

**OUTDOOR MUNICIPAL LEASE AGREEMENT
ELECTRONIC READER BOARD
CON - 21 - _____**

This Lease Agreement ("LEASE"), is effective as of May 3, 2022 ("EFFECTIVE DATE"), and entered into by and between the City of Fountain Valley, a California municipal corporation ("CITY"), and _Outfront Media LLC _____ ("LESSEE"). CITY and LESSEE may be referred to herein, collectively, as the "PARTIES" and, each individually, as a "PARTY."

RECITALS

A. **WHEREAS**, CITY owns the property located at 10955 Ellis Avenue (the "PROPERTY") described in Exhibit "A" attached hereto and incorporated herein. CITY wishes to LEASE a portion of the PROPERTY described in Exhibit "B" attached hereto and incorporated herein (the "LEASE AREA").

B. **WHEREAS**, LESSEE is in the business of outdoor advertising.

C. **WHEREAS**, CITY has comprehensive sign regulations that have historically limited signage in the interests of aesthetics while allowing businesses to appropriately advertise; and

D. **WHEREAS**, in *Metro Lights, L.L.C. v. City of Los Angeles*, 551 F.3d 898 (2009), the Court recognized that under certain circumstances a city may prohibit certain offsite signage on private property, while allowing it on its own property with restrictions as a means of controlling sign proliferation; and

E. **WHEREAS**, Fountain Valley Municipal Code Chapter 21.25 provides that signs are generally banned on public property unless there is an authorization approved by the City Council; and

F. **WHEREAS**, a lease agreement is such an authorization provided by the City Council; and

G. **WHEREAS**, CITY and LESSEE desire to enter into this LEASE to allow LESSEE to construct and operate outdoor advertising structures on the LEASE AREA, which structures may include **two** electronic reader board displays (each, a "DIGITAL DISPLAY" and, collectively, the "DIGITAL DISPLAYS"), all as further described below; and

H. **WHEREAS**, development of the LEASE AREA is for the purpose of operating outdoor advertising structures in furtherance of CITY's desire to promote civic purposes and commerce, make community announcements and develop the CITY as an attractive location for residents and businesses; and

I. **WHEREAS**, CITY prepared an Environmental Impact Report ("EIR") pursuant to the California Environmental Quality Act. Based on the EIR, the CITY prepared, posted, circulated and, on October 6, 2015, adopted an Environmental Impact Report (EIR) (File No. 2014091024) which confirms based on substantial evidence that the construction of the STRUCTURE (defined below), as more fully described in Exhibit "D" hereto, in accordance with this LEASE would have the potential for significant environmental impacts as documented in the adopted Statement of Overriding Considerations as set forth in the Final EIR and further that the STRUCTURE would be compatible with the existing industrial character of the project site and the general project area; and

J. **WHEREAS**, the Fountain Valley Planning Commission at its duly noticed public meeting on August 12, 2015, adopted Resolution No. 15-27, recommending that the City Council deny approval of the digital sign; and

K. **WHEREAS**, on December 15, 2015, the City Council adopted the EIR but continued its consideration of a digital billboard; and

L. **WHEREAS**, following a competitive Request for Proposals the City Council, on March 15, 2022, considered approval of this LEASE for installation and operation of an electronic reader board sign.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the CITY and LESSEE agree as follows:

1. Use.

(a) **General.** CITY hereby leases the LEASE AREA to LESSEE for the purpose of erecting, maintaining, operating, improving, supplementing, posting (whether physically, digitally or via other remotely changeable technology), illuminating, repairing, repositioning and/or removing an outdoor electronic reader board advertising structure (the "STRUCTURE"). Such STRUCTURE includes, without limitation, fixture connections, electrical and broadband supply and connections, panels, digital displays, and other equipment and accessories as LESSEE requires to operate the DIGITAL DISPLAYS. This LEASE includes all necessary rights of access for ingress and egress and maintenance of the STRUCTURE. LESSEE may place digital advertising copy on the DIGITAL DISPLAYS of the STRUCTURE.

(b) **Colocation.** LESSEE shall not sublease, sublet, license, or otherwise permit a telecommunications entity to access or use the physical STRUCTURE or equipment therein contained ("Co-Use").

2. Term.

(a) **Term.** This LEASE shall be in effect on the EFFECTIVE DATE and rent, as set forth in Paragraph 3, below, shall commence on the date that construction and installation of the STRUCTURE is completed and operational and all applicable governmental permits and approvals required for the operation thereof are obtained including but not limited to a certificate of occupancy or final inspection for LESSEE's operation of the STRUCTURE (the "COMMENCEMENT DATE"). The term of the Lease shall end on the date which is 15 years following the COMMENCEMENT DATE (the "TERM"). Each 12-month period beginning on the COMMENCEMENT DATE or any anniversary thereof may be referred to herein as a "LEASE YEAR". LESSEE has the option to request three additional 5-year extensions beyond the TERM. Said three 5-year extensions may be approved or denied in CITY's sole and absolute discretion.

(b) **Amortization Refund.** In the event CITY does not allow LESSEE to operate for the 30-year period composed of the base term plus three 5-year extensions, CITY will provide LESSEE with an amortization refund based on the DIRECT COST of construction of the billboard. "DIRECT COST" means the amount actually paid by LESSEE for reasonable and necessary costs of planning, permitting, environmental review, and construction of the STRUCTURE. DIRECT COST does not include preparation of LESSEE'S proposal, overhead, including home office overhead, interest, lost profits, lost bonding capacity, or "Eichleay" damages. LESSEE must submit an estimate of DIRECT COST to CITY for approval prior to beginning construction. LESSEE must submit a final list of DIRECT COST to CITY prior to operating its digital displays. In the event CITY does not approve LESSEE'S first requested option to extend, CITY will refund LESSEE 40% of the approved DIRECT COST. In the event CITY approves LESSEE'S requested first option to extend but does not approve LESSEE'S requested second option to extend, CITY will refund LESSEE 30% of approved DIRECT COST. In the event CITY approves LESSEE'S requested first two options to extend but not the third, CITY will refund LESSEE 20% of approved DIRECT COST.

3. Rent.

(a) In exchange for the exclusive right to construct, maintain, and operate the STRUCTURE on the LEASE AREA and the non-exclusive right to access the LEASE AREA, LESSEE shall pay CITY the greater of: (i) a minimum annual guarantee ("MAG") of \$750,000 growing at 10% every 5-years; or (ii) 65% percent of revenues received from the sale of advertising as shown in detail on the attached **Exhibit "E"** "Business Proposal and Financial Plan." Additionally, a one-time payment of \$750,000 will be made to CITY once LESSEE has received all entitlements necessary for construction and operation of the STRUCTURE.

(b) Rent shall be paid monthly, in advance, beginning on the COMMENCEMENT DATE.

4. Regulatory Approvals and Fees. LESSEE shall be responsible, at its expense, for obtaining any building permits and other approvals necessary to construct the STRUCTURE and operate its business thereon. CITY, through approval of this LEASE, acts in its proprietary capacity and expressly reserves all regulatory authority including, but limited to, its police powers. LESSEE must obtain all required demolition, grading, building and other permits, entitlements, and development approvals necessary to allow LESSEE to construct the STRUCTURE and commence operations (collectively, the PERMITS), and pay the required fees including, without limitation, (a) application fees, permit fees, plan check fees, other fees, utility deposits, and other fees charged by CITY, and/or any other governmental agencies with jurisdiction; and (b) costs of complying with any condition of approval imposed on Development Approvals (without duplication), and (c) any Development and/or Mitigation Impact Fees assessed on development of the STRUCTURE and/or the LEASE AREA.

5. Reservation of Police Powers. Nothing contained herein shall be deemed to limit, restrict, amend or

modify, nor to constitute a waiver or release of, any ordinances, notices, orders, rules, regulations or requirements (now or hereafter enacted or adopted and/or as amended from time to time) of CITY, its departments, commissions, agencies and boards and the officers thereof, including, without limitation, any redevelopment plan or general plan or any zoning ordinances, or any of CITY's duties, obligations, rights or remedies thereunder or pursuant thereto or the general police powers, rights, privileges and discretion of CITY in the furtherance of the public health, welfare and safety of the inhabitants thereof, including, without limitation, the right under law to make and implement independent judgments, decisions and/or acts with respect to planning, development and/or redevelopment matters (including, without limitation, approval or disapproval of plans and/or issuance or withholding of building permits) whether or not consistent with the provisions of this LEASE, any Exhibits attached hereto or any other documents contemplated hereby (collectively, "CITY RULES AND POWERS"). In the event of any conflict, inconsistency or contradiction between any terms, conditions or provisions of this LEASE, Exhibits or such other documents, on the one hand, and any such CITY RULES AND POWERS, on the other hand, the latter shall prevail and govern in each case.

6. Construction of New Billboard.

(a) Authorization. LESSEE may develop and construct on the LEASE AREA all the improvements for the STRUCTURE authorized by, and in accordance with, the PERMITS and this LEASE.

(b) Construction. LESSEE will construct the STRUCTURE in substantial conformance with the specifications set forth in Exhibit "D" attached hereto and in accordance with the applicable provisions of the California Outdoor Advertising Act and applicable regulations adopted by the California Department of Transportation applicable to billboards, including, but not limited to, Business and Professions Code sections 5400-5443.5. Notwithstanding anything to the contrary, the STRUCTURE shall not exceed 65 feet in height when measured from ground level.

(c) Utilities. In connection with the operation of the STRUCTURE, LESSEE shall establish its own utility account in its name and shall pay all utility bills when due and hold CITY harmless from any liability therefrom.

(d) Landscaping. LESSEE shall provide a landscape plan that provides a consistent theme throughout the PROPERTY and includes an appropriate amount of trees and other vegetation, subject to the review and approval of the Director of Planning and Building.

7. Maintenance and Operation of New Billboard.

(a) Maintenance. LESSEE shall maintain the STRUCTURE in good and safe condition. LESSEE shall be required to keep the footprint area within 10 feet of the support column of the STRUCTURE properly maintained, which may require drought resistant landscaping or xeriscaping. LESSEE shall keep the site weed and litter free. LESSEE shall remove any garbage and refuse that may collect around the STRUCTURE so that the LEASE AREA remains in an attractive condition. CITY shall have a right of entry to enter the LEASE AREA at any and all reasonable times to inspect the STRUCTURE and the LEASE AREA.

(b) Graffiti. LESSEE shall keep the STRUCTURE and the LEASE AREA and other appurtenances in good repair and free from graffiti. Graffiti shall be removed within forty-eight (48) hours of LESSEE's receipt of written notice. LESSEE shall provide CITY with a contact number for providing said notice. Should LESSEE not remedy graffiti in a manner that satisfies the Director of Public Works in her reasonable discretion, CITY shall have the right to hire contractors or use its own employees and provide graffiti abatement at LESSEE's cost.

(c) Access for Maintenance. In connection with the construction and maintenance of the STRUCTURE, LESSEE and LESSEE's employees, contractors and agents shall have reasonable access to the PROPERTY. Independent contractors and other agents who are not LESSEE'S employees shall be bonded or otherwise have reasonable security/background checks, as reasonably determined by CITY, prior to accessing the PROPERTY. CITY shall require identification badges or cards for those with access. CITY shall provide to LESSEE keys for access, subject to the conditions set forth herein. LESSEE may access the PROPERTY upon at least twenty-four (24) hour email notice to CITY, except that LESSEE may access the PROPERTY without prior notice in the event of an emergency. In connection with access to the PROPERTY, LESSEE and LESSEE's employees, contractors and agents shall not interfere with CITY operations

Email notices shall be sent to
Water Production Supervisor – Tom Grose
Tom.Grose@fountainvalley.org
Cc to
Mark.Sprague@fountainvalley.org
Hye Jin.Lee@fountainvalley.org

(d) Technology. The DIGITAL DISPLAYS shall consist of high-quality digital billboard displays featuring Mega Vision (minimizes interruption to the surrounding area by utilizing a 16-bit processing system and producing 281 trillion colors) from the Opto-Tech Corporation.

(e) Remote Diagnostic Capabilities. LESSEE shall have full remote diagnostics that will notify its digital network operations center ("NOC") in Spokane, WA of any abnormality. LESSEE'S NOC shall be staffed 24 hours a day, 7 days a week, 365 days of the year.

(f) Amber Alert Capabilities. Full Amber Alert interruption shall be available, automated per Outdoor Advertising Association of America's ("OAAA") specifications.

(g) Automatic Brightness Adjustments. LESSEE shall use a triple level display brightness control with an automated brightness sensor located at the STRUCTURE. LESSEE shall have a GPS location for the STRUCTURE with an online lookup for sunrise and sunset times. LESSEE shall monitors brightness and GPS sunrise and sunset times will override the entire system to ensure that the EMC sign is never too bright during the night or too dull during the day.

(h) UL / IEC and Color Calibration. The DIGITAL DISPLAYS shall have full ETL/UL certification with full color calibration down to the individual pixel level. LESSEE shall utilize the most energy efficient LEDs that are reasonably commercially available.

(i) Remove Shutdown. Remote shutdown capabilities with full monitoring from NOC 24 hours a day, 7 days a week, 365 days of the year.

8. Public Service Announcements. As further consideration hereunder, LESSEE shall agree to use one (1) spot in a standard eight-(8) spot rotation on each of the digital displays for a four-week period during each year of this LEASE to display CITY-sponsored event announcements and non-commercial public service announcements to promote the civic interests of the CITY ("PUBLIC SERVICE ANNOUNCEMENTS") without charge to CITY, subject to the following conditions and parameters:

(a) At least thirty (30) days before the proposed display date, CITY shall notify LESSEE of any request to display a PUBLIC SERVICE ANNOUNCEMENT. Any requested PUBLIC SERVICE ANNOUNCEMENT will be subject to LESSEE's standard advertising copy rejection and removal policies which allow LESSEE the right, in its sole discretion, to approve or disapprove copy and remove copy once posted or displayed.

(b) The CITY shall not charge for, or exchange goods or services for, any sign space granted on the digital display.

(c) The CITY will submit "camera ready art" utilizing formats and protocols acceptable to LESSEE from time to time or pay production costs. All copy shall be submitted to LESSEE at least ten (10) business days prior to the scheduled display date.

(d) It is expressly understood and agreed that PUBLIC SERVICE ANNOUNCEMENTS may not include any names, logos or marks associated with any third party non-governmental person or entity or any products or any services associated with any third party non-governmental person or entity except that PUBLIC SERVICE ANNOUNCEMENTS may include the names, logos or marks of 501(c)(3) organizations and of organizations co-sponsoring a CITY event that is advertised on the PUBLIC SERVICE ANNOUNCEMENT.

(e) The CITY agrees to indemnify, defend and hold harmless LESSEE from any claims in connection with any third party allegation that any portion of any PUBLIC SERVICE ANNOUNCEMENT provided by the CITY infringes or violates copyright, trademark, or trade secret of any third party. This indemnity does not include LESSEE's lost profits or consequential damages.

(f) LESSEE shall utilize the advertising space on the digital displays for regional emergency announcements and alerts, including Amber Alerts, and wanted criminal postings from law enforcement as reasonably necessary and in accordance with local and regional emergency messaging protocols.

(g) In addition, LESSEE agrees to provide additional free advertising space to CITY for PUBLIC SERVICE ANNOUNCEMENTS on a space available basis, subject to the foregoing subsections (a) through (f).

9. Advertising Restrictions. LESSEE will not display on the STRUCTURE any advertisement that promotes or relates to smoking tobacco products, "e" cigarettes or vapor smoking products; marijuana or hemp products; sexually oriented businesses including, but not limited to, adult topless theater, nude theater, conferences and conventions promoting sexual aids, products, or entertainment or lifestyles; or political candidates, measures, or political speech, including, but not limited to, any political advertisement relating to the CITY or a CITY election.

10. Ownership of the STRUCTURE; Removal. LESSEE is the owner of the STRUCTURE and LESSEE has the right to remove the STRUCTURE at any time or within ninety (90) days following the termination of this LEASE or LESSEE's right to use or possess the LEASE AREA. However, such removal shall not relieve LESSEE of its obligations under this LEASE, including its obligation to pay rent. If the STRUCTURE is removed by LESSEE for any reason: (i) LESSEE will coordinate such removal with the CITY's Department of Public Works; (ii) LESSEE shall only be required to remove and restore the above-ground portions of the STRUCTURE, and repair any damage caused by the LESSEE to the LEASE AREA; and (iii) discarded material will be handled in compliance with the CITY's Recycling and Diversion of Waste for Construction and Demolition Ordinance (CITY Code Chapter 6.09) or any successor ordinance. If LESSEE fails to remove the STRUCTURE as required by this Paragraph, CITY, after 30 days' notice to LESSEE, may remove the STRUCTURE at LESSEE'S cost and expense. LESSEE agrees to pay any such costs within 30 days of receiving an invoice from CITY for the same.

11. Interference. If: (a) the view of the DIGITAL DISPLAYS from vehicular traffic on the 405-freeway becomes materially obstructed, (b) electrical service is unavailable, (c) the LEASE AREA cannot safely be used for the erection or maintenance of the STRUCTURE, (d) LESSEE is unable to obtain or maintain any necessary permit for the erection, use and/or maintenance of the STRUCTURE, or (e) the STRUCTURE's use is prevented or restricted by law; then LESSEE may either: cancel this LEASE and receive all pre-paid rent for any unexpired term of this LEASE or abate the rent owed by LESSEE to CITY until such foregoing conditions listed in subsections (a) through (e) of this provision no longer exist.

12. Eminent Domain. If the STRUCTURE or the LEASE AREA, or any part thereof, is condemned by proper authorities, LESSEE shall have the option to terminate this LEASE upon not less than thirty (30) days' notice. LESSEE shall be entitled to all compensation and other remedies accruing to LESSEE as provided by law. CITY shall be entitled to pursue all compensation and other remedies accruing to CITY as provided by law. If condemnation proceedings are initiated for the LEASE AREA, CITY shall include LESSEE as a party thereto.

13. Indemnification.

LESSEE agrees to indemnify, defend with legal counsel approved by CITY, and hold harmless CITY, its officers, officials, employees and volunteers (collectively "INDEMNIFIED PARTIES") from and against all liability, loss, claim, damage, expense, and cost (including, without limitation, reasonable attorney fees, expert fees and all other costs and fees of litigation) of every nature arising out of or in connection with (i) LESSEE's, or LESSEE's officers, employees, agents, licensees, consultants, or contractors (collectively "LESSEE PARTIES") negligence, recklessness, or willful misconduct in the performance of obligations under this LEASE, (ii) LESSEE PARTIES' failure to comply with any provision of this LEASE, (iii) LESSEE PARTIES' use of the PROPERTY, (iv) CITY's approval of this LEASE, (v) CITY's approval of any PERMIT in connection with the LEASE, (vi) CITY's approval of the DIGITAL DISPLAYS and/or the STRUCTURE, (vii) the existence or operation of the STRUCTURE and/or the DIGITAL DISPLAYS, (viii) the conduct of LESSEE's business or from any activity, work or things done, permitted or suffered by LESSEE or LESSEE PARTIES in or about the PROPERTY, (ix) any legal action brought by a third party against the CITY where any part of said action seeks to locate offsite advertising anywhere in the CITY and LESSEE's STRUCTURE or DIGITAL DISPLAY is proffered as full or partial justification for said offsite advertising, (x) any legal action brought by a third party against the CITY where any part of said action challenges CITY's approval of the LEASE, PERMIT, STRUCTURE, and/or environmental/CEQA review; except where such liability, loss, claim, damage, expense, or cost is caused by the sole or active negligence or willful misconduct of the INDEMNIFIED PARTIES, provided such sole or active negligence or willful misconduct is determined by agreement between the PARTIES or by the findings of a court of competent jurisdiction. In instances where INDEMNIFIED PARTIES are shown to have been solely or actively negligent or committed willful misconduct, and where INDEMNIFIED PARTIES' sole or active negligence or willful misconduct accounts for only a percentage of the liability, loss, claim, damage, expense, or cost involved, the obligation of LESSEE will be for that entire portion or percentage of the liability, loss, claim, damage, expense, or cost not attributable to the sole or active negligence or willful misconduct of INDEMNIFIED PARTIES.

Should conflict of interest principles preclude a single legal counsel from representing both INDEMNIFIED PARTIES and LESSEE PARTIES, or should CITY otherwise find LESSEE's legal counsel unacceptable, then LESSEE

shall reimburse the CITY its costs of defense, including without limitation reasonable legal counsels' fees, expert fees and all other costs and fees of litigation.

LESSEE shall promptly pay any final judgment rendered against the INDEMNIFIED PARTIES that are subject to this indemnity obligation.

It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California and will survive termination of this LEASE.

14. Insurance. During the TERM, LESSEE shall procure and maintain, at its sole cost and expense, in a form and content reasonably satisfactory to CITY, the following policies of insurance:

(a) General liability insurance. LESSEE shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage, including without limitation, blanket contractual liability, and a \$2,000,000 completed operations aggregate.

(b) Umbrella or excess liability insurance. LESSEE shall obtain and maintain an umbrella or excess liability insurance policy with limits of not less than \$4,000,000 that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop down feature requiring the policy to respond in the event that any primary insurance that would otherwise have applied proves to be uncollectable in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies; and
- Policies shall "follow form" to the underlying primary policies.
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

(c) Workers' compensation insurance. LESSEE shall maintain Workers' Compensation Insurance (Statutory Limits) for LESSEE's employees in accordance with the laws of the State of California. LESSEE shall submit to CITY, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of CITY, its officers, agents, employees and volunteers.

(d) Pollution liability insurance. Environmental Impairment Liability Insurance shall be written on a Contractor's Pollution Liability form or other form acceptable to CITY providing coverage for liability arising out of sudden, accidental and gradual pollution and remediation. The policy limit shall be no less than \$1,000,000 dollars per claim and in the aggregate. All activities contemplated in this AGREEMENT shall be specifically scheduled on the policy as "covered operations." The policy shall provide coverage for the hauling of waste from the PROPERTY to the final disposal location, including non-owned disposal sites. The policy shall extend coverage for a minimum of three years after termination of this LEASE or removal of the STRUCTURE, whichever occurs last. If the insured is using subcontractors, the Policy must include work performed "by or on behalf" of the insured. Policy shall contain no language that would invalidate or remove the insurer's duty to defend or indemnify for claims or suits expressly excluded from coverage. Policy shall specifically provide for a duty to defend on the part of the insurer. The CITY, its officials, officers, agents, and employees, shall be included as insureds under the policy.

(e) Proof of insurance. LESSEE shall provide certificates of insurance to CITY as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsement must be approved by CITY's risk manager prior to the issuance of building permit by CITY. Current certification of insurance shall be kept on file with CITY at all times during the term of this LEASE. CITY reserves the right to require complete, certified copies of all required insurance policies, at any time.

(f) Duration of coverage. Unless specifically stated otherwise, LESSEE shall procure and maintain for the duration of this LEASE the insurance coverages required herein.

(g) CITY's rights of enforcement. In the event any policy of insurance required under this LEASE does not comply with these requirements or is canceled and not replaced, CITY has the right but not the duty to obtain the insurance it deems necessary and any premium paid by CITY will be promptly reimbursed by LESSEE. Failure to promptly reimburse CITY is a material breach of this LEASE.

(h) **Acceptable insurers.** All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the CITY's risk manager.

(i) **Waiver of subrogation.** All insurance coverage maintained or procured pursuant to this LEASE shall be endorsed to waive subrogation against CITY, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow LESSEE or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. LESSEE hereby waives its own right of recovery against CITY, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

(j) **Enforcement of contract provisions (non estoppel).** LESSEE acknowledges and agrees that any actual or alleged failure on the part of the CITY to inform LESSEE of non-compliance with any requirement imposes no additional obligations on the CITY nor does it waive any rights hereunder.

(k) **Requirements not limiting.** Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

(l) **Notice of cancellation.** LESSEE agrees to oblige its insurance agent or broker and insurers to provide to CITY with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

(m) **Additional insured status.** General liability policies shall provide or be endorsed to provide that CITY and its officers, officials, employees, and agents shall be additional insureds under such policies. This provision shall also apply to any excess liability policies.

(n) **CITY's right to revise requirements.** The CITY reserves the right at any time during the term of the AGREEMENT to change the amounts and types of insurance required by giving the LESSEE a ninety (90)-day advance written notice of such change. If such change results in substantial additional cost to the LESSEE, the CITY and LESSEE may renegotiate LESSEE's compensation.

(o) **Self-insured retentions.** Any self-insured retentions must be declared to and approved by CITY. CITY reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by CITY.

(p) **Timely notice of claims.** LESSEE shall give CITY prompt and timely notice of claims made or suits instituted that arise out of or result from LESSEE's performance under this LEASE, and that involve or may involve coverage under any of the required liability policies.

(q) **Additional insurance.** LESSEE shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and fulfillment/enjoyment of the obligations/rights under this LEASE.

15. Hazardous Substances. As used herein, the term "HAZARDOUS SUBSTANCES" shall mean any (i) oil, petroleum, petroleum byproduct or products, flammable substances, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials or pollutants which pose a hazard to the PROPERTY or to persons on or about the PROPERTY or cause the PROPERTY to be in violation of any ENVIRONMENTAL LAWS; (ii) asbestos in any form (including asbestos-containing materials), urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, radon or raw materials that contain hazardous constituents; (iii) chemical, material or substance defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials", "extremely hazardous waste", "restricted hazardous waste", or "toxic substances" or words of similar import under any hazardous substances laws; and/or (iv) other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or may or could pose a hazard to the health and safety of the occupants of the PROPERTY or the owners and/or occupants of premises adjacent to or surrounding the PROPERTY, or any other person coming upon the PROPERTY or adjacent property, including without limitation, infectious substances. As used herein, the term "ENVIRONMENTAL LAWS" shall mean any federal, state or local laws, ordinances, regulations or policies relating to the environment, health and safety, and/or HAZARDOUS SUBSTANCES (including, without

limitation, the use, handling, transportation, production, disposal, discharge or storage thereof) or to industrial hygiene or the environmental conditions on, under or about the PROPERTY, including, without limitation, soil, groundwater and indoor and ambient air conditions, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601 et seq.) ("CERCLA"), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §1251 et seq.), the Clean Air Act (42 U.S.C. § 7401 et seq.), the Emergency Planning and Community-Right-to-Know Act (42 U.S.C. § 11001 et seq.), the Endangered Species Act (16 U.S.C. § 1531 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), the Occupational Safety and Health Act (29 U.S.C. § 651 et seq.) and the Hazardous Materials Transportation Act (49 U.S.C. §1801 et seq.), and those relating to lead based paint. As used herein, "RELEASE" includes any spilling, leaking, pumping, pouring, emptying, discharging, injecting, escaping, leaching, dumping or disposing into the environment, including the abandonment or discarding of barrels, drums, containers, tanks, or other receptacles containing or previously containing any HAZARDOUS SUBSTANCES.

With regard to the presence or RELEASE of any HAZARDOUS SUBSTANCES caused by LESSEE, LESSEE shall remove or remediate, at LESSEE's sole cost, the same to the extent required by all ENVIRONMENTAL LAWS and in compliance with all Governmental Regulations; and LESSEE agrees to defend, indemnify and hold CITY harmless from and against any and all claims, demands, causes of action, damages, costs, expenses, losses and liabilities, at law or in equity, of every kind or nature whatsoever, including reasonable attorneys' fees and expert witness fees and including, without limitation, injury to or death of any person or persons and damage to or destruction of any premises, threatened, brought or instituted against, imposed on, or suffered or incurred by CITY, directly or indirectly arising out of or in connection with any such HAZARDOUS SUBSTANCES (whether alleged or real), and/or regarding the removal and remediation of same. The indemnification obligations in this Section shall survive the expiration or termination of this LEASE.

16. City's Rights as to the Lease Area. CITY reserves the right to install, lay, construct, maintain, repair, and operate such sanitary sewers, drains, storm water sewers, pipelines, manholes, and connections; water, oil and gas pipelines; telephone and telegraph power lines; any other public utilities; and the appliances and appurtenances necessary or convenient in connection therewith, in, over, upon, through, across, and along the PROPERTY or any part thereof, including the LEASE AREA, and to enter the LEASE AREA for any and all such purposes. CITY also reserves the right to grant franchises, easements, rights of way, and permits in, over, upon, though, across, and along any and all portions of the LEASE AREA. City agrees that any such rights granted to third parties by reason of this clause shall contain provisions that the surface of the land shall be restored as nearly as practicable to its original condition upon completion of any construction and that such entry upon the LEASE AREA shall not unreasonably interfere with the use by LESSEE of the LEASE AREA nor require LESSEE to incur any costs or expenses in relation thereto.

17. Defaults and Disputes.

(a) Either PARTY may terminate this LEASE if the other PARTY fails to cure any default hereunder within: (i) fifteen (15) business days after receipt of written notice for non-payment of any amount due; or (ii) sixty (60) days after receipt of written notice for any other good cause or such other period as may be reasonably necessary to cure such default.

(b) CITY may terminate this LEASE if the LESSEE: (i) commences a voluntary case, or has an involuntary case filed against it, under any applicable bankruptcy, insolvency, or similar law then in effect, and the case or order is not stayed, withdrawn or settled within 60 days after it is filed, commenced, or entered (11 U.S.C. section 365(e)(2)(A), as amended, or any successor statute); or (ii) files for reorganization, becomes insolvent, or has a receiver or other officer with similar powers appointed for its affairs in any court with jurisdiction, whether or not with its consent, unless dismissed, bonded or discharged within 60 days after appointment.

(c) If the CITY terminates this LEASE pursuant to this Section, LESSEE shall within ninety (90) days remove the above-ground portions of the STRUCTURE; provided, that if LESSEE fails to remove such portions of the STRUCTURE within ninety (90) days after this LEASE is terminated pursuant to this subsection, then CITY shall be entitled to remove and dispose of the same. If the CITY is required to exercise its rights due to LESSEE's failure to remove the STRUCTURE, CITY shall be entitled to be reimbursed by LESSEE any and all reasonable 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 the STRUCTURE by CITY shall not entitle LESSEE to any damages of any kind whatsoever against the CITY arising from such removal by the CITY.

(d) No member, official, agent, legal counsel or employee of CITY shall be personally liable to LESSEE, or any successor in interest in the event of any default or breach by CITY.

(e) Each PARTY covenants not to sue over whether the provisions of this LEASE are valid and enforceable.

18. Taxes. CITY hereby provides notice to LESSEE that a possessory interest may be created by this LEASE which may cause the LEASE AREA, which is otherwise exempt from taxation, to be subject to taxation of the possessory interest. Pursuant to California Revenue and Taxation Code section 107.6, CITY hereby notifies LESSEE that the LEASE AREA may be subject to such taxation and LESSEE agrees that it will pay those taxes, if any, of which LESSEE receives timely notice and will indemnify CITY from any liability therefrom. LESSEE shall be solely responsible to pay all real property, personal, and sales taxes levied upon the LEASE AREA or levied as a result of construction, maintenance or operation of the STRUCTURE.

19. Authority. CITY represents that it is the owner of the PROPERTY, free and clear of any encumbrances, and has the right to enter into this LEASE and to bind the CITY hereby. The individuals signing below warrant that they have the specific authority from their respective principals to execute this LEASE on their behalf and agree to provide such resolutions or other documents reasonably necessary to satisfy the other PARTY of such authority.

20. Assignment. CITY agrees not to assign this LEASE to any competitor of LESSEE without LESSEE's prior written consent, which consent shall not be unreasonably conditioned, delayed or withheld. LESSEE may assign this LEASE only upon the delivery by LESSEE to the CITY of an assignment and assumption agreement in a form reasonably acceptable to CITY, and with the prior, written consent of the CITY, which consent shall not be unreasonably conditioned, delayed or withheld, except that LESSEE may assign without consent, so long as LESSEE provides notice to the CITY, to: (i) any affiliate, parent or subsidiary of LESSEE, so long as LESSEE or entities owned and controlled by it, have and maintain at least fifty-one percent (51%) of ownership interest in such assignee; (ii) any successor by merger; or (iii) any entity acquiring substantially all of LESSEE's assets in the Los Angeles-Orange County metropolitan area. After a transfer or assignment by LESSEE as permitted by this Section, CITY shall look solely to such assignee or transferee for compliance with the provisions of this LEASE which have been assigned or transferred.

21. Successors. This LEASE is binding upon the heirs, assigns and successors of both CITY and LESSEE.

22. Memorandum of Lease. The PARTIES agree to take such actions reasonably necessary to execute and record a memorandum of this LEASE in the Official Records of Orange County, California, in substantially the form attached hereto as Exhibit "C".

23. Further Assurances. Each PARTY shall execute all additional documents or instruments and take all necessary action that either PARTY reasonably considers necessary to carry out the proper purposes of this lease.

24. Notices. 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 Fountain Valley
Attn: City Manager
10200 Slater Avenue
Fountain Valley, California 92708

If to LESSEE: OUTFRONT Media
Attn: Director of Real Estate- Katie Metz
1731 Workman Street
Los Angeles, CA 90031

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, whichever occurs first. If either PARTY gives notice in writing to the other PARTY of any change in said address, then and in that event such notice shall be given at the changed address specified in such notice.

25. Governing Law. This LEASE shall be governed exclusively by the provisions hereof and by the laws of the State of California, as the same may from time to time exist without regard to conflict of laws provisions. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this LEASE may be brought against any of the PARTIES only in the courts within the county in which the PROPERTY is located, or, if it has acquired or can acquire jurisdiction, in the United States District Court for the applicable district located in the applicable county where the PROPERTY is situated, and each of the PARTIES consents to the exclusive jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein.

26. Waiver of Jury Trial. Each of CITY and LESSEE hereby irrevocably waives any and all right to trial by jury in any legal proceeding arising out of or related to this LEASE or the transactions contemplated hereby.

27. Entire Agreement; Modification. Neither CITY nor LESSEE shall be bound by any terms, conditions or oral representations that are not set forth in this LEASE. This LEASE represents the entire agreement of LESSEE and CITY with respect to the matters addressed herein and supersedes any previous agreement. No supplement, modification or amendment of this LEASE shall be binding unless in writing and signed by the PARTIES.

28. Counterparts. This LEASE may be signed in counterparts.

29. Attorney's Fees. In any action or proceeding brought by either party against the other party arising out of or in any way connected to this LEASE, or where any provision hereof is validly asserted as a defense, the PARTIES shall bear their own attorney's fees, costs, and expenses. Nothing in this provision shall excuse LESSEE's duty to provide CITY with a defense at LESSEE's cost when CITY receives a complaint, petition, or other pleading from a third party requiring CITY to defend itself.

30. Contents of Request for Proposal and Proposal. LESSEE is bound by the contents of CITY's Request for Proposals and the contents of the Proposal submitted by LESSEE. In the event of conflict, this LESSEE shall take precedence over CITY's Request for Proposals and LESSEE's Proposal; and CITY's Request for Proposals shall take precedence over LESSEE's Proposal. No limitation of LESSEE's liability, waiver of rights of CITY, or release of rights or remedies held by CITY, contained in LESSEE's Proposal shall be of any force or effect. This LEASE shall be interpreted as though drafted by all PARTIES hereto.

31. Public Work. Notice is provided pursuant to Labor Code Section 1781 that all or a portion of the work contemplated in this LEASE may constitute a "public work" as defined in Chapter 1, Part 7, and Division 2 of the Labor Code, to which Section 1771 applies. If all or a portion of the work contemplated under this LEASE constitutes "public work," then LESSEE shall pay prevailing wages, unless exempt, on those portions of the work which require payment of prevailing wages under the prevailing wage laws (Labor Code, §§ 1720 et seq.).

32. Non-Waiver. Waiver of any breach of, or default under, this LEASE shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this LEASE.

IN WITNESS WHEREOF, the Parties have executed this LEASE to be effective as of the Effective Date.

CITY:

CITY OF FOUNTAIN VALLEY,
California municipal corporation

By: _____
Name: Patrick Harper
Title: Mayor

Approved as to form:

HARPER & BURNS LLP

Colin Burns
Attorneys for the City

Attest

Rick Miller
City Clerk

LESSEE:

By: Bryan Canley 4/25/22
Name: Bryan Canley
Title: General Manager

Approved as to form:

Attorneys for

EXHIBIT A
DESCRIPTION OF PROPERTY

Permanent Property Tax Number:

Legal Description:

**LEGAL DESCRIPTION
OF LEASE FOR NEW SIGN & INGRESS/EGRESS AREA**

THAT PORTION OF NE¼ OF SECTION 32 & 33, TOWNSHIP 5 SOUTH, RANGE 10 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF FOUNTAIN VALLEY, ORANGE COUNTY, STATE OF CALIFORNIA, AS SHOWN ON MAP RECORDED IN BOOK 34, PAGE 37 OF PARCEL MAPS, IN THE OFFICE OF THE REGISTRAR-RECORDER/COUNTY CLERK OF SAID COUNTY, PARTICULARLY DESCRIBED AS FOLLOW:

16' WIDE INGRESS/ EGRESS ACCESS PORTION OF THE PARCEL:

BEGINNING AT THE INTERSECTION OF CENTERLINE OF ELLIS AVENUE AND THAT OF WARD STREET; THENCE NORTH 89°32'05" WEST 2387.95 FEET EASTERLY; THENCE ALONG ARC WITH RADIUS 818 FEET AND CENTRAL ANGLE 49°02'27" 700.15 FEET TO A POINT OF BEGINNING (POB); THENCE NORTH 50°11'12" WEST 50 FEET NORTHWESTERLY TO A TRUE POINT OF BEGINNING (TPOB); THENCE ALONG SOUTHWESTERN INGRESS/EGRESS ACCESS EASEMENT BOUNDARY LINE NORTH 50°11'12" WEST 90.67 FEET TO A POINT REFERRED AS POINT "A"; THENCE NORTH 70°37'10" WEST 20 FEET SOUTHEASTERLY; THENCE SOUTH 54°31'25" WEST 9.32 FEET; THENCE NORTH 50°11'12" WEST 69.27 FEET; THENCE NORTH 38°46'52" WEST ±16 FEET TO THE TRUE POINT OF BEGINNING (TPOB).

TOTAL AREA OF THE LAND DESCRIBED ABOVE IS ±1,203.35 SQUARE FEET.

SIGN LEASE PORTION OF THE PARCEL:

BEGINNING AT SAID POINT "A" BEING THE TRUE POINT OF BEGINNING (TPOB); THENCE NORTH 70°37'10" WEST 16.16 FEET WESTERLY; THENCE NORTH 15°45'46" WEST 14.95 FEET NORTHERLY; THENCE NORTH 34°45'00" EAST 41.24 FEET; THENCE SOUTH 70°14'26" EAST 32.42 FEET EASTERLY; THENCE SOUTH 5°38'29" WEST 41.11 FEET SOUTHERLY; THENCE SOUTH 54°31'25" WEST 14.47 FEET; THENCE NORTH 70°37'10" WEST 20 FEET TO THE SAID POINT "A" AND THE TRUE POINT OF BEGINNING (TPOB).

TOTAL AREA OF THE LAND DESCRIBED ABOVE IS ±2,240.56 SQUARE FEET.

SEE EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF.

THIS LEGAL DESCRIPTION WAS PREPARED
BY ME OR UNDER MY DIRECTION.



C. DENNIS LEE
RCE No: 26282
EXP. 03/31/2024

CITY OF FOUNTAIN VALLEY	
DEPARTMENT OF PUBLIC WORKS APPROVAL	
HYE JIN LEE, MS, PE DIRECTOR OF PUBLIC WORKS	DATE

EXHIBIT "A"

(NORTH BOUND)
I-405 SAN DIEGO FWY
(SOUTH BOUND)

LEGENDS

- CENTER LINE
- PROPERTY LINE
- - - EASEMENT LINE
- P.O.B.
- T.P.O.B.

EXHIBIT "B"
MAP OF LEASE FOR MONUMENT SIGN AND INGRESS/EGRESS AREAS

LINE DATA

#	BEARING	DISTANCE	#	BEARING	DISTANCE
1	S5°38'29"W	41.11'	5	N15°45'46"W	14.95'
2	S54°31'25"W	14.47'	6	N54°45'00"E	41.24'
3	N7°03'71°W	20'	7	S7°01'4'26"E	32.42'
4	N7°03'71°W	16.16'	8	S54°31'25"W	5.15'

THIS PLAN WAS PREPARED BY OR UNDER THE DIRECT SUPERVISION OF

[Signature]

C. DENNIS LEE
RCE No: 26282
EXP. 03/31/2024

DATE: 04-08-2022

FD. C.F.V. TRULID WELL MON.
W/ PUN. BRASS DISK (UNMARKED)
PER STATE F.B. AOR4055-0074
DN. 1.0'

FD. C.F.V. TRULID WELL MON.
W/ 2 1/2" PUN. BR. DISK (UNMARKED)
PER P.M.B. 36928 DN. 1.0'
REF. RECORD OF SURVEY 80-1056 JUNE 1996

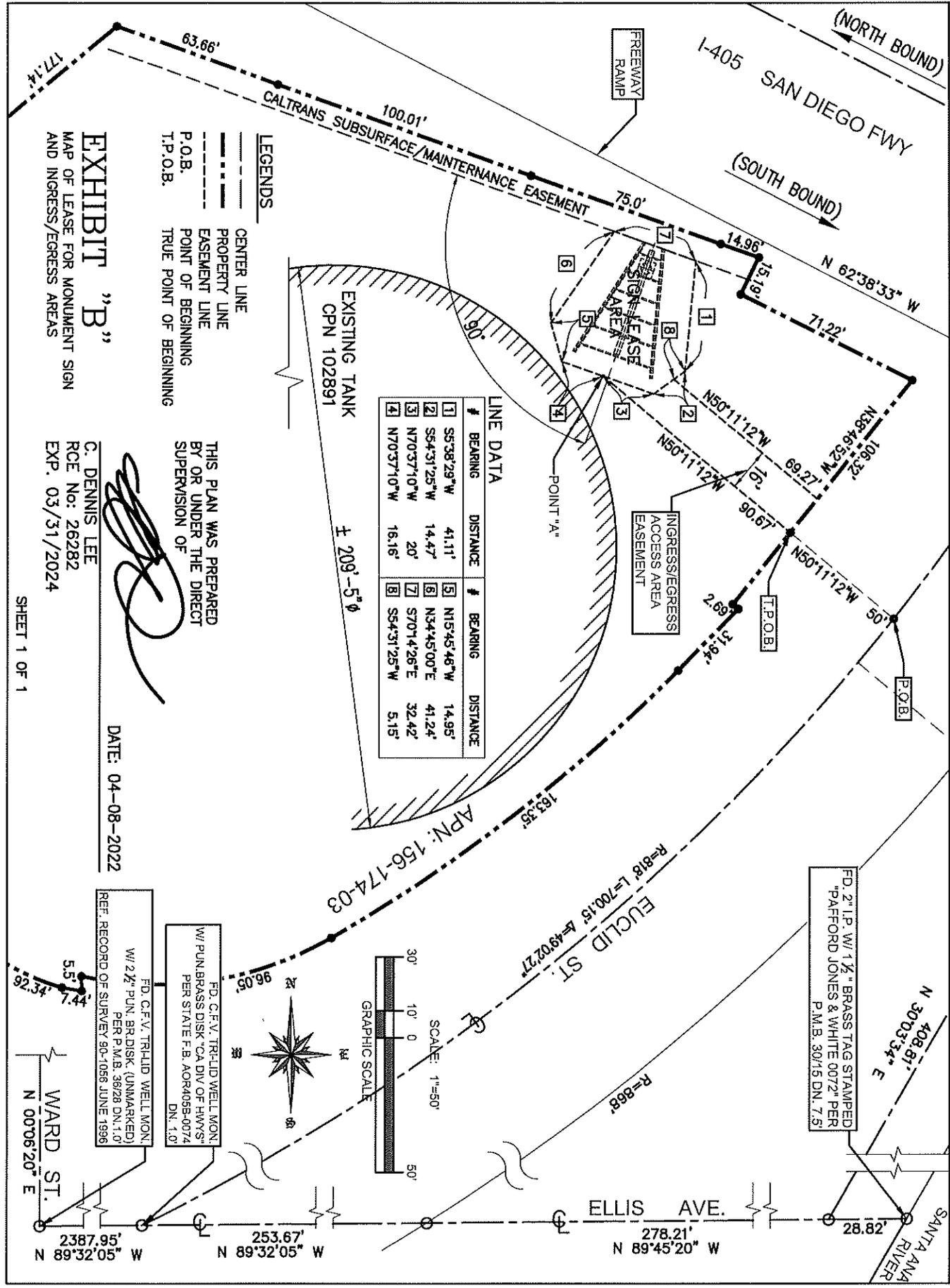
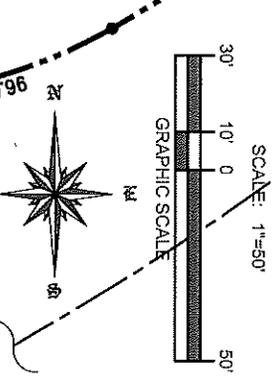


EXHIBIT B
DESCRIPTION OF THE LEASE AREA

EXHIBIT C
MEMORANDUM OF LEASE

WHEN RECORDED MAIL TO:

City Clerk
City of Fountain Valley
10200 Slater Avenue
Fountain Valley, CA 92708

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (this "Memorandum") is made by City of Fountain Valley, a California municipal corporation ("Landlord"), whose address is 10200 Slater Avenue, Fountain Valley, California 92708, and _____ ("Tenant"), whose address is _____, upon the following terms:

1. Landlord is the owner of the following described property:

[INSERT LEGAL DESCRIPTION]

2. Landlord and Tenant have entered into that certain Lease Agreement, dated _____, 2021 (the "Lease"), wherein Tenant has leased portion(s) of the property for the construction, maintenance and operation of an outdoor advertising structure for a term beginning _____, 2021, and continuing for a period of _____ years, including extensions and renewals, if any.

3. The purpose of this Memorandum is to give record notice of the Lease and of the rights created thereby, all of which are hereby confirmed.

4. This Memorandum may be executed in one or more counterparts, each of which shall be deemed an original but all of which when taken together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Tenant and Landlord have executed this Memorandum as of the ____ day of _____, 2021.

CITY OF FOUNTAIN VALLEY, a California municipal corporation

By: _____
Name:
Title:

By: _____
Name:
Title

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, [INSERT NAME OF NOTARY], personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

STATE OF _____)
) ss.
COUNTY OF _____)

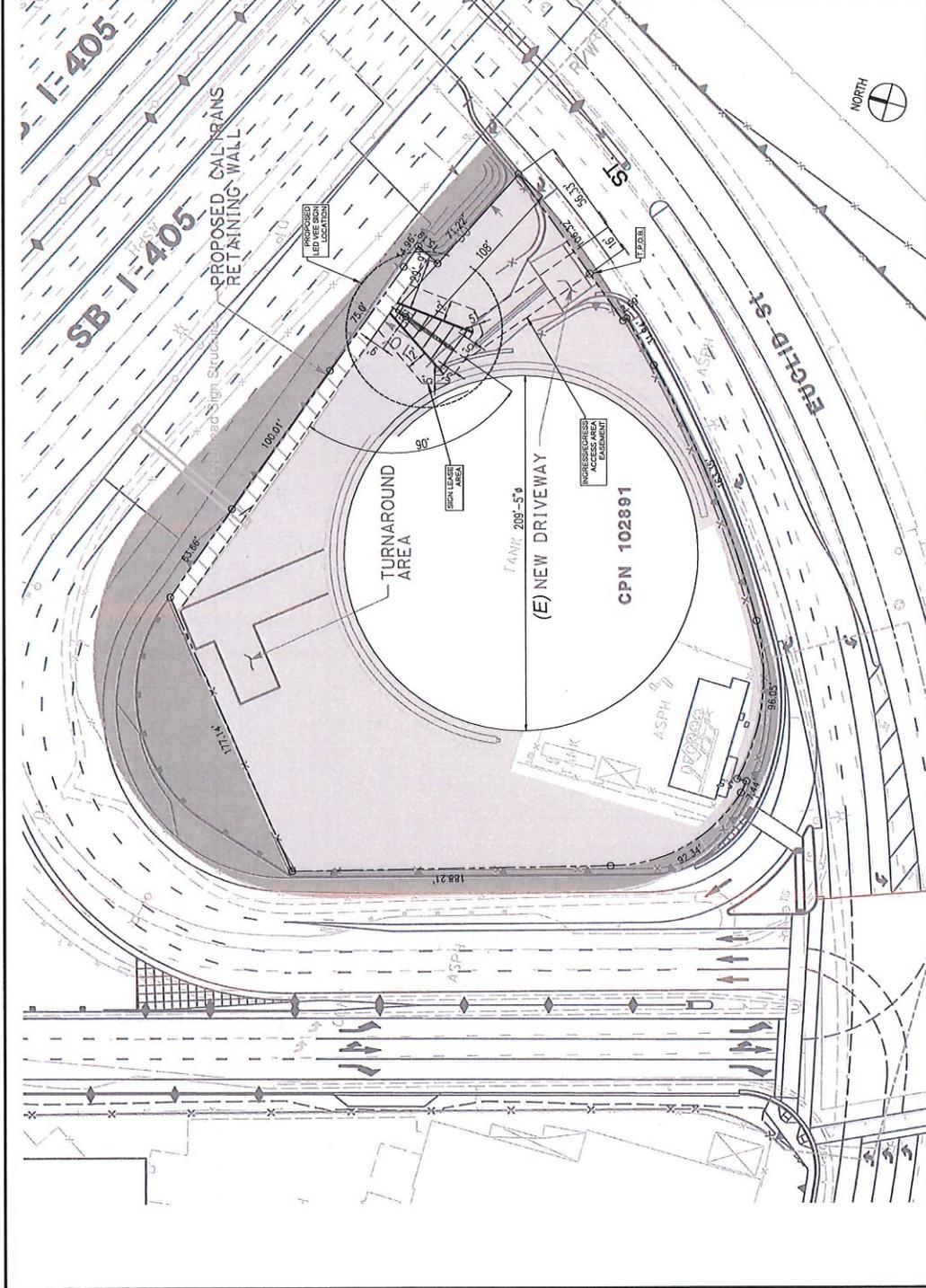
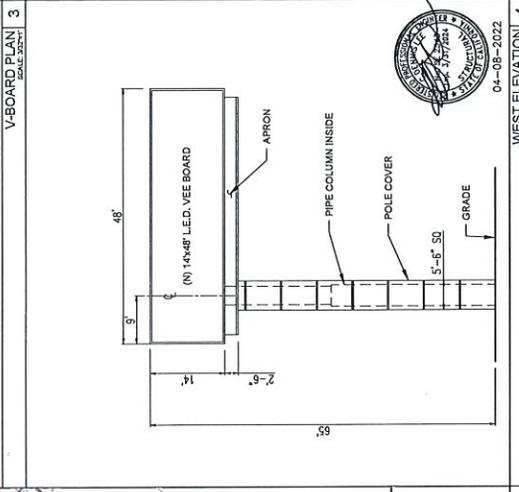
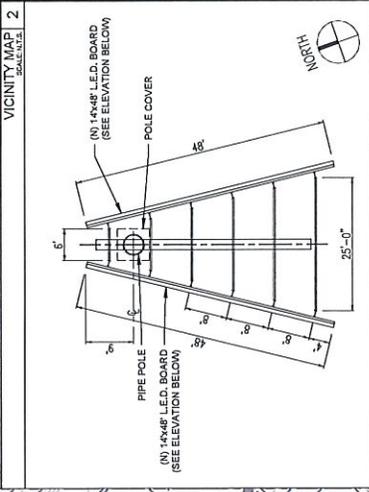
On _____ before me, [INSERT NAME OF NOTARY], personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT D
DESIGN OF THE STRUCTURE AND LEASE AREA



**I-405 IMPROVEMENT PROJECT
CITY WATER RESERVOIR (CPN 102891)
PROPOSED PROPERTY BOUNDARY EXHIBIT
(AFTER CALTRANS)**

LEGEND

- EXISTING CALTRANS R/W
- FEE TAKE
- TEMPORARY CONSTRUCTION EASEMENT
- CALTRANS SUBSURFACE MAINTENANCE EASEMENT FROM CITY

THESE DRAWINGS AS INSTRUMENT OF SERVICE ARE THE PROPERTY OF LEEDCO ENGINEERS, INC. AND SHALL NOT BE REPRODUCED WITHOUT THE CONSENT OF LEEDCO ENGINEERS, INC.

LEEDCO ENGINEERS, INC.
STRUCTURAL FOUNDATIONS
3345 FARM DRIVE SUITE 225 EL MONTE CA 91731 (626) 242-2707

TITLE: NEW 14x48" L.E.D. VEE BOARD, BOULDER, 38'-0"
OWNER: OUTFRONT MEDIA
JOB ADDRESS: 18458 Euclid Street, City of Fontana, Fontana, CA 92331

DESIGNED BY: [Signature]
CHECKED BY: [Signature]
DATE: 04-08-2022

APPROVED BY: C. D. LEE
DATE: 04-08-2022

SCALE: 1/8"=1'-0"

DATE: 04-08-2022

1012



DEVELOPMENT PROPOSAL

OUTFRONT

COVER LETTER

1

January 27, 2022

Re: REQUEST FOR PROPOSAL (RFP) THE USE OF CITY-OWNED REAL PROPERTY TO DEVELOP, CONSTRUCT, OPERATE AND MAINTAIN ELECTRONIC MESSAGE CENTER BILLBOARD SIGNS RFP NO.: 21-024A

Subject to Contract

Dear Ms. McCall,

OUTFRONT Media LLC ("OUT" or "OUTFRONT") is very honored to be involved in the procurement process. It was a pleasure meeting you and interviewing with the evaluation team. We are very thankful for the time and effort you have all put in to make this a successful project.

OUTFRONT is submitting a revised compensation proposal. You will see that our projected revenue has remained the same as we firmly believe that this is an accurate representation of where the revenue will land. Our data and industry knowledge is guiding this number and we believe it is best to set realistic expectations of revenue to avoid surprises in later years. To show how committed we are to landing this deal, OUTFRONT will be adjusting their one-time payment from \$500K to \$750K, increasing our starting MAG from \$650k to \$750k, and increasing our revenue share from 60% to 65%. We believe that OUTFRONT is the perfect partner for this project. Having constructed many of the most valuable outdoor advertising displays in the nation's largest markets, we believe that the City of Fountain Valley has the opportunity to dramatically increase advertising revenues through the tasteful deployment of this new sign in a key location. We are a turn-key provider with more expertise building OOH signage than any other operator in the region. We can easily bring this new EMC sign to market taking lead in the process from construction through sales. No other firm has the experience necessary to safely and quickly bring this sign to life nor the sales expertise to execute this project successfully.

If you have any questions regarding our response, please feel free to reach out to me directly. Thank you again for your time and are hopeful for the opportunity to work with the City of Fountain Valley.

Sincerely,



Katie Metz

Real Estate Manager

katie.metz@outfront.com

323-276-7255

BUSINESS PROPOSAL & FINANCIAL PLAN

Financial Offer:

We believe that the EMC sign located at 10955 Ellis Avenue represents an elite advertising opportunity, one that will command significant revenues from the world's leading brands and local Fountain Valley firms alike. We project this sign will generate more than \$46 million in gross revenues over the 15-year term (\$118.4 million including the (3) 5-year extensions, 30 total years). The City's share of these revenues is projected to be more than \$29.9 million over the 15-year term (\$76.9 million over the 30-year term), with more than \$12.4 million in guaranteed revenue (\$28.9 million over the 30-year term). OUTFRONT is a "turnkey" provider: the significant revenue streams come at no additional expense or burden to the City.

In exchange for the exclusive right to design, construct, maintain and manage the EMC sign on the City's property, OUTFRONT is excited to offer the greater of

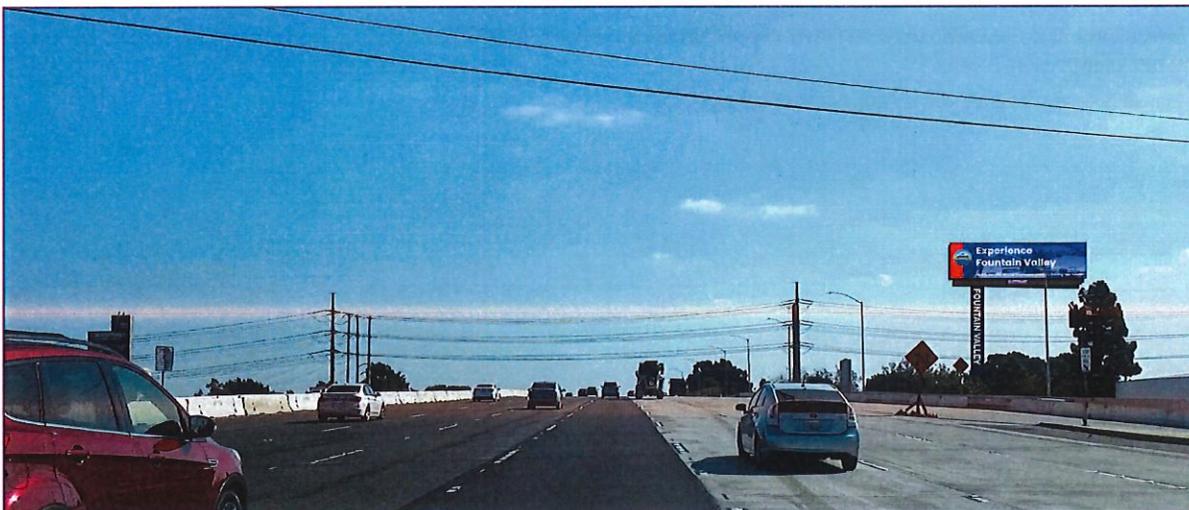
- i. a minimum annual guarantee ("MAG") growing at 10% every 5-years or;
- ii. 65% percent of revenues received from the sale of advertising

The MAG will insulate the City against fluctuations in the advertising industry (or the economy as a whole), while the revenue share will ensure that the City receives the current, market value for the signage on its property. The EMC sign is projected to sell at \$15k a spot, with an 80% occupancy rate. The first year the sign is operational we project revenue to be close to \$2.2 million including a 3-month ramp up period.

The MAG and revenue share, outlined in the pro forma on the next page, will commence once the location is constructed and ready to receive advertising. **Additionally, the one-time payment of \$750k will be made to the City once we have received all entitlements.**

OUTFRONT will pay for the CAPEX of this entire project, with an estimated cost of \$750k.

Important to note is that guarantees are only as valuable as the firm that stands behind them. In our 81-year history, we are proud to have never failed to meet the commitment of a government partner. Additionally, our 700-person+ sales team, the largest in the industry, has deeper relationships with the world's leading brands than does any other firm. As such, our 65% of revenues is more valuable than other firms' 70% or even 75% of revenues due to the massive reach of our sales team.



BUSINESS PROPOSAL & FINANCIAL PLAN CONT.

Updated Pro Forma Years 1-15:

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Projected Annual Revenue*	\$2,184,000	\$2,570,900	\$2,648,027	\$2,727,468	\$2,809,292
Revenue Share to City of Fountain Valley	65%	65%	65%	65%	65%
Projected Total Annual Revenue Share	\$1,419,600	\$1,671,085	\$1,721,218	\$1,772,854	\$1,826,040
Minimum Annual Guaranteed Rent**	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000
Projected Overage Due to City of Fountain Valley	\$669,600	\$921,085	\$971,218	\$1,022,854	\$1,076,040

	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Projected Annual Revenue*	\$2,893,571	\$2,980,378	\$3,069,789	\$3,161,883	\$3,256,739
Revenue Share to City of Fountain Valley	65%	65%	65%	65%	65%
Projected Total Annual Revenue Share	\$1,880,821	\$1,937,246	\$1,995,363	\$2,055,224	\$2,116,880
Minimum Annual Guaranteed Rent**	\$825,000	\$825,000	\$825,000	\$825,000	\$825,000
Projected Overage Due to City of Fountain Valley	\$1,055,821	\$1,112,246	\$1,170,363	\$1,230,224	\$1,291,880

	YEAR 11	YEAR 12	YEAR 13	YEAR 14	YEAR 15
Projected Annual Revenue*	\$3,354,441	\$3,455,075	\$3,558,727	\$3,665,489	\$3,775,453
Revenue Share to City of Fountain Valley	65%	65%	65%	65%	65%
Projected Total Annual Revenue Share	\$2,180,387	\$2,245,799	\$2,313,172	\$2,382,568	\$2,454,045
Minimum Annual Guaranteed Rent**	\$907,500	\$907,500	\$907,500	\$907,500	\$907,500
Projected Overage Due to City of Fountain Valley	\$1,272,887	\$1,338,299	\$1,405,672	\$1,475,068	\$1,546,545

Disclaimer: Strictly confidential, non-binding, and pending corporate or board review.

- *Assumes a three (3) month ramp-up period with 3% growth per annum thereafter
- **10% growth every 5-years
- Please note any inconsistencies are due to rounding

BUSINESS PROPOSAL & FINANCIAL PLAN CONT.

Updated Pro Forma Years 16-30:

	YEAR 16	YEAR 17	YEAR 18	YEAR 19	YEAR 20
Projected Annual Revenue*	\$3,888,717	\$4,005,378	\$4,125,540	\$4,249,306	\$4,376,785
Revenue Share to City of Fountain Valley	65%	65%	65%	65%	65%
Projected Total Annual Revenue Share	\$2,527,666	\$2,603,496	\$2,681,601	\$2,762,049	\$2,844,910
Minimum Annual Guaranteed Rent**	\$998,250	\$998,250	\$998,250	\$998,250	\$998,250
Projected Overage Due to City of Fountain Valley	\$1,529,416	\$1,605,246	\$1,683,351	\$1,763,799	\$1,846,660

	YEAR 21	YEAR 22	YEAR 23	YEAR 24	YEAR 25
Projected Annual Revenue*	\$4,508,089	\$4,643,331	\$4,782,631	\$4,926,110	\$5,073,894
Revenue Share to City of Fountain Valley	65%	65%	65%	65%	65%
Projected Total Annual Revenue Share	\$2,930,258	\$3,018,165	\$3,108,710	\$3,201,972	\$3,298,031
Minimum Annual Guaranteed Rent**	\$1,098,075	\$1,098,075	\$1,098,075	\$1,098,075	\$1,098,075
Projected Overage Due to City of Fountain Valley	\$1,832,183	\$1,920,090	\$2,010,635	\$2,103,897	\$2,199,956

	YEAR 26	YEAR 27	YEAR 28	YEAR 29	YEAR 30
Projected Annual Revenue*	\$5,226,110	\$5,382,894	\$5,544,380	\$5,710,712	\$5,882,033
Revenue Share to City of Fountain Valley	65%	65%	65%	65%	65%
Projected Total Annual Revenue Share	\$3,396,972	\$3,498,881	\$3,603,847	\$3,711,963	\$3,823,322
Minimum Annual Guaranteed Rent**	\$1,207,883	\$1,207,883	\$1,207,883	\$1,207,883	\$1,207,883
Projected Overage Due to City of Fountain Valley	\$2,189,089	\$2,290,998	\$2,395,965	\$2,504,080	\$2,615,439

Disclaimer: Strictly confidential, non-binding, and pending corporate or board review.

- *Assumes a three (3) month ramp-up period with 3% growth per annum thereafter
- **10% growth every 5-years
- Please note any inconsistencies are due to rounding

CAPEX Estimated Breakdown:

	ESTIMATED COST
LED Screens (2 Faces - 14'x48')	Approx \$350K
Installation	Approx \$100K
Fabrication	Approx \$100K
Electrical	Approx \$75K
Engineer	Approx \$6K

	ESTIMATED COST
City and State Permits	Approx \$20k
CEQA	Approx \$50k
Cladding	Approx \$45K
Misc	Approx \$4k
Total	Approx \$750k

10955 ELLIS AVENUE (I-405)

14'x48' EMC Sign
(2) LED Faces

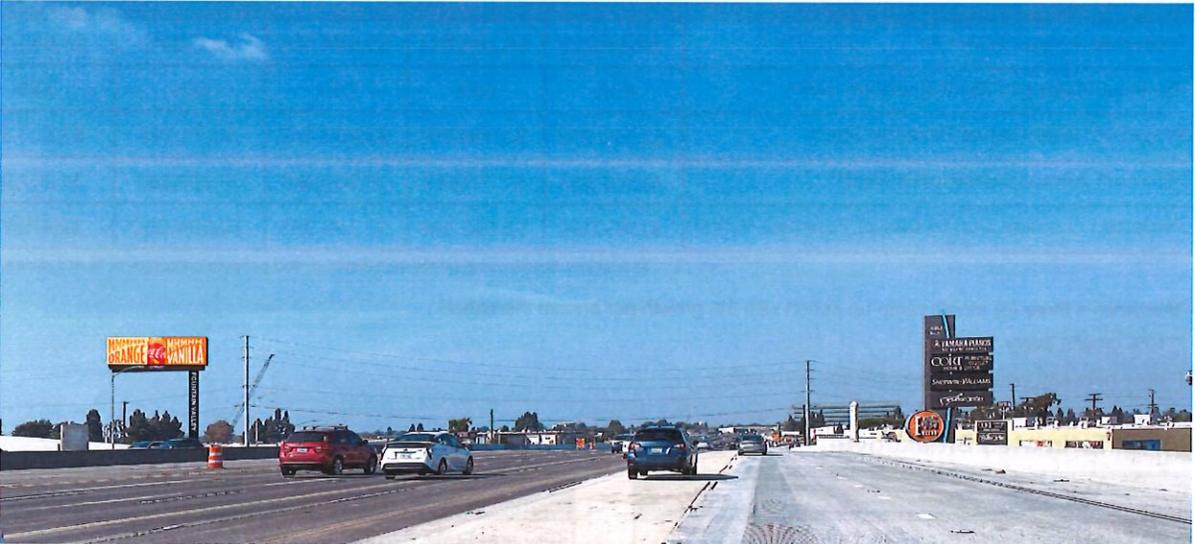


EXHIBIT E
BUSINESS PROPOSAL AND FINANCIAL PLAN

