

SETTLEMENT AGREEMENT

BETWEEN CITY OF TACOMA AND CLEAR CHANNEL

RECITALS

1. Clear Channel and the City are parties to a lawsuit, Clear Channel v. City of Tacoma, United States District Court, Western District of Washington, No. C07-5407 BHS.

2. The City is contemplating the enactment of an ordinance (the "Ordinance") which, among other things, would allow digital bulletin billboard signs in exchange for the removal of existing billboard signs and/or the relinquishment of pending relocation permits. The effect of such an ordinance would be to significantly and permanently reduce the number of billboard structures in the City.

3. The City believes that the Ordinance, in conjunction with the provisions of this Agreement, will benefit the public health, safety, and welfare of the City by providing for a significant and permanent reduction in the number of billboards in the City, greater, faster (almost instantaneous) and more effective dissemination of "amber alert" messages, and enabling the use of new and greener materials and technology in sign structures.

4. As a result of the Ordinance, the City anticipates there will be over 30,000 square feet of billboard signage removed within the first year of passage of the ordinance. Thereafter, there will be significant additional reductions over time because of the digital conversion ratio, which requires elimination of several thousand square feet of existing signage and/or permits in exchange for each new digital billboard, reductions based on normal industry attrition and consolidation, and Clear Channel's commitment to remove additional signage over time.

AGREEMENT

1. Effective Date. This Agreement shall become effective on the date on which the Agreement is fully executed by Clear Channel, the City Manager, the City Clerk/Deputy City Clerk and their signatures properly attested ("Effective Date").

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2. Following the Effective Date of this Agreement, and upon receipt of permits to construct ten digital bulletin billboards at the approximate locations shown on Ex. 1, Clear Channel agrees to (i) permanently remove the structures shown on Ex. 2 within six months of the receipt of the permits to construct ten digital billboards, and (ii) relinquish 100 relocation permits it currently holds, as shown on Ex. 3. The structures removed will be cut down at or below ground level. Thereafter, Clear Channel will be able to erect additional digital bulletin billboards as follows: For every one digital billboard to be constructed, Clear Channel will give up a combination of 15 relocation permits and existing faces, of which at least five must be removals of existing faces. If and when Clear Channel no longer has any relocation permits, it will have to remove eight existing faces in exchange for the right to construct one digital structure. Regardless of whether Clear Channel seeks permits to construct digital billboards in addition to the first ten referenced above, Clear Channel will permanently remove an additional 25 sign faces during the five-year period beginning upon the issuance of the digital bulletin billboard permits referenced above. The faces to be removed will be at Clear Channel's discretion. Clear Channel may include these 25 faces, as removed, in the number of faces to be removed in seeking to erect additional digital bulletin billboards.

3. For purposes of this Agreement, digital billboard shall mean a billboard that uses digital technology that produces static images which are changed remotely. Digital billboards may not scroll, flash or feature motion pictures. Clear Channel is not permitted to construct the ten digital billboards referenced above until the removal of the billboards shown on Exhibit 2 is complete. All of the provisions of this paragraph are conditioned upon the enactment of an Ordinance, which will specify, among other things, digital receiving areas, static image times, billboard maintenance, PSA processes and technology definitions. Any digital billboards constructed will be constructed in compliance with such Ordinance and any other applicable provisions of the City Code.

4. Vested Rights. Clear Channel and the City hereby acknowledge Clear Channel's vested rights with respect to its existing conforming and legally

nonconforming billboard signs and relocation permits, and any signs constructed pursuant to the Ordinance. If and to the extent the City requires the removal of such signs or elimination of such permits at some future date (other than in connection with the construction of digital billboards as provided herein), the City will compensate Clear Channel for the fair market value of those interests.

5. Additional Sign Regulation by City. Nothing herein shall be construed to limit or impair the City's authority to enact ordinances or regulations governing signs or to limit or impair the City's police power, provided, however, that, if the City does so in a manner that limits, conflicts with or is inconsistent with Clear Channel's vested rights as acknowledged in this Agreement, it shall pay to Clear Channel any monetary loss arising therefrom, including the fair market value for removed signs or elimination of relocation permits as a result of such ordinances or regulations. In addition, notwithstanding anything to the contrary herein, if the City amends its existing sign regulations to allow for the use of new technology or material, or to in any way change the existing limitations on signs, Clear Channel may also use such technology and material and/or elect to be otherwise governed by the changes in connection with its signs without otherwise changing any of the terms this Agreement.

6. Option Period. Upon approval of this Agreement and its execution by the Mayor, the City Clerk/Deputy City Clerk and proper attestation of their signatures, the City shall deliver the original signed Agreement to Clear Channel (the "Approval Date"). By executing this Agreement, the City, in exchange for Clear Channel's dismissal of the Litigation pursuant to the Agreement Re Dismissal of Lawsuit, and the payment by Clear Channel to the City of \$100.00, and other good and valuable consideration, grants Clear Channel the option, in Clear Channel's sole discretion, of executing this Agreement at any time within six (6) months of the Approval Date (the "6 Month Option Period"). If, however, the City adopts an Ordinance within the 6 Month Option Period, then Clear Channel shall only have the option, in its sole discretion, of executing the Agreement at any time within thirty (30) days from the effective date of the Ordinance, shortening or extending the 6 Month Option Period, as the case may be (the "30 Day Option Period").

7. Clear Channel's option to execute this Agreement, or to leave the Agreement unexecuted, shall be within Clear Channel's sole discretion. Nothing herein shall be interpreted to require Clear Channel to execute the Agreement.

8. The provisions of this Agreement including, without limitation, the removal time frames in Paragraph 2, shall not become effective until Clear Channel executes this Agreement.

9. Entire Agreement^{cap}. This Agreement, and the Agreement Re Dismissal of Lawsuit attached as Ex. ~~3~~⁴, is the entire agreement between the City and Clear Channel, and no verbal or written assurance or promise by any party hereto is effective or binding unless included in this Agreement, or a written supplemental settlement agreement signed by the parties to this Agreement.

10. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the City and Clear Channel, its subsidiaries, affiliates, designated successors and assigns. In the event of any challenge to this Agreement, the City and Clear Channel agree that they will defend the approval, validity, constitutionality, and enforceability of this Agreement and any of the terms contained herein.

11. Enforcement. In the event of a breach of this Agreement, any party hereto may bring an action for injunctive relief, specific performance, or other appropriate relief to compel enforcement of this Agreement.

12. Severability. If any paragraph, phrase, sentence or portion of this Agreement is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

13. Counterparts. This Agreement may be executed in counterparts, all of which together shall constitute one and the same instrument.

14. Notice. Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, sent by registered mail, a

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recognized overnight delivery service, facsimile communication, electronic communication (e-mail) or by other means which affords the sender evidence of delivery, or of rejected delivery, to the respective parties at the addresses shown below, unless and until a different address has been designated by written notice to the other party. Any notice by means which affords the sender evidence of delivery, or rejected delivery, shall be deemed to have been given at the date and time of receipt or rejected delivery.

If to the City: City Attorney
City of Tacoma
747 Market Street, #1120
Tacoma, WA 98402

If to Clear Channel:

With copy to: City Clerk
City of Tacoma
747 Market Street, #220
Tacoma, WA 98402

With copy to:

Notice shall be deemed to have been given upon receipt or refusal.

[Signatures appear on the following page.]

14. Nothing in this Agreement shall require the City to enact any ordinance.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their undersigned officials as duly authorized.

CITY OF TACOMA



City Manager

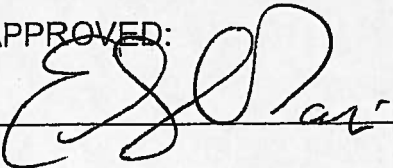
Date: 7-30-2010

ATTEST:

Doris Baum 8-6-10

City Clerk/Deputy City Clerk

APPROVED:



Tacoma City Attorney

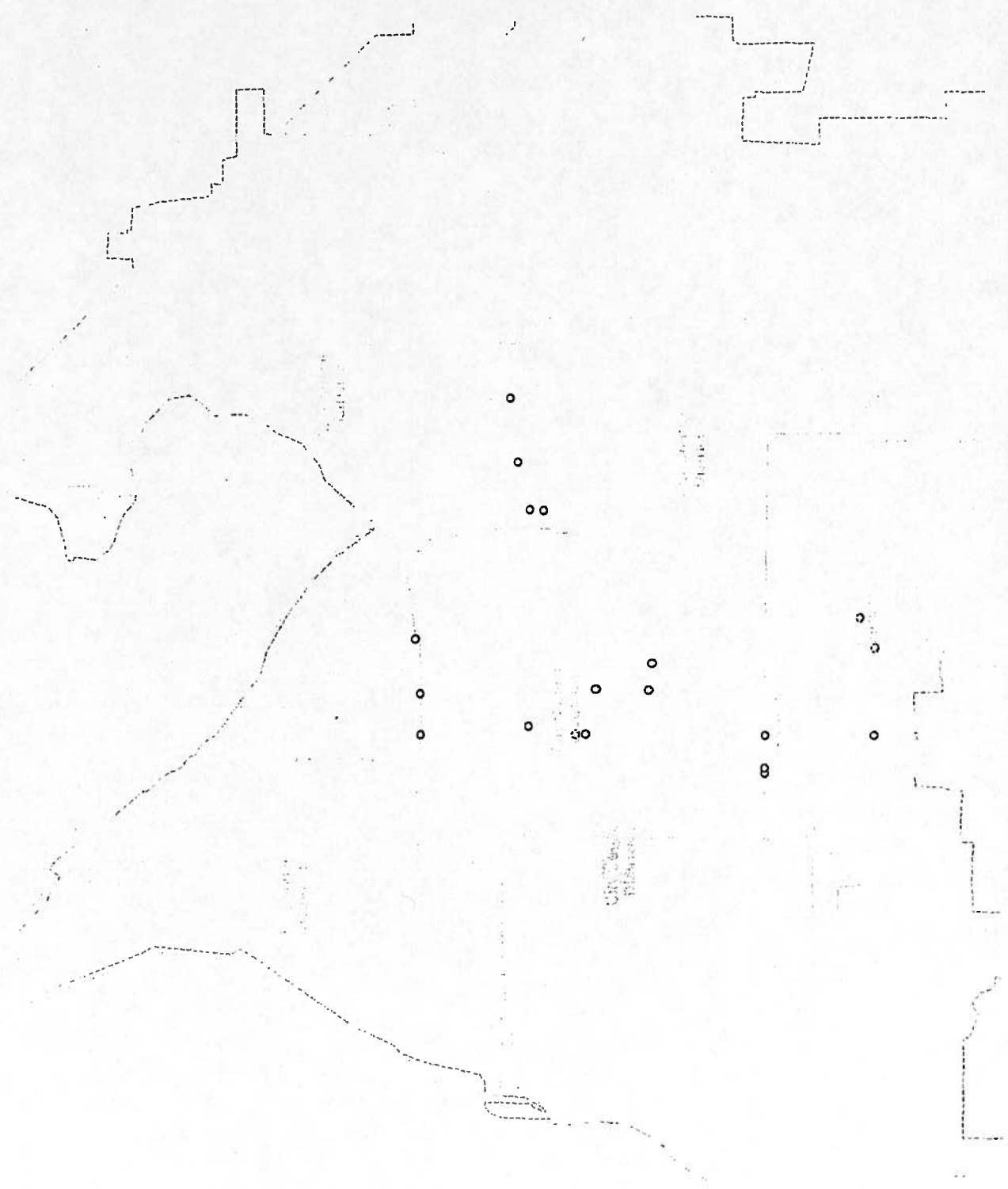
CLEAR CHANNEL OUTDOOR, INC.

By: _____

Its: _____

Date: _____

Exhibit 1



Proposed Approximate Locations for First 10 Digital Billboards

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EXHIBIT 2 - BILLBOARDS TO BE REMOVED

PROPOSED TACOMA SIGN REMOVALS

Panel	Description	Lease
40215	MARINE VIEW DR WL 150F N/O MCMURRAY RD SF-1	14187
40216	MARINE VIEW DR WL 150F N/O MCMURRAY RD NF-2	14187
40891	MCKINLEY AV EL 100F N/O MORTON ST NF-1	9067
40892	MCKINLEY AV EL 100F N/O MORTON ST SF-2	9067
40948	38TH ST S SL 100F W/O THOMPSON AV EF-1	14149
40949	38TH ST S SL 100F W/O THOMPSON AV WF-2	14149
40975	S 38TH ST SL 230F W/O TACOMA AV EF-1	37743
40976	S 38TH ST SL 230F W/O TACOMA AV WF-2	37743
41072	PACIFIC AV EL 50F N/O S 52ND ST NF-1	14069
41073	PACIFIC AV EL 50F N/O S 52ND ST SF-2	14069
41286	MCKINLEY AV WL 70F N/O E 63RD ST NF-2	40261
41287	MCKINLEY AV WL 70F N/O E 63RD ST SF-1	40261
41290	MCKINLEY AV WL 200F N/O 64TH ST E NF-2	14020
41291	MCKINLEY AV WL 200F N/O 64TH ST E SF-1	14020
41495	PACIFIC AV EL 10F S/O S 88TH ST NF-1	40158
41496	PACIFIC AV EL 10F S/O S 88TH ST SF-2	40158
41335	56TH ST S NL 25F E/O SHERIDAN AV EF-2	14154
41336	56TH ST S NL 25F E/O SHERIDAN AV WF-1	14154
44012	S TYLER ST EL 525F N/O S 56TH ST NF-1	12399
44013	S TYLER ST EL 525F N/O S 56TH ST NF-1	12399
44033	S TYLER ST EL 470F S/O S 52ND ST NF-1	12399
44034	S TYLER ST EL 470F S/O S 52ND ST SF-2	12399
44054	S TYLER ST EL 150F S/O S 52ND ST NF-1	12399
44055	S TYLER ST EL 150F S/O S 52ND ST SF-2	12399
44219	S TACOMA WY SL 50F W/O JUNETT EF-1	40056
44220	S TACOMA WY SL 50F W/O JUNETT WF-2	40056
44720	CENTER ST NL 10F W/O DURANGO ST WF-1	40157
44721	CENTER ST NL 10F W/O DURANGO ST EF-2	40157
44930	PEARL ST WL 200F S/O N 51ST ST SF-1	40060
44931	PEARL ST WL 200F S/O N 51ST ST NF-2	40060
44972	N 26TH ST EL 15F N/O PROCTOR ST NWF-1	9141
44973	N 26TH ST EL 15F N/O PROCTOR ST EF-1	9141
44993	N 26TH ST NL 100F E/O PROCTOR ST WF-1	9141
45013	N 26TH ST NL 100F W/O ADAMS ST EF-1	9141
45135	6TH AV NL 50F E/O ALDER ST WF-1	40062
45136	6th AV NL 50F E/O ALDER ST WF-2	40062
45239	6TH AV SL 304F E/O STATE ST WF-2	9873
45240	6TH AV SL 304F E/O STATE ST WF-2	9873
45303	6TH AV NL 100F W/O SHERIDAN AV WF-1	9609
45471	S "J" ST EL 10F N/O S 11TH ST NF-1	40274
45472	S 11TH ST NL 10F E/O S "J" ST EF-2	40274
45492	S 11TH ST NL 20F W/O S "J" ST EF-1	12869
45538	SPRAGUE AV WL 10F S/O S 12TH ST WF-3	14097
45539	SPRAGUE AV WL 10F S/O S 12TH ST WF-3	14097
45540	SPRAGUE AV WL 10F S/O S 12TH ST WF-3	14097
45574	S 12TH ST SL 5F W/O S "L" ST WF-1	12934
45594	S 12TH ST NL 100F E/O S "L" ST WF-1	12999
45553	S 12TH ST SL 65F W/O S FERRY ST EF-1	11450
45554	S 12TH ST SL 65F W/O S FERRY ST WF-2	11450

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45614	TACOMA AV WL 50F N/O S 13TH ST NF-1	12436
45634	TACOMA AV WL 50F S/O S 13TH ST SF-1	37797
45635	TACOMA AV WL 50F S/O S 13TH ST NF-2	37797
45544	SPRAGUE AV WL 175F S/O 12TH ST NF-2	14098
45545	SPRAGUE AV WL 175F S/O 12TH ST SF-1	14098

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Posters and Bulletins

1114 S. Proctor St.	1	1
1114 S. Proctor St.		1
3907 S 12th St.	1	1
3907 S 12th St.		1
3907 S 12th St.		1
3907 S 12th St.		1
S TACOMA WAY SL 135FT E Wilkeson St	1	1
S TACOMA WAY SL 135FT E Wilkeson St		1
S TACOMA WAY SL 5FT W ALASKA	1	1
S TACOMA WAY SL 5FT W ALASKA		1
6TH AV S 50F W UNION AV W		1
PORT OF TAC RD W 600F N PAC HWY E S	1	1
PORT OF TAC RD W 600F N PAC HWY E N		1
S 15TH ST S 50F E TACOMA AV E	1	1
TACOMA AV E 5F S S 15TH ST N	1	1
TACOMA AV E 50F S S 15TH ST S	1	1
STADIUM WY W 10F S DIVISION LN S	1	1
STADIUM WY W 10F S DIVISION LN N		1
JEFFERSON AV W 100F N S 25TH ST N	1	1
S 25TH ST N 50F W JEFFERSON AV W	1	1
S 25TH ST N 50F W JEFFERSON AV E		1
PACIFIC AV W 10F N JEFFERSON AV N	1	1
PORTLAND AV W 75F S E 26TH ST N		1
PORTLAND AV W 10F S E 26TH ST S	1	1
6TH AV S 32F E FAWCETT AV E	1	1
6TH AV S 32F E FAWCETT AV W		1
PACIFIC AV W 100F S S 45TH ST S	1	1
PACIFIC AV W 100F S S 45TH ST N		1
PACIFIC AV W 60F N S 50TH ST S	1	1
PACIFIC AV W 60F N S 50TH ST N		1
PORTLAND AV W 75F S E 25TH ST N	1	1
S 56TH ST N 50F W S L ST W	1	1
S 56TH ST N 50F W S L ST E		1
MARTIN LUTHER KING ST W 75F S S 15TH ST N	1	1
STADIUM WY W 600F N S 4TH ST S		1
STADIUM WY W 600F N S 4TH ST S		1
3014 Portland Av	1	1
3014 Portland Av		1
2330 E 11th St	1	1
2330 E 11th St		1
5520 Pacific Av	1	1
5520 Pacific Av		1
1101 Taylor Way	1	1
1101 Taylor Way		1
6611 S Tacoma Way	1	1
6234 S Tacoma way	1	1
6234 S Tacoma Way		1
1424 Puyallup Av	1	1

Posters and Bulletins

1424 Puyallup Av		1
4207 S Pine St.	1	1
4207 S Pine St		1
2914 6th Av	1	1
8403(05) Pacific Av	1	1
8403(05) Pacific Av		1
6231 1/2 S Tac. Wy	1	1
6231 1/2 S Tac. Wy		1
4718 S Tacoma Way	1	1
3804 Portland Av	1	1
858 S 38th St	1	1
2615 6th Av	1	1
4301 6th Av	1	1
4301 6th Av		1
3420 McKinley Av	1	1
6613 S Tacoma Way	1	1
Center St e/o Alder	1	1
Center St e/o Alder		1
Center St w/o Cedar	1	1
Center St w/o Cedar		1
314 E 26th St	1	1
516 "K" St	1	1
3417 6th Av	1	1
3417 6th Av		1
7601 S Tacoma Way	1	1
7601 S Tacoma Way		1
3512 E 11 th St	1	1
3512 E 11th St		1
3532 E 11th St	1	1
35342 E 11th St		1
2124 S Tacoma Way	1	1
2124 S Tacoma Way		1
7821 S Tacoma Way	1	1
7821 S Tacoma Way		1
4345 S Tacoma Way	1	1
4321 S Tacoma Way	1	1
4321 S Tacoma way		1
4545 S Tacoma Way	1	1
4525 S Tacoma Way	1	1
4525 S Tacoma Way		1
4517 S Tacoma Way	1	1
4517 S Tacoma Way		1
3011 S Hosmer	1	1
3011 S Hosmer		1
4002 S 56th St	1	1
3211 S 38th St	1	1
3211 S 38th St		1
2403 S Tacoma Wy	1	1

7/19/2010

AK Media / Washington Tacoma Bank

EXHIBIT 3

Posters and Bulletins

1801 Center St	1	1
2607 Pacific Av	1	1
2607 Pacific Av		1
3601 Pacific Av	1	1

EXHIBIT 4

AGREEMENT RE DISMISSAL OF LAWSUIT

1. Upon execution of the attached Settlement Agreement by the City, the parties shall file a Stipulated Dismissal of the lawsuit. If the City thereafter attempts to enforce the provisions of TMC 13.06.520N(6) ("Amortization"), as that provision exists as of the date that the City signs the Settlement Agreement, and Clear Channel files a lawsuit challenging such action, any such lawsuit shall be deemed to have been filed on the date the lawsuit was originally filed for purposes of the statute of limitations and laches.

2. The City agrees that it will continue to comply with and be bound by the terms of the Stipulated Injunction in the pending case during the period from when it signs the Settlement Agreement to a date three weeks after the expiration of the applicable Option Period. If Clear Channel refiles the lawsuit during that period, the terms of the Stipulated Injunction shall continue in effect until the conclusion of the lawsuit, including all appeals.

3. The City agrees to notify Clear Channel in the event of a third-party challenge to all or any portion of the Settlement Agreement or any Ordinance adopted in connection with the Settlement Agreement. If such challenge is made, Clear Channel may, at its sole discretion, elect to toll the Sign removal requirements in Paragraph 2 of the Settlement Agreement until the conclusion of the lawsuit, including all appeals, by giving written notice of such election to the City within 30 days of service of such challenge upon Clear Channel.

4. In the event the Settlement Agreement or any resulting Ordinance is wholly or partially invalidated by a final non-appealable court order issued as a result of a third-party challenge, and the City thereafter attempts to enforce TMC 13.06.520N(6) as it now exists, then Clear Channel shall have the option, at its sole discretion, to refile the lawsuit under the terms of Paragraph 1 above.

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5. Should the City fail to comply with all or any portion of the Settlement Agreement, Clear Channel shall have the right to refile the lawsuit pursuant to the terms of Paragraph 1 above, in addition to the remedies set forth in the Settlement Agreement.

DATED this ____ day of March, 2010.

Clear Channel

Mayor of Tacoma

Tacoma City Attorney

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