approvals; (ii) all necessary City legislative acts and the Development Approvals can be approved and take effect, if at all, only after all applicable notice, public hearing, review, and consideration requirements required by law have been satisfied; and (iii) except as otherwise expressly provided herein, Company shall not be required to take any of the actions or provide any of the benefits to City under this Agreement until and unless Ordinance No. 2847 becomes effective and all required Development Approvals are provided in final form acceptable to the Company. The Parties further agree Company shall

not be obligated to commence demolition or construction related to the Project, including removal of the Existing Billboards, if any of the Development Approvals (as hereinafter defined) are not issued or expire and are not extended for the necessary periods, despite good faith effort by Company; and if any of the Development Approvals are not issued within twelve (12) months of the effective date of Ordinance No. 2847, then this Agreement shall be null and void; provided, however, that such period may be extended by mutual written agreement of the Company and City, acting through their duly authorized representatives.

2. REMOVAL OF EXISTING BILLBOARDS.

- a. Permanent Removal of the Existing Billboards. In consideration of the City's approval of Company's request to relocate and construct the Digital Billboards pursuant to this Agreement, prior to commencing installation and construction of the Digital Billboards upon the Relocation Site, Company, at its sole cost and expense, shall secure all prior approvals as described in Subsection 2.b., below, and permanently remove the Existing Billboards within the times set forth in the Schedule of Performance included in Exhibit "B," which is attached hereto and incorporated herein by reference. Company shall not install any replacement billboard or other outdoor advertising display or sign upon any of the Existing Billboard Sites or anywhere else within City's jurisdictional boundaries.
- b. Removal of the Existing Billboards shall be in Removal Requirements. accordance with any applicable Federal, State, or local regulations, including regulations of City, and subject to the approval of City's Building Official or designee. Company shall, at its sole cost and expense, secure all required permits to remove and properly transport the Existing Billboards from the Existing Billboard Sites, and not store any portion of the removed Existing Billboards on the Existing Billboard Sites or any other location within City's jurisdictional boundaries. Upon receipt of any required final Development Approvals for the Digital Billboards on the Relocation Site, Company shall be deemed to have waived any and all rights it may have under Federal, State or local laws or other regulations of any kind whatsoever, including, but not limited to, the Act, to challenge any or all of the requirements of this Agreement. Company further waives any claims it has or may have for any damages, awards or judgments based on the Act. inverse condemnation or relocation benefits under any and all Federal or State law, including, Constitutional provisions, relating to the removal of the Existing Billboards.
- c. Notwithstanding the foregoing subparagraphs, the Parties agree GGMC Section 9.20.110 shall apply to this Agreement and Company may take benefit of that Section.
- 3. <u>INSTALLATION AND OPERATION OF DIGITAL BILLBOARDS</u>. Provided Company secures and maintains all Development Approvals required under Subsection 5.a., below, and within the times set forth in the Schedule of Performance included in Exhibit "B," Company, at its sole cost and expense, may install the Digital Billboards upon the Relocation Site. For the entire term of this Agreement, the Digital Billboards and Company's installation, construction, and operation of the Digital Billboards shall comply with all applicable Federal, State, and local laws and regulations, all applicable provisions of the Garden Grove Municipal

Code, all conditions of approval applicable to any Development Approvals, and all applicable mitigation measures identified in the Mitigated Negative Declaration.

4. PUBLIC SERVICES.

- a. <u>Public Service Announcements</u>. Subject to the conditions and parameters of this Subsection 4.a., Company agrees to provide free advertising time on each of the Digital Billboards for non-commercial City event and public service announcements to promote the civic interests of the City ("Public Service Announcements").
 - (i) Amount of Advertising Time for Public Service Announcements. Company shall permit City to use a minimum of the equivalent of one (1) spot in a standard eight (8) spot rotation on each of the Digital Billboards for a four-week period during each annual period following the Commencement Date for Public Services Announcements, without charge for advertising space. Such allocated advertising time on the Digital Billboards must be used in the designated annual period and shall not accumulate or roll over to future annual periods. In addition to the foregoing allocated advertising time, Company agrees provide additional free advertising space to City for Public Service Announcements, on a space available basis. The foregoing obligation of Company to provide free advertising space to City for Public Service Announcements shall be and remain in effect only during those periods Company is operating the Digital Billboards with electronic/digital technology. In the event Company removes or is unable to operate the Digital Billboards for any reason, Company's obligation to provide free advertising space to City for any reason shall be suspended for the period of time it is not operating the Digital Billboards.
 - (ii) Process for City Requests to Utilize Advertising Space for Public Service Announcements. City shall be responsible for providing Company with its Public Service Announcements, which may be updated by City at any time, and for any costs associated with providing Company with associated artwork in acceptable format. City shall notify Company at least forty-five (45) days before the proposed display date of a Public Service Announcement. City must submit "camera ready art" utilizing formats and protocols acceptable to Company from time to time or pay production costs. All copy shall be submitted to Company at least ten (10) business days in advance. Public Services Announcements will be subject to Company's standard advertising copy rejection and removal policies, which allow Company, in its sole discretion, to approve or disapprove copy and remove copy once posted or displayed.
 - (iii) Limitations on City. City shall not charge for, or exchange goods or services for, any advertising space on the Digital Billboards provided by Company to City pursuant to this Agreement. In addition, it is expressly understood and agreed that Public Service Announcements may not

include any names, logos, marks, products, or services associated with any commercial entity or any third party non-governmental person or entity that is not sponsored by or affiliated with the City. The forgoing limitation shall not be construed to prohibit the display of names, logos, or marks of non-profit organizations associated with City events or activities.

- (iv) Indemnity. City shall and hereby does agree to indemnify, defend and hold harmless Company for, from and against, any claims, costs (including, but not limited to, court costs and reasonable attorney's fees), losses, actions, or liabilities arising from or in connection with any third party allegation that any portion of any Public Service Announcement provided by City infringes or violates the rights, including, but not limited to, copyright, trademark, trade secret or any similar right, of any third party. This indemnity obligation shall not include Company's lost profits or consequential damages.
- (v) The Parties mutually agree that this Subsection 4(a) is consistent with the purpose, intent, and requirements of Subsection (D)(k)(vi) of GGMC Section 9.20.110.
- b. <u>Public Safety Announcements</u>. Company shall utilize the advertising space on the Digital Billboards for regional emergency announcements and alerts, Amber Alerts, and wanted criminal postings from law enforcement, without charge, as reasonably necessary, in accordance with applicable local, regional, and/or state protocols.
- c. <u>Prohibited Use</u>. Company has stated its intent is and agrees not to utilize any of the Digital Billboards to advertise tobacco products, medical or recreational cannabis, adult entertainment businesses, as defined in the Garden Grove Municipal Code, conferences/conventions for any of the foregoing prohibited uses, or sexually explicit messages.

5. DEVELOPMENT APPROVALS.

a. Company shall, at its own expense and before commencement of demolition, construction, rehabilitation or development of any of the Existing Billboards, the Digital Billboards or other work of improvement upon the Existing Billboards Sites or the Relocation Site, secure or cause to be secured all necessary permits and approvals, which may be required by all City, State, or any other governmental agency or utility affected by such construction, development or work to be performed by Company related to the Project, including, but not limited to, Site Plan No. SP-012-2014, and any necessary extensions thereof, all other permits and approvals required pursuant the Garden Grove Municipal Code, if any, building and demolition permits, and all approvals required under CEQA and the State CEQA Guidelines, and all permits and approvals required from the California Department of Transportation ("Caltrans") for the construction and operation of both Digital Billboards (collectively "Development Approvals"). Not by way of limiting the foregoing, in developing and constructing the Project, Company shall comply with all (1) then applicable development standards and requirements contained

in, or promulgated under, the Act and/or the Garden Grove Municipal Code, (2) conditions of approval related to each of the Development Approvals applicable to the Project, (3) necessary NPDES requirements pertaining to the Project, (4) mitigation measures set forth in Mitigated Negative Declaration, (5) all building codes, and, (6) if applicable, landscaping requirements, except as may be permitted through approved variances and modifications. Company shall pay all normal and customary fees and charges applicable to such permits, and any fees and charges hereafter imposed by City in connection with the Development Approvals which are standard for and uniformly applied to similar projects in City.

- b. Company understands the approval of this Agreement shall not be deemed or construed as granting any Development Approvals yet to be obtained from City or any other entity having jurisdiction over the Project. It is expressly understood by the Parties hereto that City makes no representations or warranties with respect to Development Approvals, nor does City make any representation or warranty that City will exercise, in any manner or at all, its discretionary police power authority over the Project as to any Development Approvals described in Subsection 5.a. in any particular manner. Nothing in this Agreement shall be deemed to be a prejudgment or commitment with respect to such items or a guarantee Development Approvals will be issued within any particular time or with or without any particular conditions.
- TERM OF AGREEMENT. Unless earlier terminated as provided in this Agreement, this 6. Agreement shall continue in full force and effect for a thirty (30) year period commencing on the Commencement Date. The "Commencement Date" shall be the day that both of the following are true (i) Company has obtained all Development Approvals, and all appeal periods with respect to such approvals have expired, and (ii) the Digital Billboards are fully constructed and operational, have electrical power from a permanent source, and have passed the City's final inspection. Company may notify City up to twelve months prior to the expiration date of this Agreement of its desire to extend the term of this Agreement and City and Company shall enter into negotiations and may agree to extend the term of this Agreement pursuant to a mutual agreement in writing upon terms acceptable to both parties. In the event the Parties agree to an extension, it is expressly understood and agreed that, in the event Company is unable to operate the Digital Billboards on the Relocation Site with digital faces at the time of expiration of this Agreement, such extension shall allow operation of the billboard sign structure with non-digital static sign faces. Following termination or expiration of this Agreement and provided no extension of this Agreement is agreed to, within ninety (90) days after that date of the termination or expiration of this Agreement, Company shall, at its sole cost and expense, secure all required permits to, and shall, remove and properly transport the Digital Billboards from the Relocation Site, and not store any portion of the removed Digital Billboards on the Relocation Site or any other location within City's jurisdictional boundaries. If Company fails to remove all of the Digital Billboards from the Relocation Site within ninety (90) days of termination or expiration of this Agreement, as provided above, City shall be entitled to remove the remaining Digital Billboards and dispose of the same. The applicable provisions subsection 11.e., below, shall apply if City is required to exercise its rights to remove and dispose of the Digital Billboards pursuant to this Section.

7. PROCESSING FEE AND ANNUAL MITIGATION FEE.

- a. Processing Fee. Within fifteen (15) days after approval of this Agreement by City, Company shall provide City with a payment ("Processing Fee") in the amount of Ten Thousand Dollars (\$10,000.00) to defray City's costs in negotiating and preparing this Agreement. The Processing Fee shall be in the form of a non-refundable cashier's check, wire transfer, corporate check, or other instrument approved by City's Finance Director. City shall retain and use the Processing Fee, or any part thereof, for any public purpose within City's discretion. The Processing Fee shall be separate from (i) all business license fees and taxes (due by Company to City annually), (ii) the Annual Mitigation Fee (as such term is defined in Section 7.b., below) and (iii) any applicable development fees and charges required by City to review the appropriate permits for the Project, pursuant to this Agreement, including but not limited to, any plan check, building permit and any other fees imposed by City as part of its normal governmental operations (collectively, the items listed in (iii) are hereinafter referred to as "Development Fees").
- b. Annual Mitigation Fee. Company and City agree an annual fee paid by Company to City would help mitigate the aesthetic, cultural, economic, and other impacts of the Project on City and the surrounding community, because that fee will provide City resources to fund the provision and maintenance of other aesthetic improvements and cultural events in the City, including, but not limited to, the provision and continued maintenance of community events, street furniture, bike racks, landscaping within the parks and public rights-of-way, park improvements, banners, public art, and other existing and future improvements within the City's Downtown area. The Parties therefore agree Company shall pay City an annual mitigation fee with respect to each of the East-Facing Digital Billboard and the West-Facing Digital Billboard, as set forth in Exhibit C, hereto, which is incorporated herein by this reference (the "Annual Mitigation Fee"). The first installment of the Annual Mitigation Fee shall be paid no later than ninety (90) days after the Commencement Date. Each year thereafter each remaining installment shall be made on or before the annual anniversary of that first payment until each of the Annual Mitigation Fee installments have been paid in full. It is expressly understood and agreed that, in the event Company removes the digital display unit from either of the Digital Billboards and temporarily or permanently replaces such digital display unit with a nondigital static sign face in accordance with Subsection (D)(3)(l) of GGMC Section 9.20.110, then the amount of the Annual Mitigation Fee payable thereafter with respect to such sign face shall be forty-two (42%) of the Annual Mitigation Fee amount(s) set forth in Exhibit C for those annual period(s) during which the sign is not operated as a Digital Billboard; provided, however, that if Company subsequently reinstalls a digital display unit and operates the sign face as a Digital Billboard, Company's obligation to pay the full Annual Mitigation Fee with respect to that sign face shall re-commence, payable on a pro-rata basis following the date of such reinstallation with respect to the annual period during which the digital display is reinstalled, and annually thereafter as long as the sign face is operated as a Digital Billboard.
- 8. <u>REGULATION BY OTHER PUBLIC AGENCIES</u>. It is acknowledged by the Parties other public agencies, including, but not limited to, Caltrans, are not subject to control by City and may possess authority to regulate aspects of the Project as contemplated herein, and this

Agreement does not limit the authority of any of those other public agencies. Company acknowledges and represents, in addition to City's regulations, Company shall, at all times, comply with all applicable Federal, State and local laws and regulations applicable to the Digital Billboards and the Relocation Site. To the extent such other public agencies preclude development or maintenance of the Project, Company shall not be further obligated under this Agreement, except as provided in Section 9.a. and payment of the Processing Fee, the reduced Annual Mitigation Fee, if applicable, and Development Fees.

9. <u>INSURANCE AND INDEMNITY</u>.

- a. <u>Indemnity</u>. Company, as a material part of the consideration to be rendered to City under this Agreement, hereby waives all claims against City for damage to property and for injuries to persons in or about the Relocation Site or the Existing Billboard Sites, from any cause relating to Company's activities related to this Agreement. Company shall indemnify, defend and hold harmless City and each of its officers, agents, and employees (collectively the "City Parties") from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities, reasonable attorney's fees and court costs (hereinafter "Indemnified Claims and Liabilities") that may be asserted or claimed by any person, firm or entity arising out of or in connection with this Agreement. Indemnified Claims and Liabilities shall include any action or challenge brought for any reason by a third party against this Agreement or against City Parties, directly or indirectly related to this Agreement.
- b. Company will defend, with counsel reasonably approved by the City, any action or actions filed in connection with any of said claims or liabilities covered by the indemnification provisions herein once notified of the existence of such claims by the City and will pay all costs and expenses, including reasonable legal costs and attorneys' fees incurred in connection therewith.
- c. <u>Exceptions</u>. The foregoing indemnity shall not include claims or liabilities arising from the sole negligence or willful misconduct of the City, its officers, agents, subcontractors or employees, who are directly responsible for the City.
- d. <u>Covenant Not To Sue</u>. The Parties to this Agreement, and each of them, agree this Agreement and each term hereof is legal, valid, binding, and enforceable. The Parties to this Agreement, and each of them, hereby covenant and agree that each of them will not commence, maintain, or prosecute any claim, demand, cause of action, suit, or other proceeding against any other Party to this Agreement, in law or in equity, which is based on an allegation, or assert in any such action, that this Agreement or any term hereof is void, invalid, or unenforceable.
- e. <u>Third Party Challenge</u>. In the event of a challenge to this Agreement, and a final court order or judicially approved settlement resulting in the removal of one or more Digital Billboards, Company shall be entitled, in its sole discretion, to replace the removed Digital Billboard(s) with a non-digital billboard sign face or faces in accordance with subsection D(3)(l) of GGMC Section 9.20.110. If Company exercises such right, then Company shall pay the City the reduced Annual Mitigation Fee for the replacement

non-Digital Billboard in accordance with Subsection 7.b. and the City shall not be entitled to claim any lost revenues or damages as a result of such election by Company.

Notwithstanding any other provision of this Agreement, Company's indemnification obligations as set forth in this Agreement shall survive the termination of this Agreement.

- f. <u>Insurance</u>. During the entire Term of this Agreement, without any period of lapse, Company shall procure and maintain, at its sole cost and expense, in a form and content reasonably satisfactory to City, the following policies of insurance:
 - i. Commercial General Liability Insurance. A policy of commercial general liability insurance written on a per occurrence basis with a combined single limit of at least Five Million Dollars (\$5,000,000.00) bodily injury and property damage including coverages for contractual liability, personal injury, independent contractors, broad form property damage, products and completed operations. The Commercial General Liability Policy shall name City as an additional insured.
 - ii. Worker's Compensation Insurance. A policy of worker's compensation insurance in such amount as will fully comply with the laws of the State of California.

The Commercial General Liability Insurance policy(ies) of insurance shall, either as part of each policy or by endorsement (i) name the City Parties as additional insureds, (ii) provide the policy shall be primary and noncontributing with any other insurance or self-insurance program available to City with respect to liabilities assumed by Company under this Agreement, (iii) include a severability of interest clause, (iv) provide any general aggregate limit shall apply separately to this Agreement; and (v) provide the naming of the additional insureds as herein provided shall not affect any recovery to which such additional insureds would be entitled under this policy if not named as such additional insureds, (vi) provide the additional insureds named herein shall not be held liable for any premium or expense of any nature on the policy or any extension thereof, and (vii) provide the insurance may not be materially amended or cancelled without providing thirty-days' (30-days') prior written notice by mail to City.

Within five (5) business days after the execution of this Agreement and within at least thirty (30) days after the renewal of any such policy, Company shall provide City with certificates of insurance evidencing the required coverages and a copy of the endorsements (or blanket endorsements) affording additional insured status to the City Parties. In addition, Company, upon reasonable notice by City, shall make available for inspection by City at Company's office, copies of relevant policy forms and endorsements of said insurance policies.

The foregoing insurance requirements may be waived or reasonably modified on behalf of the City in the sole discretion of the City's Finance Director.

10. <u>OWNERSHIP OF IMPROVEMENTS</u>. The Existing Billboards and the Digital Billboards shall be and remain the property of Company. Company's rights and powers with

respect to the Digital Billboards are subject to the terms and limitations of this Agreement and the Garden Grove Municipal Code.

11. GENERAL PROVISIONS.

- a. <u>Assignment</u>. Company may only assign or otherwise transfer this Agreement, or its interest in the Digital Billboards or any part of its interest in the New Digital Billboard Site, to any other person, firm, or entity, upon presentation to City of an assignment and assumption agreement in a form reasonably acceptable to City's City Attorney and receipt of City's written approval of such assignment or transfer by City's City Manager, provided, however, that Company may, from time to time and one or more times, assign. this Agreement, to one or more persons or entities without City approval, but with written notice to City, as long as Company, or entities owned or controlled by it have and maintain at least a fifty-one percent (51%) ownership interest in such entities who are the assignees or transferees. After a transfer or assignment as permitted by this Section, City shall look solely to such assignee or transferee for compliance with the provisions of this Agreement which have been assigned or transferred.
- b. <u>Waiver</u>. The waiver by any party of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other term, covenant or condition, or of any subsequent breach of the same term, covenant or condition.
- c. <u>Notices</u>. All notices and other communications required or permitted to be given hereunder shall be in writing and shall be sent by: (a) certified or registered mail, postage pre-paid, return receipt requested, (b) personal delivery, or (c) a recognized overnight carrier that provides proof of delivery, and shall be addressed as follows:

If to City:

City of Garden Grove Attn: City Manager 11222 Acacia Parkway Garden Grove, CA 92840

With a Copy to:

City of Garden Grove Attn: City Attorney 11222 Acacia Parkway Garden Grove, CA 92840

If to Company:

Clear Channel Outdoor, Inc.

Attn: Vice President, Real Estate & Public Affairs

19320 Harborgate Way Torrance, CA 90501

Clear Channel Outdoor, Inc.

With a Copy to:

2325 East Camelback Road, Suite 400

Phoenix, AZ 85016 Attn: General Counsel

Notices shall be deemed effective upon receipt or rejection only.

- d. <u>Authority to Execute</u>. The persons executing this Agreement on behalf of the Parties warrant that they are duly authorized to execute this Agreement, and that by executing this Agreement, the Parties are formally bound
- e. <u>Termination</u>. This Agreement shall be terminated, for good cause, by City or Company if either gives the other party and Owner sixty-days' (60-days) written notice of default and if that default is not corrected (i) on or before ten (10) days after receipt of the notice for non-payment of any amount due and (ii) within sixty (60) days after receipt of the notice for any other good cause.

If this Agreement terminates due to non-performance by City, then (i) any remaining unpaid Annual Mitigation Fee that was due with respect to any period before the date of that termination shall be immediately due and payable to City, (ii) no other Annual Mitigation Fee shall be due, unless Company continues to maintain one or more of the Digital Billboards, (iii) for only what would have been the remaining term of this Agreement had it not been terminated (the "Remaining Term"), all the Digital Billboards installed pursuant to this Agreement shall be treated as legal nonconforming uses, but such uses shall not be subject to abatement pursuant to the Garden Grove Municipal Code, as any other legal non-conforming use and (iv) for only the Remaining Term the Act shall apply to any provisions relating to abatement that may exist from time to time in the Garden Grove Municipal Code and (v) within sixty (60) days after the Remaining Term, the Digital Billboards and all their supporting Advertising Structures shall be removed by Company, unless otherwise agreed to by the Parties.

If this Agreement terminates due to non-performance by Company, then (i) any remaining unpaid Annual Mitigation Fee that was due for any period before the date of that termination shall be immediately due and payable to City and (ii) Company shall immediately remove each of the Digital Billboards installed pursuant to this Agreement: provided, that if Company fails to remove any of the Digital Billboards within ninety (90) days after this Agreement is terminated pursuant to this subsection, then City shall be entitled to remove the remaining the Digital Billboards and dispose of same. If City is required to exercise its rights under Section 6 or this subsection due to Company's failure to remove the Digital Billboards, then City shall be entitled to be reimbursed by Company any and all direct expenses incurred by City in exercising its rights under this subsection within no more than ten (10) days following City's delivery of an invoice demanding payment for such expenses. Any such removal of any or all the Digital Billboards by City shall not entitle Company or Owner to any damages of any kind whatsoever against any or all City Parties, and Company hereby releases all City Parties from Indemnified Claims and Liabilities for any action by any of the City Parties in removing any or all of the Digital Billboards. Company hereby consents to City's entry onto the Relocation Site to accomplish such removal. Company shall be required to obtain from Owner a confirmation of Owner's joinder to the terms set forth in this paragraph in form and substance satisfactory to City prior to obtaining all required approvals and permits for the Digital Billboard.

f. <u>Amendment/Modification</u>. No supplement, modification, or amendment of this Agreement shall be binding, unless in writing and signed by the Parties.

- g. <u>Attorneys Fees</u>. In the event of litigation between the Parties arising out of this Agreement, each Party shall bear its own attorneys' fees and costs.
- h. <u>Time is of the Essence</u>. Time is of the essence of each and every provision of this Agreement.
- i. <u>Miscellaneous</u>. This Agreement embodies the entire Agreement between the Parties and supersedes any prior or contemporaneous understandings between the Parties related to the subject matter of this Agreement. If any provision of this Agreement is held to be invalid, the balance shall remain binding upon the Parties. This Agreement shall be interpreted in accordance with its plain meaning, and not in favor of or against either Party. This Agreement shall be construed according to the laws of the State of California. In the event of litigation to enforce or interpret any terms of this Agreement, such action will be brought in the Superior Court of the County of Orange.
- j. <u>Counterparts</u>. This Agreement may be signed in counterparts, each of which shall constitute an original.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed on the date set forth below.

"CITY"

CITY OF GARDEN GROVE

By:

Matthew J. Fertal City Manager

ATTEST:

APPROVED AS TO FORM:

Thomas F. Nixon

City Attorney

"COMPANY"

CLEAR CHANNEL OUTDOOR, INC., a

Delaware corporation

Date: November 20, 2014

By:

By: Bryan Parker

Its: Executive Vice President - Real

Estate/Operations

CLEAR CHANNEL OUTDOOR, INC.

ASSISTANT SECRETARY'S CERTIFICATE

The undersigned, Craig Gangi, Assistant Secretary of CLEAR CHANNEL OUTDOOR, INC., a Delaware corporation (the "Company"), in his capacity as an officer of the Company and not individually, hereby certifies as follows:

- 1. I am the duly elected and qualified Assistant Secretary of the Company;
- 2. That Bryan Parker is the Executive Vice President Real Estate/Operations of the Company and is authorized to execute that certain *Billboard Removal and Relocation Agreement* by and between the Company and the City of Garden Grove, California.
- 3. That the Federal Employer Identification Number of the Company is 86-0801051.

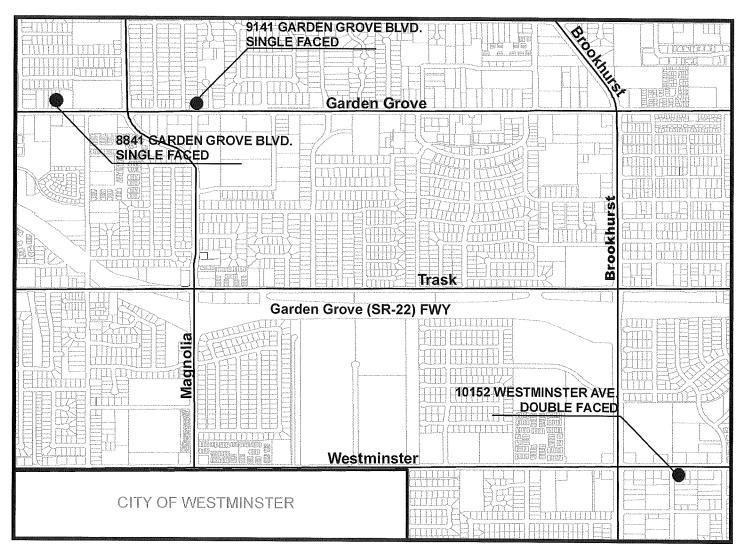
IN WITNESS WHEREOF, the undersigned has signed this Certificate this ______ day of November, 2014.

CLEAR CHANNEL OUTDOOR, INC.

By: Craig Gangi, Assistant Secretary

EXHIBIT "A-1"

DESCRIPTION OF THE EXISTING BILLBOARDS AND THE EXISTING BILLBOARD SITES





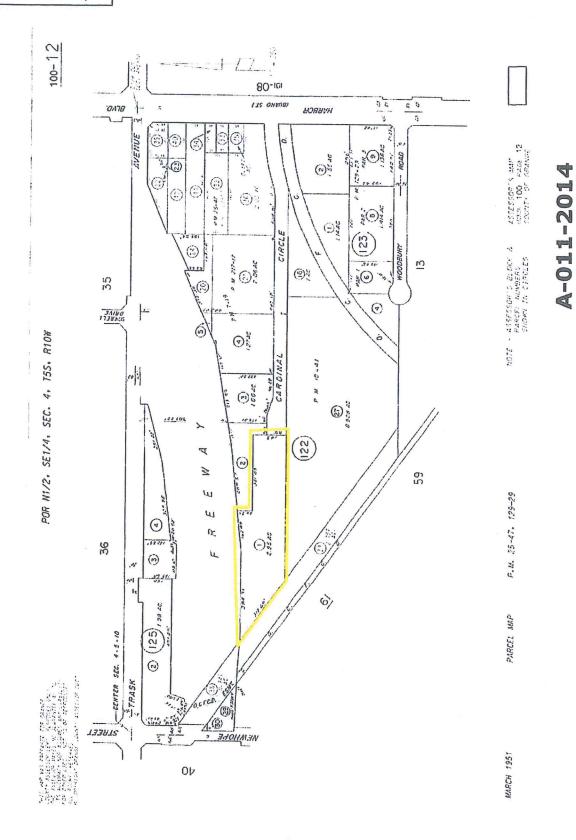
0 500 1,000 2,000 3,000 4,000 Feet

CITY OF GARDEN GROVE COMMUNITY DEVELOPMENT DEPARTMENT PLANNING DIVISION GIS SYSTEM

EXHIBIT "A-2"

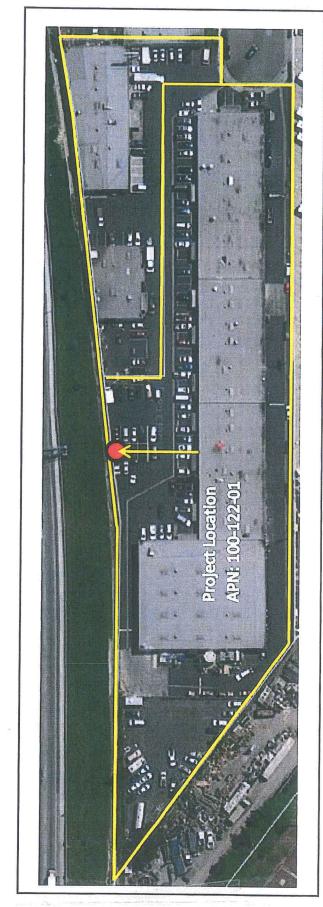
DESCRIPTION OF THE DIGITAL BILLBOARDS AND THE RELOCATION SITE

SEE ATTACHED



SP-012-2014

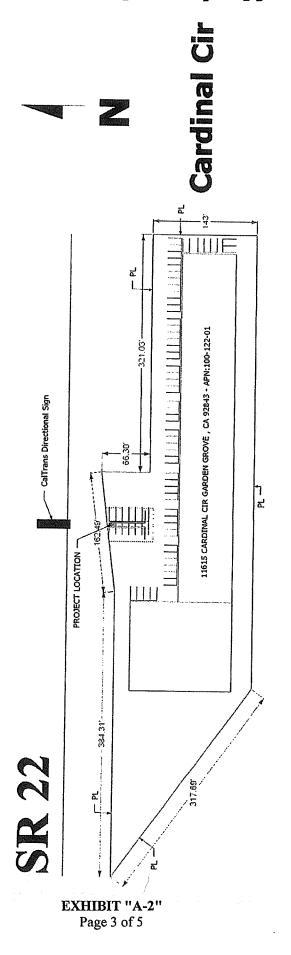
EXHIBIT "A-2"
Page 1 of 5



Column Placement

EXHIBIT "A-2" Page 2 of 5

Harbor Blvd



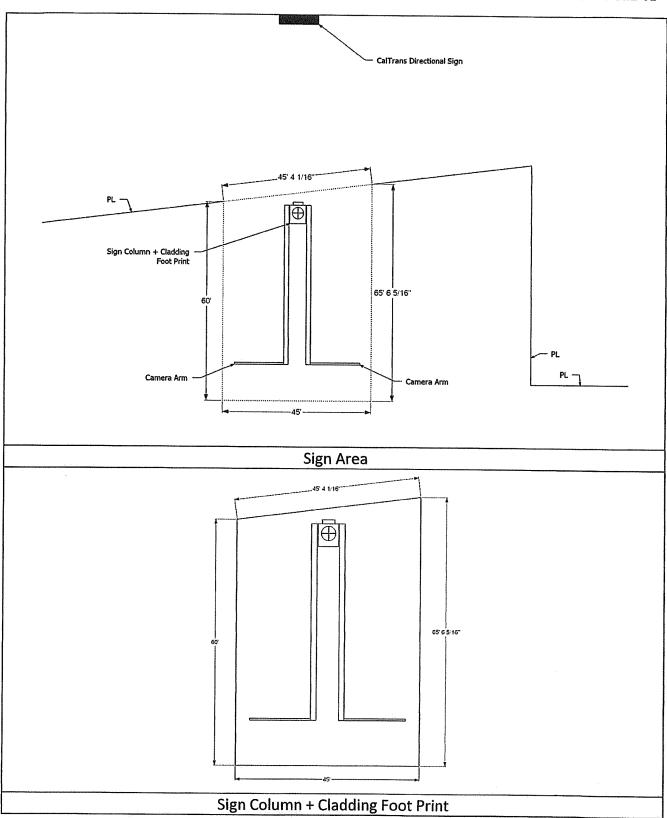


EXHIBIT "A-2"
Page 4 of 5





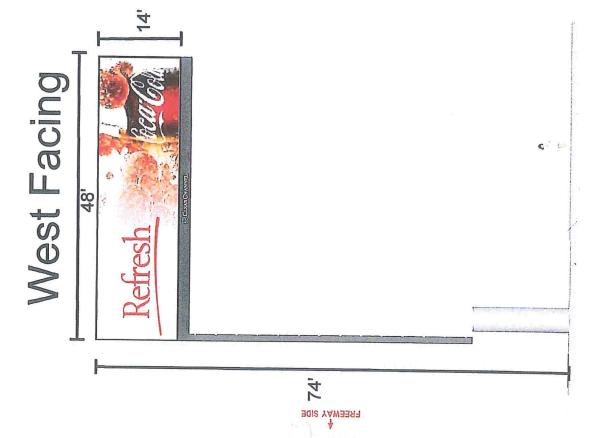


EXHIBIT "A-2" Page 5 of 5

EXHIBIT "B"

SCHEDULE OF PERFORMANCE

Items to be Performed	Performance Time
Permanent Removal of Existing Billboards.	To be completed prior to commencement of installation and construction of the Digital Billboards upon the Relocation Site and after receipt of all Development Approvals (including Caltrans permits).
Commencement of installation and construction of the Digital Billboards.	
Completion of installation and construction of the Digital Billboards. (Completion shall	Within ninety (90) days after commencement of installation and
mean when the installation and construction work has received final inspection from City's Building Division.)	construction of the Digital Billboards, or such later date as authorized by City's City Manager.

EXHIBIT "C"

ANNUAL MITIGATION FEE

YEAR	Annual Increase	East Face	West Face	Total
1	0.00%	\$ 50,000.00	\$ 50,000.00	\$100,000.00
2	0.00%	\$ 18,333.33	\$ 18,333.33	\$ 36,666.66
3	2.25%	\$ 18,745.83	\$ 18,745.83	\$ 37,491.66
4	2.25%	\$ 19,167.61	\$ 19,167.61	\$ 38,335.22
5	2.25%	\$ 19,598.88	\$ 19,598.88	\$ 39,197.76
6	2.25%	\$ 20,039.86	\$ 20,039.86	\$ 40,079.71
7	2.25%	\$ 20,490.75	\$ 20,490.75	\$ 40,981.51
8	2.25%	\$ 20,951.80	\$ 20,951.80	\$ 41,903.59
9	2.25%	\$ 21,423.21	\$ 21,423.21	\$ 42,846.42
10	2.25%	\$ 21,905.23	\$ 21,905.23	\$ 43,810.47
11	2.25%	\$ 22,398.10	\$ 22,398.10	\$ 44,796.20
12	2.25%	\$ 22,902.06	\$ 22,902.06	\$ 45,804.12
13	2.25%	\$ 23,417.35	\$ 23,417.35	\$ 46,834.71
14	2.25%	\$ 23,944.25	\$ 23,944.25	\$ 47,888.49
15	2.25%	\$ 24,482.99	\$ 24,482.99	\$ 48,965.98
16	2.25%	\$ 25,033.86	\$ 25,033.86	\$ 50,067.72
17	2.25%	\$ 25,597.12	\$ 25,597.12	\$ 51,194.24
18	2.25%	\$ 26,173.06	\$ 26,173.06	\$ 52,346.11
19	2.25%	\$ 26,761.95	\$ 26,761.95	\$ 53,523.90
20	2.25%	\$ 27,364.09	\$ 27,364.09	\$ 54,728.19
21	2.25%	\$ 27,979.78	\$ 27,979.78	\$ 55,959.57
22	2.25%	\$ 28,609.33	\$ 28,609.33	\$ 57,218.66
23	2.25%	\$ 29,253.04	\$ 29,253.04	\$ 58,506.08
24	2.25%	\$ 29,911.23	\$ 29,911.23	\$ 59,822.47
25	2.25%	\$ 30,584.24	\$ 30,584.24	\$ 61,168.47
26	2.25%	\$ 31,272.38	\$ 31,272.38	\$ 62,544.76
27	2.25%	\$ 31,976.01	\$ 31,976.01	\$ 63,952.02
28	2.25%	\$ 32,695.47	\$ 32,695.47	\$ 65,390.94
29	2.25%	\$ 33,431.12	\$ 33,431.12	\$ 66,862.24
30	2.25%	\$ 34,183.32	\$ 34,183.32	\$ 68,366.64
TOTAL		\$788,627.26	\$788,627.26	\$1,577,254.51

^{*} In the event Company removes the digital display unit from either of the Digital Billboards and temporarily or permanently replaces such digital display unit with a non-digital static sign face in accordance with Subsection (D)(3)(l) of GGMC Section 9.20.110, then the amount of the Annual Mitigation Fee payable thereafter with respect to such sign face shall be forty-two percent (42%) of the Annual Mitigation Fee amount(s) set forth above for those annual period(s) during which the sign is not operated as a Digital Billboard; provided, however, that if Company subsequently reinstalls a digital display unit and operates the sign face as a Digital Billboard, Company's obligation to pay the full Annual Mitigation Fee with respect to that sign face shall re-commence, payable on a pro-rata basis following the date of such reinstallation with respect to the annual period during which the digital display is reinstalled, and annually thereafter as long as the sign face is operated as a Digital Billboard.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 02/08/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s). 1-832-476-6000 PRODUCER PHONE (A/C, No, Ext): E-MAIL Aon Risk Services Southwest, Inc. FAX (A/C, No): ADDRESS: 5555 San Felipe, Suite 1500 INSURER(S) AFFORDING COVERAGE NAIC# Houston, TX 77056-3089 INSURER A: GREENWICH INS CO 22322 INSURED Clear Channel Outdoor, Inc. John Duong INSURED INSURER B: XL SPECIALTY INS CO 37885 INSURER C: c/o 200 East Basse Rd. 310-755-7263 INSURER D : INSURER E: John duona@Clearchan San Antonio, TX 78209 NSURER F CERTIFICATE NUMBER: 42996306 **REVISION NUMBER:** THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS. EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. ADDL SUBR INSD WVD POLICY EFF POLICY EXP (MM/DD/YYYY) TYPE OF INSURANCE LIMITS POLICY NUMBER LTR COMMERCIAL GENERAL LIABILITY RGD3000528 X 11/01/14 11/01/15 \$ 5,000,000 EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) CLAIMS-MADE X OCCUR \$ 1,000,000 § Excluded MED EXP (Any one person) \$ 5,000,000 PERSONAL & ADV INJURY \$ 5,000,000 GEN'L AGGREGATE LIMIT APPLIES PER: GENERAL AGGREGATE PRO-JECT \$ 5,000,000 POLICY PRODUCTS - COMP/OP AGG \$ OTHER: COMBINED SINGLE LIMIT (Ea accident) AUTOMOBILE LIABILITY \$ Reviewed and approved as to insurance tanguage BODILY INJURY (Per person) \$ ANY AUTO SCHEDULED AUTOS NON-OWNED and/or requirements ALL OWNED AUTOS BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) HIRED AUTOS \$ **AUTOS** Managemen \$ UMBRELLA LIAB OCCUR EACH OCCURRENCE **EXCESS LIAB** CLAIMS-MADE AGGREGATE \$ DED RETENTION \$ WORKERS COMPENSATION X | PER STATUTE RWR3000530 / RWD3000529 11/01/14 11/01/15 AND EMPLOYERS' LIABILITY Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? \$ 1,000,000 E.L. EACH ACCIDENT N/A (Mandatory in NH)
If yes, describe under
DESCRIPTION OF OPERATIONS below E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT | \$ 1,000,000 DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) RE: BILLBAORD REMOVAL AND RELOCATION in Garden Grove The certificate holder is included as an additional insured on the liability policies, but only to the extent of liability assumed by the Named Insured under written contract. Workers Compensation coverage is evidenced for employees of the Named Insured only. CANCELLATION CERTIFICATE HOLDER SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. City of Garden Grove 11222 Acacia Parkway **AUTHORIZED REPRESENTATIVE** Garden Grove, CA 92840 aon Risk Services Southwest, Inc. USA

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ENDORSEMENT #

This endorsement, effective on November 1, 2014 at 12:01 A.M. standard time, forms a part of Policy No. RGD3000528 of the Greenwich Insurance Company

Issued to iHeartMedia, Inc.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - WHERE REQUIRED UNDER CONTRACT OR AGREEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SECTION II - WHO IS AN INSURED, 1., is amended to add:

- f) A person or organization (i) for whom a Certificate of Insurance has been issued in which said person or organization has been named as an additional insured, but only with respect to liability that arises out of the acts or omissions of the Named Insured, or (ii) with whom the Named Insured has agreed to provide this insurance under a written contract is an insured, but only to the extent of the liability assumed under such contract. Coverage will cease when contract terminates or operations end. However, the insurance provided will not exceed the lesser of:
- The coverage and/or limits of this policy, or
- The coverage and/or limits required by said written contract or agreement

All other terms and conditions remain unchanged.

Authorized Representative

MANUS

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Risk Management

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s)	Location And Description Of Completed Operations	
ANY PERSON OR ORGANIZATION FOR WHOM THE NAMED INSURED HAS AGREED TO PROVIDE INSURANCE PRIOR TO LOSS AS PROVIDED BY THIS POLICY BUT ONLY TO THE LIMIT AND SCOPE OF INSURANCE AGREED TO BY THE NAMED INSURED.	ALL COMPLETED OPERATIONS	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the Schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

 The insurance afforded to such additional insured only applies to the extent permitted by law; and If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

Reviewed and approved as to insurance language

and/or requirements.

Risk Management

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

- 1. Required by the contract or agreement; or
- **2.** Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

ENDORSEMENT #

This endorsement, effective 12:01 a.m., November 1, 2014 , forms a part of

Policy No. RGD3000528

issued to iHeartMedia, Inc.

by Greenwich Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PRIMARY INSURANCE CLAUSE ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART PRODUCTS/COMPLETED OPERATIONS COVERAGE PART

It is agreed that to the extent that insurance is afforded to any Additional Insured under this policy, this insurance shall apply as primary and not contributing with any insurance carried by such Additional Insured, as required by written contract.

All other terms and conditions of this policy remain unchanged.

Reviewed and approved as to insurance language

and/or requirements

Risk Management

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