

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: September 28, 2023

CAO File No. 0220-06155-000
Council File No. 22-0392
Council District: All

To: The City Council

From: Matthew W. Szabo, City Administrative Officer



Reference: Memorandum of Agreement for the development of a Transportation Communication Network Program between the City of Los Angeles and Los Angeles County Metropolitan Transportation Authority (C-139852)

Subject: **POTENTIAL REVENUE DISTRIBUTION STRATEGIES FOR THE TRANSPORTATION COMMUNICATION NETWORK OPERATED BY THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**

RECOMMENDATION

That the City Council, subject to the approval of proposed ordinances that would permit signs with digital displays on certain property owned by the Los Angeles County Metropolitan Transportation Authority (Metro):

1. Request the City Attorney, in coordination with the City Administrative Officer and the Chief Legislative Analyst, to prepare and present an Ordinance for the creation of the Transportation Communications Network Revenue Fund, consistent with the Memorandum of Agreement between the City and Metro (C-139852); and
2. Instruct the General Manager of the Department of Transportation to meet with each Council Office that has any Transportation Communication Network signs with digital displays within its district prior to the annual proposed budget submissions of the Transportation Communications Network Revenue Fund Schedule and associated Capital and Technology Improvement Expenditure Program requests.

SUMMARY

On June 28, 2022, the City Council instructed the City Administrative Officer (CAO) in coordination with the Chief Legislative Analyst (CLA) (C.F. 22-0392) to report on potential revenue distribution strategies that ensure revenue generated by the Transportation Communication Network (TCN) Program is invested back into the communities that are most impacted by the installation of the new signage and with recommendations for the creation of an annual expenditure plan created in consultation with affected Council Districts. The TCN Program refers to Metro's proposed network of transportation communication digital displays, to be managed and operated by the Metro. The

signs with digital displays will sit upon TCN structures on Metro property within the City and will have single-sided or double-sided display faces that will be available for outdoor advertising.

At the time of the instruction, Metro had yet to release the draft Environmental Impact Report (EIR) for the TCN Program and as such, discussion on a revenue distribution strategy was premature. However, the proposed TCN Program has now achieved the following significant milestones:

- The Metro Board of Directors certified the Final EIR on January 26, 2023.
- The Metro TCN released draft Ordinances to the public on June 14, 2023.
- A bilingual (English and Spanish) staff-level public hearing for the proposed Metro TCN Ordinance was held virtually by the Department of City Planning (Planning) the evening of July 12, 2023. The purpose of the hearing was to receive public testimony on behalf of the City Planning Commission as the recommending body to City Council.
- The Planning Commission recommended approval of the Ordinance with modifications as proposed by Planning staff and required Zone Changes to permit the establishment of a non-contiguous Supplemental Use District, called the Transportation Communication Network, on property owned by Metro with staff's proposed modifications listed in the Staff Recommendation Report incorporated into the Ordinance on September 14, 2023.

Given these recent developments, the CAO and CLA have reviewed existing practices currently in place for other revenue sources and do not recommend strategies that would further limit the City's ability to maximize the use of the City portion of TCN revenue. As opposed to other programs that distribute a portion of revenue across 15 Council-controlled accounts, or which limit the use of revenue geographically, the CAO does not recommend similar restrictions or distribution strategies be applied to the TCN Program. Doing so may limit the ability to program revenue towards projects that provide equitable access to infrastructure that supports overall wellbeing in high priority neighborhoods.

The executed Memorandum of Agreement (MOA) between the City and Metro already limits the use of funds from what otherwise would have been General Fund uses. Through the creation of a Special Fund, to be known as the Transportation Communications Network Revenue Fund (the "Fund"), the shared revenue from the TCN Program will be used exclusively for transportation projects and services. These projects and services include but are not limited to City transit lines or other public transit service; the purchase, lease or rental of transit related equipment, including buses, trucks, transit shelters and street furniture; funding studies, City staff costs, land acquisition, design or construction of sidewalks, curb improvements, pedestrian safety improvements in the public right-of-way, and beautification projects needed to improve conditions for public transit patrons; and funding public amenities to improve the quality of life for public transit patrons, residents and businesses in transit oriented districts, with a focus on low-income, persons of color in Metro's defined Equity Focus Communities (EFC). Additional information on the EFC designation is provided in Attachment 1.

Neither the MOA framework or Metro's EFC designation, while more limiting than General Fund uses, preclude the City from investing TCN shared revenue in the communities most impacted by

the TCN Program. Rather, the MOA calls for incorporating the City's allocation of TCN shared revenues through the annual budget process. Allocating TCN shared revenues through the City's annual budget process is consistent with the City's ongoing efforts to maximize equity considerations in its budget decision making process and the City's financial policies.

Specifically, proposals requesting TCN shared revenues that fall within the areas of Municipal Facilities or Physical Plant should be analyzed under the Capital and Technology Improvement Expenditure Program (CTIEP) guidelines and in relation to how they advance the following City priorities:

- **Green Investments and Reduction of Greenhouse Gas:** This label applies to capital investments that work towards achieving the City climate change mitigation, resilience, and sustainability goals. Physical Plant and Municipal Facilities projects should especially be noted if they support the greenhouse gas climate goals set by the Council in February 2023 (C.F. 22-1402). Eligible Green Project categories include renewable energy, energy efficiency, pollution prevention and control, environmentally sustainable management of living, natural resources, and land use (which covers sustainable water and waste management), clean transportation, decarbonization, and green buildings.
- **Equitable Communities/Equity Impact:** This label applies to projects that provide equitable access to infrastructure that supports a community's overall wellbeing. Equity Impact projects are those which provide a positive benefit and are located in high priority neighborhoods. If these conditions are met by a project, it will be labeled as having an Equity Impact. Equity Impact projects will be given additional consideration throughout the budget process.
- **Mobility:** This label applies to projects under a variety of mobility categories that support the Mobility Plan 2035 goals and objectives. For Municipal Facilities this includes installing Electric Vehicle (EV) chargers. For Physical Plant projects may include access ramps, bike lanes, bike paths, sidewalks, transit shelters and bus pads, and trees.

The nexus between the City's CTIEP priority areas and the intended uses of the Fund within Metro's defined EFC areas is clear. As such, the pursuit of the City's CTIEP goals and priorities will likely achieve improvements in Metro's EFC designated areas.

Furthermore, consultation with affected Council Districts can occur through the annual budget process. To ensure that Council Districts with TCN structures are consulted with as part of the budget development process, the CAO recommends that the General Manager of the Department of Transportation (DOT), as the Fund Administrator, be instructed to meet with each Council Office that has a TCN structure within its district prior to the annual submission of the Special Fund Schedule and CTIEP requests. Through these meetings, Council Offices will relay their priority uses for the shared revenue taking into consideration the limited used within the MOA and the City priorities noted above. DOT will consider these requests for inclusion in their proposed budget and/or CTIEP request subject to the anticipated TCN shared revenues forecasted for the following fiscal year.

BACKGROUND

On December 8, 2021, the Council authorized the CAO to execute a MOA for the development of a TCN Program between the City and Metro (C.F. 21-0600-S110). The TCN Program refers to a network of transportation communication digital displays, to be managed and operated by the Metro. The digital displays will sit upon TCN structures on Metro property within the City and will have single-sided or double-sided digital display faces for the purposes of displaying messaging in the order to facilitate and promote efficient roadways, increase public transit ridership, improve public safety, and provide revenue to support the TCN Program through advertising. The purpose for the MOA was to document the collective understanding of the City's legislative power with regard to enacting an ordinance to enable outdoor advertising on the TCN structures or taking any other legislative action relating to MOA. The MOA would also establish a revenue sharing framework between Metro and the City for net revenue from outdoor advertising on TCN structures located within the boundaries of the City, as well as a cost-sharing agreement for the Metro led California Environmental Quality Act (CEQA) compliance process for the TCN Project.

The MOA was executed on January 12, 2022 (Contract No. C-139852). Key MOA terms are detailed in Attachment 2. The full MOA is included as Attachment 3.

Following the execution of the MOA, and consistent with its authority over land use matters, the City Council instructed the Planning, with the assistance of the City Attorney, to prepare and present an Ordinance to allow digital off-site signs to be displayed on structures that are part of the TCN Program (C.F. 22-0392). Furthermore, the City Council also instructed the CAO, in coordination with the CLA, to report on potential revenue distribution strategies that ensure revenue generated by the TCN Program is invested back into the communities that are most impacted by the installation of the new signage and with recommendations for the creation of an annual expenditure plan in consultation with affected Council Districts.

Pursuant to these instructions, Planning drafted an Ordinance that would permit Metro to install sign structures, including digital display signs, on up to 49 properties owned by Metro. The draft Ordinance proposed specific operational standards, location restrictions, and maintenance requirements for the structures and digital displays. In addition, an accompanying zone change would require Metro to remove existing static off-site signs both on Metro owned property and private property resulting in a net reduction in off-site signage within the City. On September 14, 2023, the Planning Commission approved the proposed Ordinance which will now move forward to the City Council for consideration.

With respect to revenue distribution strategies, the executed MOA includes agreed upon terms on how the shared revenue from the TCN Program will be calculated and distributed to the City, and used by the City. Specifically, each year, Metro will provide an estimate of the projected shared revenue for the City which will represent 50 percent of net revenue from outdoor advertising on TCN structures located within the boundaries of the City. The net revenue will include deductions for certain out-of-pocket expenses associated with the TCN Program and authorized by the MOA incurred by Metro and the City, including CEQA compliance and costs of litigation, and expenses from constructing, maintaining, and operating the TCN Structures with outdoor advertising within

City boundaries. The City will deposit its portion of the shared revenue into a special fund to be known as the Transportation Communications Network Revenue Fund (the "Fund"). Metro does not guarantee any amount of shared revenue to the City. Additionally, at this time the CAO and CLA are unable to provide revenue projections for the TCN Program. However, according to its January 2023 Metro Board report, Metro staff estimate the TCN program will generate between \$300 million to \$500 million over the 20-year term of the MOA for both Metro and the City. The CAO and CLA are unable to substantiate this estimate.

Relative to revenue distribution strategies, the City has agreed as part of the MOA to four key provisions for how the shared revenue will be received and distributed. The first provision pertains to the separation of these funds from the City's General Fund. Per the MOA, and as previously noted, the City will establish a special fund where it will deposit its portion of the shared revenue, the Fund. All interest and other earnings accruing on money in the Fund shall be credited to the Fund and shall be devoted to the purposes of the Fund. Pursuant to Charter Section 344, money in the Fund shall not revert to the Reserve Fund of the City.

Secondly, the City has agreed to use the Fund exclusively for transportation projects and services, including City transit lines or other public transit service; to purchase, lease or rent transit related equipment, including buses, trucks, transit shelters and street furniture; to fund studies, City staff costs, land acquisition, design or construction of sidewalks, curb improvements, pedestrian safety improvements in the public right-of-way, and beautification projects needed to improve conditions for public transit patrons; and to fund public amenities to improve the quality of life for public transit patrons, residents and businesses in transit oriented districts.

Given the intended uses of the Fund, the City has agreed to designate DOT as the Fund's administrator. As the Fund administrator, DOT will account for and process all transfers in and out of the Fund, submit all required annual reports including a year-end report that will identify all receipts into, and all transfers and expenditures out of, the fund, as well as the purposes for which the transfers and expenditures were made. DOT shall also assist with any audits of the Fund.

The fourth provision for how the City share of TCN Program revenue will be received and distributed pertains to the programming of the Fund through the City's annual City budget process. The City's annual budget process provides the best opportunity for the programming of the shared revenue in a manner that takes into consideration Mayor and Council priorities. Under this process, and based on existing practices for other Special Funds, as the Fund administrator DOT would submit budget proposals on the use of any current balances and anticipated revenues for the upcoming fiscal year. DOT's proposals would follow the budget priorities set forth by the Mayor as well as the guidelines within the MOA with respect to the proposed uses. The CAO would evaluate and analyze the proposals and make recommendations to the Mayor on which proposals to include in the Mayor's proposed budget. The decision on including proposals within the Mayor's proposed budget would fall on the Mayor. However, as with the entire proposed budget, the City Council would have an opportunity to review and make modifications to the Fund and the intended uses, thereby ensuring that City Council funding priorities are also considered.

DISCUSSION

While a framework for how the shared revenue will be budgeted and used by the City has been established within the executed MOA, this framework does not exclude the ability for the City to invest funds from the TCN Program in the communities most impacted by the installation of the new signage or in consultation with affected Council Districts. First and foremost, Council Districts can work with DOT on proposals to be included as part of the annual budget submission. Additionally, Council Districts can request modifications to the Mayor's proposed budget as part of Council's consideration of the Mayor's proposed budget in the Budget, Finance and Innovation Committee or when the budget is being considered by the full Council. Nevertheless, if a more prescriptive approach on how Council Districts can consult on an expenditure plan for TCN shared revenue is desired, the CAO recommends the following guidelines.

DOT should be instructed to proactively reach out to Council Districts most impacted by the installation of TCN structures in advance of DOT's budget submission to the Mayor and the CAO. As proposed budgets are normally due to the Mayor and CAO in late November each year, DOT should initiate their communication with impacted Council Districts no later than September. Furthermore, Council District priorities should adhere to the same guidelines established through the CTIEP review process which aim to advance City priorities of Green Investments and Reduction of Greenhouse Gas, Equitable Communities/Equity Impact, and Mobility.

Metro is proposing 49 TCN structures throughout the City of Los Angeles. 33 TCN structures are proposed for freeway adjacent properties, while 16 TCN structures will be on properties located near major intersections and corridors. In total, 49 TCN structures with 86 digital display sign faces are slated for Metro owned lots that are zoned Commercial, Manufacturing or Public Facilities zones. 37 of the 49 TCN structures will have two digital display sign faces. The impacted communities are listed in the following table.

Community Plan Area	Impacted Council Districts (CD)	No. of TCN Support Structures	No. of Digital Display Sign Faces
Arleta - Pacoima	CD 7	2	4
Boyle Heights	CD 14	4	8
Central City	CD 14	3	5
Central City North	CD 14	5	9
Encino - Tarzana	CD 6	1	2
Granada Hills - Knollwood	CD 12	1	2
Hollywood	CD 13	2	4
Los Angeles International Airport	CD 11	1	2
Northeast Los Angeles	CD 1 & CD 13	4	8
North Hollywood - Valley Village	CD 2	2	2
Palms - Mar Vista - Playa del Rey	CD 11	1	2
Sherman Oaks - Studio City - Toluca Lake - Cahuenga Pass	CD 2	3	4

Southeast Los Angeles	CD 9	2	4
South Los Angeles	CD 9	2	3
Silver Lake - Echo Park - Elysian Valley	CD 1	1	2
Sun Valley - La Tuna Canyon	CD 6	2	4
Sylmar	CD 7	1	2
Van Nuys - North Sherman Oaks	CD 6	2	3
West Adams - Baldwin Hills - Leimert	CD 8 & CD 10	2	3
Westchester - Playa del Rey	CD 11	3	6
West Los Angeles	CD 5 & CD 11	4	5
Wilshire	CD 13	1	2
Citywide		49	86

FISCAL IMPACT STATEMENT

Approval of the report recommendations will not result in a General Fund impact. Through the execution of the Memorandum of Agreement (MOA) with Metro, the City has already agreed to create a Special Fund for its share of revenue from the Transportation Communication Network Program, subject to the approval of proposed ordinances that would permit signs with digital displays on certain property owned by Metro.

FINANCIAL POLICIES STATEMENT

The recommendations in this report comply with the City's Financial Policies in as much as they support the City's consideration for new or expanded programs during the course of the annual budget development process, and call for budgetary decisions to be informed by data that measures the City's delivery of services against established targets for performance.

Attachments

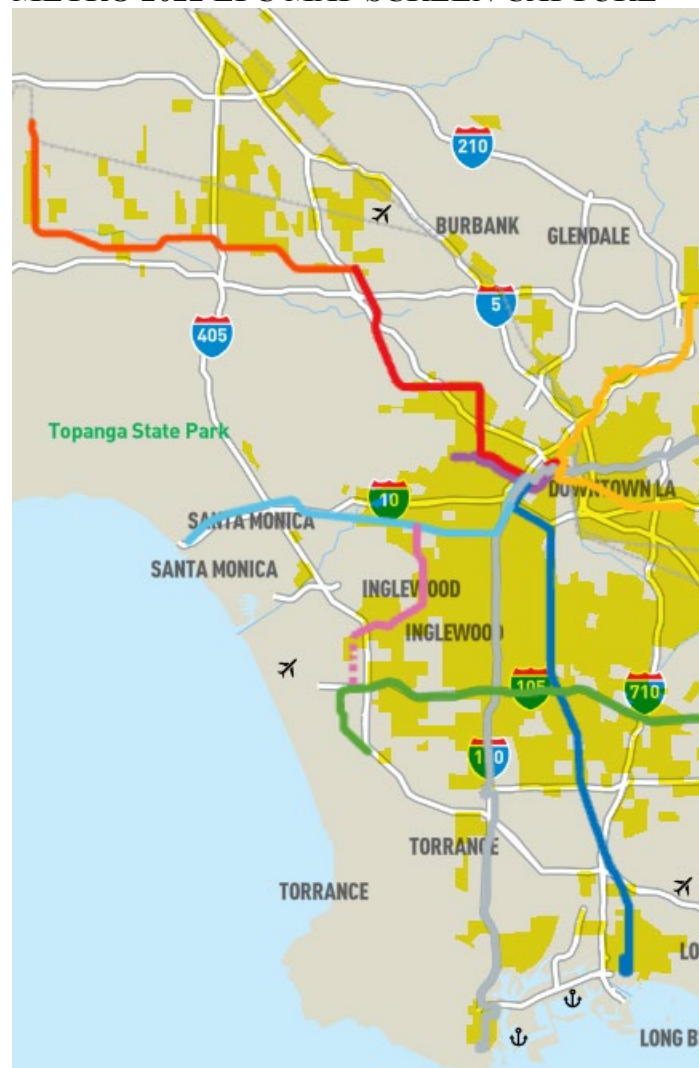
Description of Metro's Equity Focused Communities

In 2019, Metro created the Equity Focused Communities (EFC) designation to identify areas where transportation needs are greatest by considering concentrations of resident and household demographics associated with mobility barriers, specifically:

- Low-income households earning less than \$60,000 per year;
- Black, Indigenous or People of Color (BIPOC) population; and,
- Households that do not have a car.

Metro's goal is to use the EFC designation to assess and prioritize their work, including service delivery, policymaking, and resource distribution. Towards this end Metro has mapped the EFC designated areas and developed a dashboard which was most recently updated in May 2022. Metro's EFC interactive map and dashboards are accessible at <https://equity-lametro.hub.arcgis.com>. As demonstrated in the screen capture below, Metro's EFC designated areas overlap with many of City's own high need areas.

METRO 2022 EFC MAP SCREEN CAPTURE



SOURCE: METRO 2022 EFC MAP (WEB APP)

**Key Terms within the Transportation Communication Network (TCN) Program
Memorandum of Agreement (MOA)**

Revenue Sharing and Intended Use of Revenue: The revenue sharing framework provides the City with 50 percent of net revenue from outdoor advertising on TCN structures located within the boundaries of the City. In addition, as part of the MOA, the City has agreed to use its portion of the shared revenue for transportation improvement projects that are consistent with the following goals of the Metro's Vision 2028 Plan: (i) provide high-quality mobility options that enable people to spend less time traveling; (ii) deliver outstanding trip experiences for all users of the transportation system; (iii) enhance communities and lives through mobility and access to opportunity; and (iv) transform Los Angeles County through regional collaboration and national leadership. These goals require partnership with the City and complement existing City goals. Other projects may include those that promote pedestrian and cyclist safety in the general vicinity of transit stops and that benefit bus riders in the City, with a focus on low-income, persons of color in Metro's defined Equity Focus Communities.

Establishment of a Transportation Communications Network Revenue Fund: The City shall deposit its portion of the shared revenue into a special fund to be known as the Transportation Communications Network Revenue Fund (the "Fund") and, as part of its annual City budget process, will program those funds exclusively for the following (or substantially similar) purposes:

- (1) Funding transportation projects and services, including City transit lines or other public transit service, and for the payment of any and all expenses relating or incidental thereto, including operating expenses;
- (2) Funding the purchase, lease or rental of transit related equipment, including buses, trucks, transit shelters and street furniture, and all expenses relating or incidental thereto;
- (3) Funding consultant studies, City staff costs, land acquisition, design or construction of the following: (A) sidewalks, curb improvements, and beautification projects needed to improve conditions for public transit patrons; (B) pedestrian safety improvements in the public right-of-way including, but not limited to, speed humps, street resurfacing, traffic lane or pedestrian marking and signage, and acquisition of property to widen the public right-of-way to create safer traffic flow, bicycle lanes, or to create safer pedestrian routes to improve conditions for public transit patrons; and (C) public amenities to improve the quality of life for public transit patrons, residents and businesses in transit oriented districts; and (D) all expenses related or incidental to those uses; and,
- (4) The repayment of any money borrowed or advanced from any other fund for purposes described above in (1)-(3) with the intent that reimbursement be made from the Fund.

The Fund shall be administered by the General Manager of the Department of Transportation. All interest and other earnings accruing on money in the Fund shall be credited to the Fund and shall be devoted to the purposes of the Fund. Pursuant to Charter Section 344, money in the Fund shall not revert to the Reserve Fund of the City.

MOA Duration: The contract term of the MOA is twenty years, effective January 12, 2022 through January 12, 2042.

Implementing Conditions: The MOA's implementation is conditioned upon the City enacting an ordinance that allows off-site advertising to be displayed on the TCN structures through the duration of the MOA, and subject to any design and development standards, including any mitigation measures; and the take-down of static billboards. Moreover, as a part of the TCN Program, Metro shall endeavor to cause the removal of up to 320 static billboard display faces from Metro-owned or operated property, of which approximately 200 static billboard display faces are located on property in City.

California Environmental Quality Act (CEQA) Compliance and Cost-sharing: Metro is the lead agency for CEQA, and the City has agreed to pay for fifty percent (50%) of Metro's (or its agent's) cost of the CEQA Compliance Document(s), including under a "no project" alternative scenario. The City's financial obligation under the "no project" alternative scenario is not expected to exceed \$1,000,000. Any amount over \$1,000,000 is subject to the City reviewing and approving further costs prior to their programming and commitment by Metro.

C-139852

MEMORANDUM OF AGREEMENT

between

THE CITY OF LOS ANGELES

and

**THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION
AUTHORITY**

for the METRO TRANSPORTATION COMMUNICATION NETWORK

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (this “**Agreement**”) is executed as of this 12 day of January, 2022 by and between the CITY OF LOS ANGELES and the LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY, with respect to the following:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and each intending to be legally bound, the parties hereto agree as follows:

1. DEFINITIONS.

For all purposes of this Agreement, except as otherwise expressly provided or unless the context requires:

1.1 “**Agreement**” means this Memorandum of Agreement and all attachments and exhibits hereto, and all amendments and modifications thereto.

1.2 “**Applicable Rules**” means the rules, regulations, ordinances and officially adopted policies of City in full force and effect as of the Effective Date of this Agreement, including, but not limited to City’s zoning code and administrative code, except as otherwise modified by the Ordinance.

1.3 “**CEQA**” means the California Environmental Quality Act (Cal. Public Resources Code Sections 21000 et seq.) and the State CEQA Guidelines (Cal. Code of Regs., Title 14, Sections 15000 et seq.).

1.4 “**CEQA Compliance Document**” means the compliance document prepared and certified by LACMTA for the TCN Program in accordance with the requirements of CEQA.

1.5 “**City**” means the City of Los Angeles, California, including, but not limited to, its officers, boards, departments, bureaus, staff and agents, except that separate agreements shall be executed with the Department of Water and Power if needed.

1.6 “**City Council**” means the Los Angeles City Council.

1.7 “**Discretionary Action**” means an action which requires the exercise of judgment, deliberation or a decision on the part of City, including any board, commission or department or any officer or employee thereof, in the process of approving or disapproving a particular activity, as distinguished from an activity which merely requires City, including any board, commission or department or any officer or employee thereof, to determine whether there has been compliance with statutes, ordinances or regulations.

1.8 “**Effective Date**” is the date on which this Agreement has been executed by City and LACMTA.

1.9 “**General Plan**” means the adopted General Plan of City.

1.10 **“LACMTA”** means the Los Angeles County Metropolitan Transportation Authority.

1.11 **“Licensee”** means the company or companies (including, without limitation, individuals or entities such as partnerships, limited liability companies, corporations, or sole proprietorships), if LACMTA so elects, that will do one or more of the following: (a) construct and/or operate the TCN Structures; (b) sell the media inventory to be placed on the TCN Structures; and/or (c) pay directly to LACMTA its portion of the revenues earned by the Licensee, from which LACMTA shall pay City its portion of the Shared Revenue.

1.12 **“Ministerial Permits and Approvals”** means the permits, approvals, plans, inspections, certificates, documents, licenses, and all other actions required to be taken by City in order for LACMTA to implement, develop and construct the TCN Program and the Mitigation Measures, subject to and as modified by the Ordinance and any other approvals or documents in connection with the TCN Program.

1.13 **“Mitigation Measures”** means the mitigation measures described in the Project Approvals.

1.14 **“Net Revenue”** means all outdoor advertising revenue actually received by LACMTA from the TCN Structures within the City boundaries during the Term after deductions have been made for LACMTA’s and City’s out-of-pocket expenses authorized by this Agreement with respect to the TCN Program, including, without limitation, CEQA compliance and costs of litigation, Ordinance and costs of litigation, and expenses from constructing, maintaining, and operating the TCN Structures with outdoor advertising within City boundaries.

1.15 **“Ordinance”** means an ordinance or other legislative or other document which may be enacted by the City Council to enable the outdoor advertising on the TCN structures.

1.16 **“Parties”** means LACMTA and City collectively, and a **“Party”** means each of LACMTA and City individually.

1.17 **“Project Approvals”** means the following land use actions requested by LACMTA from City: (a) Ordinance; and (b) adoption of findings required by CEQA for each significant effect of the project, if any.

1.18 **“Property” or “Properties”** means any parcel of real property (or properties) or portion thereof on which a TCN Structure is located. The list of Properties may be amended, modified, updated and/or replaced from time to time as determined by LACMTA.

1.19 **“Shared Revenue”** means LACMTA and the City shall each receive 50% of the Net Revenue from the TCN displays located in the City of Los Angeles.

1.20 **“TCN Program”** means LACMTA’s Transportation Communication Network Program permitted pursuant to the terms of this Agreement.

1.21 **“TCN Structures”** means the structures (and all attached or related equipment and components) developed as a part of the TCN Program, each including, without limitation, single-sided or double-sided digital display faces for the purposes of displaying messaging in

order to facilitate and promote efficient roadways, increase public transit ridership, improve public safety, and provide revenue to support the TCN Program through third party advertising and other possible uses for the TCN Program as set forth in this Agreement.

1.22 “**Term**” means the period of time for which this Agreement shall be effective in accordance with Section 5.1 hereof.

1.23 “**Transferee**” means individually or collectively, LACMTA’s successors in interest, assignees or transferees of all or any portion of a Property or this Agreement.

2. RECITALS OF PREMISES, PURPOSE AND INTENT.

2.1 Purpose of this Agreement.

2.1.1 LACMTA Transportation Communication Network Program. LACMTA is in the process of identifying locations on its properties throughout Los Angeles County to implement a network of transportation communication digital displays that will facilitate and promote efficient and attractive roadways, increase public transit ridership, improve public safety and provide revenue generation for LACMTA’s transportation programs. The TCN Program may consist of elements, including, without limitation, the following:

2.1.1.1. Intelligent Transportation System, Travel Demand and Public Event Management. The TCN Program will be integrated with LACMTA’s Regional Intelligent Information Transportation Systems that works in coordination with all of the major transportation agencies and bus lines such as Caltrans, the Los Angeles Department of Transportation, California Highway Patrol, Foothill Transit and the Los Angeles County Department of Public Works to maximize the capacity and efficiency of the regional transportation network. The additional intelligent technology components of the TCN Program will assist LACMTA in increasing the quantity and speed of data collection of real time travel/traffic data, processing and transmission to transportation agencies. Real time data collection can support improved traffic signaling timing information, traffic signal timing data, micro transit data and LACMTA van pool on-demand services. The TCN Program will improve the bus rider’s experience by helping to facilitate transit signal priority, bus wi-fi, and bus timing information that can be relayed to bus riders. The TCN Program can also support the collection of event congestion data for LAX, Dodger Stadium, the Hollywood Bowl and other large venues, including travel demand management services for the 2028 Olympic and Paralympic Games, and providing information on available parking spaces in Park-and-Ride lots.

2.1.1.2. Public Transit Promotion and LACMTA Communications. The TCN Program will assist LACMTA’s transportation public messaging and ability to broadcast information in various creative ways to commuters to ensure public safety, maximize throughput of our congested road network, and promote public awareness of travel alternatives based on geography and time periods.

2.1.1.3. Public Safety, Emergency Messaging. The TCN Program will be incorporated into the alert information for the freeway messaging system and major arterial network for the region, including Earthquake Early Warning System information as well as Amber Alerts.

2.1.1.4. Transportation Technology Innovation Initiatives. The TCN Structures will be designed to include programs, such as 5G technology, as well as live video and

security feeds to supplement the limited number of existing cameras on the freeway and street corridors. The TCN Program will be designed to support future innovations such as autonomous vehicles, smart energy grids, and high-speed wireless cameras. Any information received from such cameras shall be used for mass traffic data, and personal or private information of any individual shall not be separately used.

2.1.1.5. Revenue Generation for Transportation Projects. The digital displays in the TCN Program will also allow off-site advertising. Revenue generated by this program will be utilized by LACMTA and City to fund transportation programs.

2.1.2 **Public Benefits.** This Agreement provides assurances that the public benefits identified in this Agreement will be achieved and developed in accordance with the terms of this Agreement. The Project will provide local and regional public benefits to City as set forth in this Agreement.

2.1.3 **Mutual Objectives.** Development of the TCN Program in accordance with this Agreement will provide for the orderly development of the Properties in accordance with the objectives set forth in this Agreement and shall provide benefits to City, LACMTA and the residents of City and surrounding areas. Moreover, an agreement for the TCN Program will eliminate uncertainty in planning for and securing orderly development of the TCN Program on the Properties, assure installation of necessary improvements, assure attainment of maximum efficient resource utilization within City at the least economic cost to its citizens and otherwise achieve the goals and purposes of City and LACMTA. The execution of this Agreement does not obligate the City or LACMTA to move forward with the TCN Program, which shall be subject to the approval of CEQA in addition to the Ordinance, which will further develop specific elements of the TCN Program not otherwise addressed herein.

2.1.4 **Intent for Use of the Shared Revenue.** It is the intent of both Parties that the City's portion of the Shared Revenue (as defined herein) is to be used for transportation improvements including projects that are consistent with the following goals of the LACMTA Vision 2028 Plan: (i) provide high-quality mobility options that enable people to spend less time traveling; (ii) deliver outstanding trip experiences for all users of the transportation system; (iii) enhance communities and lives through mobility and access to opportunity; and (iv) transform LA County through regional collaboration and national leadership. These goals require partnership with the City and complement existing City goals. Other projects may include those that promote pedestrian and cyclist safety in the general vicinity of transit stops and that benefit bus riders in the City, with a focus on low-income, persons of color in LACMTA's defined Equity Focus Communities. Each year, LACMTA will provide an estimate of the projected City's Shared Revenue, but LACMTA does not guarantee such Shared Revenue. The City shall deposit its portion of the Shared Revenue into a special fund to be known as the Transportation Communications Network Revenue Fund (the "Fund") and, as part of its annual City budget process, will program those funds exclusively for the following (or substantially similar) purposes:

- (1) Funding transportation projects and services, including City transit lines or other public transit service, and for the payment of any and all expenses relating or incidental thereto, including operating expenses;
- (2) Funding the purchase, lease or rental of transit related equipment, including buses, trucks, transit shelters and street furniture, and all expenses relating or incidental thereto;

- (3) Funding consultant studies, City staff costs, land acquisition, design or construction of the following: (A) sidewalks, curb improvements, and beautification projects needed to improve conditions for public transit patrons; (B) pedestrian safety improvements in the public right-of-way including, but not limited to, speed humps, street resurfacing, traffic lane or pedestrian marking and signage, and acquisition of property to widen the public right-of-way to create safer traffic flow, bicycle lanes, or to create safer pedestrian routes to improve conditions for public transit patrons; and (C) public amenities to improve the quality of life for public transit patrons, residents and businesses in transit oriented districts; and (D) all expenses related or incidental to those uses; and,
- (4) The repayment of any money borrowed or advanced from any other fund for purposes described above in (1)-(3) with the intent that reimbursement be made from the Fund.

The Fund shall be administered by the General Manager of the Department of Transportation. All interest and other earnings accruing on money in the Fund shall be credited to the Fund and shall be devoted to the purposes of the Fund. Pursuant to Charter Section 344, money in the Fund shall not revert to the Reserve Fund of the City.

3. AGREEMENT AND ASSURANCES.

3.1 Agreement and Assurance on the Part of LACMTA. In consideration for City entering into this Agreement, and as an inducement for City to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the promises, purposes and intentions set forth in this Agreement, LACMTA hereby agrees as follows:

3.1.1 Interest in Sites. LACMTA acknowledges and agrees that it has a legal or equitable interest in the Properties and thus is qualified to enter into and be a party to this Agreement and the right to cause the construction, development, operation and/or management of the Properties. Upon execution of this Agreement by all Parties and in connection with the commencement of CEQA, LACMTA shall confer with the City with regard to the potential locations of the TCN Structures.

3.1.2 Program Development. LACMTA agrees that, taking into account the needs of a public transportation agency and the TCN Program requirements, it will diligently undertake development of the TCN Program in accordance with the terms and conditions of this Agreement and the Project Approvals. LACMTA shall have the right to place the TCN Structures on the Properties in LACMTA's discretion subject to Project Approvals, as such Properties may be amended, modified, updated or replaced from time to time in order to develop the TCN Program.

3.1.3 Additional Obligations of LACMTA as Consideration for this Agreement. As additional consideration for this Agreement, LACMTA shall also provide public benefits including, but not limited to, the specific public benefits listed below:

3.1.3.1 Shared Revenue. LACMTA and City shall each receive its portion of the Shared Revenue from the TCN Program pursuant to the terms of this Agreement. The Net Revenue shall be collected by LACMTA in accordance with the terms of this Agreement, and LACMTA shall audit the Net Revenue received. LACMTA shall pay City's portion of the Shared Revenue within sixty (60) days following verification of the accuracy of such funds by LACMTA,

which shall not be unreasonably withheld, conditioned or delayed, as well as provide the City with supporting documentation of the paid Shared Revenue, to be used by City in accordance with the terms of this Agreement.

3.1.3.2. Review of Shared Revenue. With prior written notice of not less than thirty (30) days, City and LACMTA each has the right but not the obligation to review the Shared Revenue received and the Net Revenue paid to LACMTA and the use of the City's portion of the Shared Revenues, as applicable, at LACMTA's or City's office, on normal workdays between 9:00 a.m. and 4:00 p.m. once every two years. Should the ability to review the Shared Revenue or use of the Shared Revenues be restricted from occurring in person at either LACMTA's or the City's offices due to health, safety, or other local, state or federal orders, each Party shall make all relevant information available to the other Party through virtual/online means. If the statement of Shared Revenue previously provided to City shall be found to be inaccurate, then and in that event, there shall be an adjustment and one Party shall pay to the other on demand such sums as may be necessary to settle in full the accurate amount of the Shared Revenue that should have been paid to City for the period or periods covered by such inaccurate statement or statements. Pursuant to the Fund to be established, the City will draft a report on the Transportation Communications Network Revenue Fund on an annual basis, within 90 days after the close of the City's fiscal year, that will identify all receipts into, and all transfers and expenditures out of, the fund, as well as the purposes for which the transfers and expenditures were made.

3.1.4 Take Downs. As a part of the TCN Program, LACMTA shall endeavor to cause the removal of up to 320 static billboard display faces from LACMTA-owned or operated property, of which approximately 200 static billboard display faces are located on property in City. LACMTA acknowledges that the City reserves the right to create a take-down requirement in the Ordinance, which will be mutually agreed upon by LACMTA and the City.

3.1.5 Compliance with Laws; Prohibited Use.

3.1.5.1. LACMTA will comply with all local, state and federal laws relating to Properties and other aspects of the TCN Structures to the extent including but not limited to building and electrical permits for the TCN structures required by the City. The display faces on the TCN Structures will not be placed in or within 200 feet of residential zones or will not be oriented facing a residential zone within such 200 foot distance.

3.1.5.2. LACMTA shall coordinate with City regarding illumination, brightness and other requirements related to the digital displays on the TCN Structures. The digital displays on the TCN Structures shall comply with the applicable sections of City's building code with respect to sign illumination.

3.1.5.3. LACMTA shall not utilize any of the display faces on the TCN Structures to advertise anything prohibited by City ordinance then in effect.

3.2 Agreement and Assurances on the Part of City. In consideration for LACMTA entering into this Agreement, and as an inducement for LACMTA to obligate itself to carry out the covenants and conditions set forth in this Agreement, and in order to effectuate the promises, purposes and intentions set forth in this Agreement, City hereby agrees as follows:

3.2.1 **City's Police Power.** Notwithstanding any other provision of this Agreement, the City hereby reserves its police power with regard to enacting the Ordinance or taking any other legislative action relating to this Agreement.

3.2.2 **Timeframes and Staffing for Processing and Review.** City agrees that expeditious processing of Ministerial Permits and Approvals and Discretionary Actions, if any, and any other approvals or actions required for the TCN Program are critical to the implementation of the TCN Program. In recognition of the importance of timely processing and review of Ministerial Permits and Approvals, City agrees to work with LACMTA to establish time frames for processing and reviewing such Ministerial Permits and Approvals and to comply with timeframes established in the Project Approvals. Furthermore, City shall use good faith efforts to expedite all requests by LACMTA for Discretionary Actions requested for the TCN Program, if any.

4. CEQA COMPLIANCE

4.1 CEQA Analysis.

4.1.1 **Lead Agency.** LACMTA shall act as lead agency and shall comply with all applicable requirements of CEQA prior to implementation for each Property and TCN Structure that is part of the TCN Program. Environmental compliance shall be conducted on a programmatic basis for the TCN Program and study locations that are owned or operated by LACMTA; provided, however, this Agreement itself is not a commitment by either Party to any project and does not have any physical impacts on the environment and is not considered a project under CEQA.

4.1.2 **Implementation.** The implementation of this Agreement shall be contingent upon City enacting legislation that allows off-site advertising to be displayed on the TCN Structures and subject to any design and development standards, including any Mitigation Measures. LACMTA's CEQA reports and analysis for the project shall encompass any City legislative changes needed to allow for the furtherance of this TCN Program. The City agrees to pay for fifty percent (50%) of LACMTA's (or its agent's) cost of the CEQA Compliance Document(s) in the event of a "no build" alternative scenario as described under Section 4.1.3(i). The City's financial obligation under the "no build" alternative scenario is not expected to exceed \$1,000,000. Any amount over \$1,000,000 shall be subject to the City reviewing and approving further costs prior to their programming and commitment by LACMTA.

4.1.3 **CEQA Review.** Because the Parties have not completed a CEQA review, this Agreement does not constitute or evidence an approval by the Parties of, or commitment of the Parties to, any action for which prior environmental review is required under CEQA. The Parties retain the absolute discretion to make decisions under CEQA, which discretion includes, without limitation (i) deciding not to proceed with the TCN Program (known as the "no build" alternative) and (ii) deciding to approve the TCN Program and/or any of the actions contemplated in this Agreement (the "**Potential Actions**"); and (iii) the imposition of any Mitigation Measures or alternatives to the TCN Program or Potential Actions. There shall be no approval or commitment by the Parties regarding the development of the TCN Program or any of the Potential Actions, unless and until LACMTA, as the lead agency, and City as a potentially responsible agency, based upon information resulting from the CEQA environmental review process, consider the impacts of the TCN Program and Potential Actions. This means that no specific location for take down of a static billboard display face or installation of a new TCN Structure will be approved until after the CEQA review is completed and the City has enacted an Ordinance that will enable the outdoor advertising on the TCN structures. The CEQA review and Ordinance will address potential restrictions on placement of new TCN structures, such as distance limits from residential uses.

5. GENERAL PROVISIONS.

5.1 **Term.** The Term of this Agreement shall commence on the Effective Date and shall extend for a period of twenty (20) years after the Effective Date. Prior to the expiration of the Term, City and LACMTA shall negotiate in good faith to extend the terms of this Agreement based on an evaluation of the status of the TCN Program at such time and agree on a mutually beneficial path forward. Following the expiration of the Term or earlier termination, this Agreement shall terminate and be of no further force and effect; provided, however, that this termination shall not affect any right or duty arising from entitlements or approvals, including the Project Approvals on the Properties, approved concurrently with, or subsequent to, the Effective Date of this Agreement.

5.2 **Enforced Delay; Extension of Time of Performance.** In addition to specific provisions of this Agreement, whenever a period of time, including a reasonable period of time, is designated within which a Party hereto is required to do or complete any act, matter or thing, the time for the doing or completion thereof shall be extended by a period of time equal to the number of days during which such Party is actually prevented from, or is unreasonably interfered with, the doing or completion of such act, matter or thing because of causes beyond the reasonable control of the Party to be excused, including: war; insurrection; riots; floods; earthquakes; fires; casualties; pandemics; acts of God; unusual economic or governmental circumstances that limit the ability to generate revenue from the digital displays on the TCN Structures, litigation and administrative proceedings against the TCN Program; any approval required by City or the State of California Department of Transportation; restrictions imposed or mandated by other governmental entities; enactment of conflicting state or federal laws or regulations; judicial decisions; or similar bases for excused performance which are not within the reasonable control of the Party to be excused (financial inability excepted). This Section shall not be applicable to any proceedings with respect to bankruptcy or receivership initiated by or on behalf of LACMTA, or by any third parties against LACMTA if not dismissed within ninety (90) days; provided however, this Section shall be applicable to every other provision in this Agreement. If written notice of such delay is given to any Party within thirty (30) days of the commencement of such delay, an extension of time for such cause will be granted in writing for the period of the enforced delay or longer as may be reasonable or mutually agreed upon.

5.3 **Dispute Resolution.** The Parties shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. Before exercising any remedy provided by law, a Party or the Parties shall engage in nonbinding mediation in the manner agreed upon by the Parties. The Parties agree that each Party may specifically enforce this section. If nonbinding mediation is not initiated or does not result in the settlement of a dispute within sixty (60) days after the demand for mediation is made, either Party may pursue any remedies provided by law.

5.4 **Applicable Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of California.

5.5 **Amendments.** This Agreement may be amended from time to time by mutual consent in writing of the Parties to this Agreement.

5.6 **Covenants.** The provisions of this Agreement shall constitute covenants which shall run with the land comprising the Properties for the benefit thereof, and the burdens and benefits hereof shall bind and inure to the benefit of all assignees, transferees, and successors to the Parties hereto.

5.7 **Cooperation and Implementation.**

5.7.1 **Processing.** Upon adoption of the Ordinance, City shall commence and diligently process all required steps necessary for the implementation of this Agreement and development of the Properties in accordance with the terms of this Agreement. LACMTA shall, in a timely manner, provide City with all documents, plans, fees and other information necessary for City to carry out its processing obligations pursuant to this Agreement.

5.7.2 **Other Governmental Permits.** LACMTA shall apply in a timely manner for such other permits and approvals as may be required from other governmental or quasi-governmental agencies having jurisdiction over the TCN Program, if any. City shall cooperate with LACMTA in its endeavors to obtain such permits and approvals and shall, from time to time at the request of LACMTA, attempt with due diligence and in good faith to enter into binding agreements with any such entity to ensure the availability of such permits and approvals, or services, provided such agreements are reasonable and not detrimental to City.

5.7.3 **Cooperation in The Event of Legal Challenge.** In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement, the Parties hereby agree to affirmatively cooperate in defending said action.

5.8 **Relationship of the Parties.** It is understood and agreed by the Parties hereto that the contractual relationship created between the Parties hereunder is that LACMTA is an independent public entity with respect to City and is not an agent of City. Further, the Parties agree and hereby renounce the existence of any form of joint venture or partnership between City and LACMTA and agree that nothing herein or in any document executed in connection herewith shall be construed as making City a joint venturer or partner with LACMTA.

5.9 **Indemnification and Insurance.**

5.9.1 **Indemnification by LACMTA.** LACMTA shall indemnify City, its officers, employees, and agents against, and will hold and save them and each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions, or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm, or entity arising out of or in connection with (1) the work, operations, or activities of LACMTA, its agents, employees, subcontractors, or invitees, hereunder, upon the Properties; or (2) any legal action commenced by any third party challenging the validity of the environmental assessment of the TCN Program under CEQA performed by LACMTA as lead agency. LACMTA will defend any action or actions filed in connection with any of said claims or liabilities listed in the foregoing sentence and will pay all third-party costs and expenses, including reasonable legal costs and attorneys' fees incurred in connection therewith. LACMTA will promptly pay any judgment rendered against City, its officers, agents, or employees for any such claims or liabilities arising out of or in connection with the work, operations,

or activities of LACMTA. The foregoing indemnity shall not include claims or liabilities arising from the gross negligence or willful misconduct of City, its officers, agents, or employees.

5.9.2 Additional Coverage. Without limiting the generality of the foregoing, said indemnity shall include any liability arising by reason of: (a) any claim made by any assignee, employee, agent, visitor, invitee, or user of any portion of a Property; (b) any accident or other occurrence in or on a Property causing injury to any person or property whatsoever; (c) any failure of LACMTA to comply with performance of all of the applicable provisions of this Agreement; or (d) LACMTA's failure to prevent any employee or any invitee or any other person from entering upon or remaining in any place upon a Property which is not safe and does not comply with all laws pertaining thereto as they may now or hereafter exist. The foregoing indemnity shall not include claims or liabilities arising from the gross negligence or willful misconduct of City, its officers, agents, or employees.

5.9.3 Indemnification by City. City shall indemnify LACMTA, its officers, employees, and agents against, and will hold and save LACMTA harmless from, any and all claims or liabilities that may be asserted or claimed by any person, firm, or entity arising out of or in connection with (1) any failure of City to comply with the performance of all of the applicable provisions of this Agreement; or (2) any legal action commenced by any third party challenging the validity of the Ordinance enacted by City, any Discretionary Action, Ministerial Permits or Approvals or other actions by City in connection with the approval of the TCN Program. City will defend any action or actions filed in connection with any of said claims or liabilities and will pay all costs and expenses, including legal costs and attorneys' fees incurred in connection therewith. The foregoing indemnity shall not include claims or liabilities arising from the gross negligence or willful misconduct of LACMTA, its officers, agents, or employees.

5.9.4 Period of Indemnification. The obligations for indemnity under this Section 5.9 shall begin upon the Effective Date and shall terminate upon termination of this Agreement, provided that indemnification shall apply to all claims or liabilities arising during that period even if asserted at any time thereafter.

5.10 Extension of Time for All Project Approvals. The duration of all Project Approvals shall automatically be extended for the Term of this Agreement.

5.11 Notices. Any notice or communication required hereunder between the Parties must be in writing and shall be given either personally or by registered or certified mail, return receipt requested, or nationally recognized overnight courier. Notices shall be deemed to be received upon actual receipt or refusal thereof. Any Party hereto may at any time, by giving ten (10) days' written notice to the other Party hereto, designate any other address in substitution of the address, or any additional address, to which such notice or communication shall be given. Such notices or communications shall be given to the Parties at their addresses set forth below:

To City: City of Los Angeles
City Administrative Officer
200 North Main Street, Room 1500
Los Angeles, California 90012
(213) 473-7534

Attn:

To LACMTA:

Los Angeles County Metropolitan Transportation Authority
One Gateway Plaza
Mail Stop 99-18-4
Los Angeles, California 90012-2952
Attn: Sr. EO, Real Property Management & Development

5.12 **Recordation.** Within ten (10) days following City's adoption of the Ordinance, this Agreement shall be recorded by LACMTA with the Registrar-Recorder of the County of Los Angeles.

5.13 **Constructive Notice and Acceptance.** Every person who now or hereafter owns or acquires any right, title, interest in or to any portion of the Property or the TCN Structure, is and shall be conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in a Property or TCN Structure.

5.14 **Severability.** If any provisions, conditions, or covenants of this Agreement, or the application thereof to any circumstances of any Party, shall be held invalid or unenforceable, the remainder of this Agreement or the application of such provision, condition, or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

5.15 **Time of the Essence.** Time is of the essence for each provision of this Agreement of which time is an element.

5.16 **Waiver.** No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought. No waiver of any right or remedy with respect to any occurrence or event shall be deemed a waiver of any right or remedy with respect to any other occurrence or event.

5.17 **No Third-Party Beneficiaries.** The only Parties to this Agreement are City and LACMTA, and their successors-in-interest, transferees, or assignees. There are no third-party beneficiaries and this Agreement is not intended and shall not be construed to benefit or be enforceable by any other person whatsoever. Notwithstanding the foregoing, All Vision LLC, LACMTA's agent with respect to the TCN Program shall be a third-party beneficiary to this Agreement.

5.18 **Entire Agreement.** This Agreement sets forth and contains the entire understanding and agreement of the Parties and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein (or any such representations, understandings or ancillary covenants, undertakings or agreements are integrated in this Agreement) and no testimony or evidence of any such representations, understandings, or covenants shall be admissible in any proceedings of any kind or nature to interpret or determine the provisions or conditions of this Agreement.

5.19 **Legal Advice; Neutral Interpretation; Headings, Table of Contents, and Index.** Each Party acknowledges that it has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions hereof. The provisions of this Agreement shall be construed as to their fair meaning, and not for or against any Party based upon any attribution to such Party as the source of the language in question. The headings, table of contents, and index used in this Agreement are for the convenience of reference only and shall not be used in construing this Agreement.

5.20 **Discretion to Encumber.** This Agreement shall not prevent or limit LACMTA in any manner, at its sole discretion, from encumbering the Properties or any portion of the Properties or any improvement on the Properties by any mortgage, deed of trust or other security device securing financing with respect to the Properties or their improvements.

5.21 **Expedited Processing.** Each Party agrees to cooperate in the expedited processing of any legal action seeking specific performance, declaratory relief or injunctive relief, to set court dates at the earliest practicable date(s) and not cause delay in the prosecution/defense of the action, provided such cooperation shall not require any Party to waive any rights.

5.22 **Non-liability of City and LACMTA Officials.** No officer, official, member, employee, attorney, agent, or representatives of City or LACMTA or its agents or representatives shall be liable for any amounts due hereunder, and no judgment or execution thereon entered in any action hereon shall be personally enforced against any such officer, official, member, employee, attorney, agent, or representative.

5.23 **No Brokers.** Each Party represents and warrants to the other that it has not employed any broker and/or finder to represent its interest in this Agreement. Each Party agrees to indemnify and hold the other free and harmless from and against any and all liability, loss, claim, damage, cost, penalty or obligations arising out of a breach of this Section 5.23.

5.24 **Recitals.** The recitals noted on the first page are hereby made a part of this Agreement.

5.25 **Counterparts.** This Agreement may be executed in duplicate originals, each of which is deemed to be an original. This Agreement, not counting the Cover Page, consists of 16 pages and one (1) Schedule.

5.26 **Common Interest.** LACMTA and City acknowledge and agree that consideration, drafting and negotiation of this Agreement is a mutual undertaking that required the cooperation of LACMTA's, All Vision LLC's and City's respective legal counsel and representatives. LACMTA and City, and their respective advisors and consultants (including, without limitation, All Vision LLC and its respective advisors, consultants and legal counsel), shall work together in confidence, and shall take all reasonable steps to protect the confidentiality of their advice and counsel to the maximum extent permitted by the California Public Records Act (Chapter 3.5 of Division 7 of Title 1 of the California Government Code), applicable law affording privilege to attorney-client communications and work product, and the "Common Interest Doctrine". To the extent consistent with the law, LACMTA and City shall maintain security and control over all

documents and e-mails containing proposals, correspondence, documents, information and data related to the TCN Program and Potential Actions generated by either Party in connection with negotiations (“Confidential Information”) and each Party shall ensure that all of its advisors and consultants at any level maintain the confidentiality, security and control over all Confidential Information. To the extent consistent with the law, unless mutually agreed in writing by both LACMTA and City, neither Party will divulge any Confidential Information to the media, any member of the public, or any other party. Notwithstanding any contrary provision, this Section 5.26 is a binding agreement and will survive termination of this Agreement.

[Signatures on the next page]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

City: CITY OF LOS ANGELES

By


Matthew W. Szabo, City Administrative Officer

1/12/2022

ATTEST:

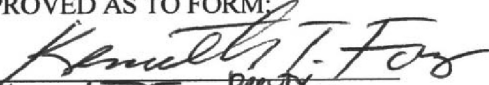
By:


2/3/22



APPROVED AS TO FORM:

By:


Kenneth I. Fong, Deputy City Attorney

LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION
AUTHORITY

By

APPROVED AS TO FORM:

RODRIGO CASTRO-SILVA
County Counsel

By:

Ronald W. Stamm
Principal Deputy County Counsel

[end of signatures]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

City: CITY OF LOS ANGELES

By _____

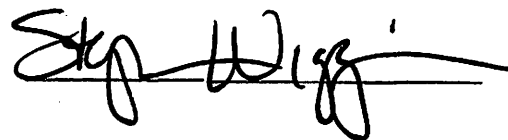
ATTEST:

By: _____

APPROVED AS TO FORM:


By: _____
_____, City Attorney

LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION
AUTHORITY

By  _____

APPROVED AS TO FORM:

RODRIGO CASTRO-SILVA
County Counsel

By: 

Ronald W. Stamm
Principal Deputy County Counsel

[end of signatures]