ORDINANCE NO.____________

AN ORDINANCE GRANTING A FRANCHISE TO CHURCH OF SCIENTOLOGY CELEBRITY CENTRE INTERNATIONAL OF LOS ANGELES TO INSTALL A PRIVATE LINE TELECOMMUNICATIONS FACILITY IN THE PUBLIC RIGHTS-OF-WAY OF BRONSON AVENUE IN THE CITY OF LOS ANGELES

WHEREAS, Church of Scientology Celebrity Centre International of Los Angeles has requested permission of the City of Los Angeles to encroach into portions of the public right-of-way of Bronson Avenue in the City with a permanent installation consisting of a private line telecommunications facility, and

WHEREAS, Section 13.62 of the Los Angeles Administrative Code requires that such permission be granted by a Franchise and issued by this Council, and

WHEREAS, the following ordinance is adopted notwithstanding and as an exception to the other provisions of Division 13 of the Los Angeles Administrative Code,

NOW, THEREFORE,

THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:

Section 1. GRANT OF AUTHORITY

1.1 Grant of Authority

Notwithstanding and as an exception to Division 13 of the Los Angeles Administrative Code, but in accordance with section 13.62 of the Los Angeles Administrative Code, and sections 240 and 390 the Charter of the City of Los Angeles ("City") , the City hereby grants Church of Scientology Celebrity Centre International of Los Angeles ("Franchisee"), a limited franchise to install and maintain a private line telecommunications facility ("Facility") which will encroach into portions of the public rights-of-way of Bronson Avenue, in the City of Los Angeles, as further described herein, subject to all of the terms and conditions set forth in this ordinance ("Franchise").

1.2 Acceptance

Acceptance of the terms of this Franchise by the Franchisee shall be conclusively established by a writing reflecting the same or by commencement of construction by the Franchisee or its agent or contractor. A replacement Franchise, as required by section 2.10, shall not be issued, or deemed to have been issued, without such writing.

1.3 Encroachment Area

The area subject to encroachment by the facility to be constructed pursuant to this Franchise are those portions of the public right-of-way of Bronson Avenue in the City, further bounded and described as follows:

Portions of Lot 7 and Bronson Avenue (Formerly Hartford Avenue), 60 feet wide street, as shown on map of Hartford Villa Tract, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 8 Page 58 of Maps and a portion of Brockaw Tract, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 1 Page 39 of Maps, both in the office of the County Recorder of said County, lying within strips of lands, the centerline of said strips being described as follows:

Strip No. 1
Commencing at the centerline intersection of Franklin Avenue and Bronson Avenue both 60 feet wide street, as shown on said Harford Villa Tract; thence southerly along the centerline of said Bronson Avenue, S00° 10'30" E 237.50 feet to the True Point of Beginning. Said point hereinafter referred to as Point "A"; thence easterly N89° 49'30" E 10.97 feet to the planter wall; thence continuing easterly, N89° 49'30E 4.87 feet to the building wall.

Strip No. 2
Beginning at herein above mentioned Point "A"; thence westerly S89°49'30" W 30.00 feet to the westerly line of said Bronson Avenue; thence continuing westerly S89°49'30" W 14.65 feet to the concrete block wall.

The sidelines of said strips shall be lengthened or shortened so as to terminate at the sideline of said Bronson Avenue, planter wall, building wall and concrete block wall.

1.4 Facility Description

"Private Line Telecommunications Facility" or "Facility" means one (1) four-inch diameter conduit, containing 100 pair of copper cables and 12 strands of fiber cable, to be installed in the Encroachment Area connecting the buildings under the control of the Franchisee at 1830 N. Bronson Avenue and 5930 Franklin Avenue.

1.5 Limited Purpose

The authorized purpose of construction of the Private Line Telecommunications Facility is to provide a secure hard-wired telecommunications link between Franchisee's two buildings at 1830 N. Bronson Avenue and 5930 Franklin Avenue, which link would not be possible without permission to cross the City's public rights-of-way separating the two, or more, structures.

This Franchise shall endure only so long as such purpose remains valid. In the event any material fact justifying the limited purpose of the Franchise no longer exists, Council may revoke the Franchise in accordance with the procedures set forth in Section 8.1, below.

1.6 Limitations on Use

The privileges granted by this Franchise are limited to installation of a Facility to be used solely for the private telecommunications purposes of the Franchisee. These purposes include only voice, video, and data transmissions originating or terminating at one of the buildings mentioned in section 1.5 or at another location contiguous to these buildings and under common ownership and use of the Franchisee.

Use of the Facility for telecommunications signal transmissions of any other type is expressly outside the scope of the authority granted by this Franchise. Use of the facility for purposes outside the scope of the authority granted by this Franchise shall be deemed a material violation of this Franchise and the Franchise shall then be subject to revocation by the City Council in accordance with the procedures set forth in Section 8.1.

1.7 Effective Date

This Franchise shall become effective on the earliest date after passage provided for by the City Charter and/or applicable law.

Section 2. GENERAL CONDITIONS

2.1 Non-Exclusivity

Nothing in this Franchise shall affect the right of the City to grant to any person a Franchise, consent or right to occupy and use the streets or public rights-of-way, or any part thereof, for the construction, operation or maintenance of a communications facility within all or a portion of the Encroachment Area or anywhere else in the City.

2.2 Non-User

If the Franchisee fails to complete construction of the Facility within six (6) months of the date this ordinance is adopted by City Council, the authority granted by this Franchise shall terminate, except that the Franchisee may request an extension of time to complete construction.

2.3 Priority of Public Works

Nothing in this Franchise shall abrogate the right of the City to perform any public work or public improvement of any description, including, without limitation, all work authorized by applicable law. In the event that the Facility interferes with the construction, operation, maintenance or repair of any such public work or public improvement, the Franchisee, after reasonable notice from the City, shall, at its own cost and expense, promptly protect, alter or relocate the Facility, or any part thereof, as reasonably directed by the City. In the event the Franchisee refuses or neglects to protect, alter, or relocate all or part of the Facility, the City shall have the right, in connection with the performance of such public work or public improvement, to break through, remove, alter, or relocate all or any part of the Facility without any liability to the Franchisee, except such liability as is directly caused by the City's willful misconduct or negligence, and the Franchisee shall promptly pay to the City the costs incurred by such breaking through, removal, alteration, or relocation.

2.4 No Waiver of Regulatory Authority

Except as expressly stated herein, nothing in this Franchise shall be construed as a waiver of any code or ordinance of the City or the City's right to require the Franchisee or any person utilizing the Facility to secure all appropriate Franchises or authorizations for such use.

2.5 Compliance with Laws

The Franchisee shall comply with: (i) all applicable laws and all requirements of the State of California, the FCC, and any other federal or State agency or authority of competent jurisdiction; (ii) all local laws, rules, regulations, and all orders or other directives of the City issued pursuant to the police powers of the City; and (iii) all rules, regulations, and all other directives of the City issued pursuant to this Franchise.

2.6 Material Violation

Failure to comply with the requirements set forth in sections 1.6, 3.2, and 5.1 shall constitute a material violation of the Franchise. In the event that the Franchisee fails to comply with one of the above referenced sections, then, in accordance with the procedures provided in Section 8 hereof, the City Council may revoke the franchise granted herein and terminate this Franchise.

2.7 Conflict with Other Installations

No privilege or exemption is granted or conferred by this Franchise except those specifically prescribed herein. Any privilege claimed under this Franchise by the Franchisee in any street shall be subordinate to any prior lawful occupancy of the street.

2.8 Authorization of Additional Franchise Facilities

Franchisee shall not install additional conduits or lines, replace conduits or lines, or construct or install facilities other than those contemplated in section 1.3, without prior authorization from the City. Franchisee may seek such authorization by filing an application with the City as set forth in Sections 13.11, et seq., of the City of Los Angeles Administrative Code. Upon receipt of the application from the City Clerk, the Board of Information and Technology Commissioners ("Board") shall report to the City Council a recommendation relative to the application. Facilities constructed, installed or replaced pursuant to any authorization by the City Council shall be subject to all the provisions of this Franchise and to any additional conditions relating to construction, specifications, operation and the utilization of facilities or such other conditions as may be prescribed by such authorization.

2.9 Term

The term of this Franchise shall be for a period of ten (10) years from the effective date.

2.10 Rights Upon Termination

The termination, expiration, or revocation of this Franchise shall not operate as a waiver or release of any obligation of the Franchisee or any other person, as applicable, arising pursuant to this Franchise prior to such termination. All such obligations shall survive the termination, expiration, or revocation of this Franchise.

2.11 Renewal

The Franchisee shall apply for a replacement Franchise at least 12 months prior to the expiration date of this Franchise.

Section 3. TRANSFERS AND HYPOTHECATIONS

3.1 Restrictions Against Transfers

This Franchise is a privilege to be held in personal trust by the Franchisee. Except as provided in Section 3 hereof, neither the Franchise nor any rights or obligations of the Franchisee in, or pursuant to, the Franchise, or the Facility, shall be transferred in part or as a whole, by assignment, trust, mortgage, lease, sublease, pledge or other hypothecation, and is not to be sold, transferred, leased, assigned, or disposed of in part or as a whole, either by forced sale, merger, consolidation, or otherwise, nor shall title thereto, either legal or equitable, or any right or interest therein, pass to or vest in any person or entity, nor shall a change in control of the Facility occur, either by act of the Franchisee, by operation of law or otherwise, without the consent of the City, which consent shall not be unreasonably withheld or delayed, and which shall be expressed by ordinance and then only under such conditions as may be therein prescribed.

3.2 Effect of Unauthorized Action

The taking of any action described in section 3.1 without the prior consent of the City shall be deemed a material violation of this Franchise and the Franchise shall then be subject to revocation by the City Council in accordance with the procedures set forth in Section 8.1.

3.3 Exceptions

Nothing contained in this Section shall be deemed to prohibit, or require City approval, of any assignment, pledge, lease, sublease, mortgage, or other transfer or hypothecation of all or any part of the stock of (or other evidence of ownership in) or assets (not including the Franchise) of the Franchisee or the Facility, or any right or interest therein, for securing an indebtedness, provided that each such assignment, pledge, lease, sublease, mortgage, or other transfer or hypothecation shall be subject to this Franchise, or applicable law.

3.4 Approval Procedure

Pursuant to Section 13.11, et. seq., of the Los Angeles Administrative Code, the Franchisee shall file, with the City Clerk, a written application for any action affecting this Franchise.

Franchisee shall promptly notify the General Manager of the Information Technology Agency (ITA), in writing, of any application filed with the City Clerk and requiring consent of the City. All correspondence to the General Manager of ITA shall be sent to:

Thera G. Bradshaw, General Manager
Information Technology Agency
Room 1400, City Hall East
200 N. Main Street
Los Angeles, CA 90012

ITA shall complete its review of the petition as promptly as is reasonably possible and, thereafter, shall forward the petition and its recommendation to the Board or Council, as appropriate, for final action. Within Thirty (30) days of receipt of such petition, ITA shall present to the Board and subsequently to the City Council, a status report on the petition review.

4. FACILITY REQUIREMENTS

4.1 Construction

Throughout the term of this Franchise, the Franchisee shall construct, install, operate, and maintain the Facility in a manner consistent with all laws, ordinances, and construction standards of the City.

Any change regarding construction of the Facility from the description set forth in section 1.4 shall be subject to the approval of the City as set forth in section 2.7. The Franchisee is aware that Franchisee's proposed use of the public rights-of-way requires approvals from various City departments including, but not limited to, the Department of Public Works and the Department of Water and Power. This Franchise does not exempt the Franchisee from the necessity of obtaining any permits required by any City Office or Department.

4.2 Plans

The Franchisee shall file with ITA prints, plans and maps showing the proposed and as-built location of each conduit, pole, or other portion of the Facility to be installed (and, if using existing poles or conduits, the location of each pole attachment or conduit to be entered), and the location of each manhole or other opening installed to gain access to the Facility and or its components.

4.3 Quality of Work

All work involved in the construction, operation and maintenance, repair and removal of the Facility shall be performed with due diligence and using materials of good and durable quality.

4.4 Safety

The Franchisee shall, at its own cost and expense, take all necessary efforts to prevent accidents at its work sites, including the placing and maintenance of proper guards, fences, barricades, and security personnel and, at night, suitable and sufficient lighting.

No less than 24 hours advance notice shall be provided to ITA prior to commencing construction activities.

4.5 Street Work

In connection with the construction, operation, maintenance, repair, or removal of the Facility, the Franchisee shall, at its own cost and expense, protect any and all existing structures belonging to the City. The Franchisee shall obtain the prior approval of the City before altering any water main, sewage or drainage Facility, or any other municipal structure in any public way or street. Any such alteration shall be made by the Franchisee, at its sole cost and expense, and in a manner reasonably prescribed by the City. The Franchisee shall also be liable, at its own cost and expense, to replace or repair and restore to as close to its prior condition as is reasonably possible and in a manner reasonably specified by the City, any public way, street or any municipal structure involved in the construction of the Facility that may become disturbed or damaged as a result of any work thereon by, or on behalf of, the Franchisee pursuant to this Franchise.

The Franchisee shall, at its own expense, protect, support, temporarily disconnect, relocate in the same street or public way, or remove from any street or public way, any Facility when required by the Board of Public Works, or by any other governmental agency acting in a governmental capacity, by reason of traffic conditions, public safety, street vacation, freeway construction, or any public improvement or structure. The privileges and obligations as to abandonment of the Facility in place, provided in section 4.6, shall apply when a governmental agency requires a permanent removal or relocation of the Facility.

Upon failure of the Franchisee to commence, pursue or complete any repair or restoration work required of it by law or by the provisions of this Franchise in any street or public way, the City, at its option and according to law, may cause such work to be done and the Franchisee shall pay to the City the cost thereof in the itemized amounts reported by the City to the Franchisee, within thirty (30) days after receipt of such itemized report.

4.6 Removal or Abandonment

In the event the use of the Facility is permanently discontinued, or upon termination, expiration or revocation of this Franchise, the City shall have the right to require the Franchisee to remove, at the Franchisee's own expense, all portions of the Facility from the Encroachment Area. The Franchisee shall promptly remove all portions of the Facility involved, other than any such portions, which the Board of Public Works may authorize to be abandoned in place. Facilities to be abandoned in place shall be abandoned in such manner, as the Board of Public Works shall prescribe. Upon abandonment of any Facilities in place, the Franchisee shall submit to the City, an instrument satisfactory to the City Attorney and ITA, transferring to the City the ownership of such facilities.

4.7 <u>Completion and Performance Bond</u>

The Franchisee shall obtain, maintain and file with ITA, on or before the Effective Date of this ordinance, a performance bond or other instrument approved by the City Attorney and issued by a corporate surety or financial institution authorized to do business in the State of California. Such bond or other instrument shall guarantee the compliance with any one or more of the provisions of this Franchise and the safeguarding against damage to public or private property and the restoration of any damaged property. Such bond or other instrument shall be maintained in addition to any the Department of Public Works' required General Improvement Performance Bond. The performance bond or other instrument shall be maintained in the amount of Ten Thousand Dollars ($10,000.00) throughout the term of the Franchise.

If, at any time during the term of this Franchise, the condition of the corporate surety or financial institution shall change in such manner as to render the performance bond or other instrument unsatisfactory to the City, the Franchisee shall replace such bond or other instrument with a bond or other instrument of like amount and similarly conditioned, issued by a corporate surety or financial institution satisfactory to the City.

The bond or other instrument shall contain the following provisions: "It is hereby understood and agreed that this bond may not be cancelled by the surety or financial institution nor the intention not to renew be stated by the surety or financial institution until sixty (60) days after receipt by the City, by registered mail, of written notice of such intent to cancel or not to renew."

The bond or other instrument shall further provide that: "There shall be recoverable by the City, jointly and severally from the principal and surety, any and all damages, losses or costs suffered by the City resulting from: (i) any loss or damage to any municipal structure during the course of construction of the Facility; and (ii) the removal of all or any part of the Facility from the public ways and streets."

If the Franchisee fails: (i) to make any payment required by this Franchise within the time fixed herein; (ii) to pay to the City, within ten (10) working days after receipt of written notice, any taxes or liens relating to the Facility that are due and unpaid; (iii) to pay to the City within ten (10) working days after receipt of written notice from the General Manager, any damages, claims, costs or expenses which the City has been compelled to pay or incur by reason of any material act or violation by the Franchisee; or (iv) to comply, within ten (10) working days after receipt of written notice from the General Manager, with any material provision of this Franchise which the General Manager reasonably determines can be remedied by an expenditure of an amount from the bond or other instrument; then the General Manager may order the withdrawal of the amount thereof from the performance bond or other instrument for payment to the City, provided that, prior to each such withdrawal: (A) the Franchisee shall be afforded an opportunity to cure any of said failures within thirty (30) days after written notice from the General Manager that the withdrawal is to be made, or (B) if such cure cannot be reasonably accomplished within such thirty (30) days, then the Franchisee shall have a reasonable time to cure, provided that the Franchisee commences such cure within such thirty (30) days and diligently pursues such cure to completion.

Throughout the term of this Franchise, the Franchisee shall maintain the performance bond or other instrument in the amount specified in this Section. . Within ten (10) business days after receipt of notice from the General Manager that any amount has been withdrawn from the performance bond or other instrument, as provided in this Section, the Franchisee shall restore the bond to the then applicable amount specified in this Section, provided, however, that said restoration obligation shall be suspended during the period of any judicial challenge by the Franchisee to the propriety of said withdrawal from the bond. If it is determined that said withdrawal by the City was improper, the City shall restore to the performance bond or other instrument an amount equal to the improperly withdrawn amount.

No action, proceeding, or exercise of a right with respect to such completion and performance bond or other instrument shall affect any other right which may be held by the City; and the faithful performance by and the liability of the Franchisee pursuant to this Franchise shall not be limited by the acceptance of the bond or other instrument required by this Section 4.7.

5. PAYMENT OBLIGATIONS

5.1 Compensation

In order to compensate the City for the burden of private occupation of its public rights-of-way, the increased maintenance and repair expenses associated with private occupation of the public rights-of-way, and the increased costs of supervision thereof, a fee for the use and occupation of the public rights-of-way by the Franchisee is hereby imposed. Before commencement of construction of the Facility, the Franchisee shall tender the first annual rights-of-way use fee payment to the City in a form and amount specified below. The Franchisee shall continue to pay the annual rights-of-way use fee periodically during the term of this Franchise. Failure to comply with any of the payment obligations set forth in this section is a material violation of the Franchise and shall render the Franchise revocable, in accordance with the procedure set forth herein.

The rights-of-way use fee shall be in addition to and shall not constitute an offset or credit against any and all taxes or other fees or charges which the Franchisee shall be required to pay to the City, or to any State or federal agency or authority, as required herein or by law; the payment of said taxes, fees or charges shall not constitute a credit or offset against the right-of-way use fee, all of which shall be separate and distinct obligations of the Franchisee. No such tax fees or charges shall be used as offsets or credits against the rights-of-way use fee.

5.2 Linear Foot Formula

For underground occupation, the Franchisee shall pay an amount based on the street space required for the Facility at the rate of five dollars ($5.00) per linear foot, per year, per conduit, assuming the maximum cross-sectional diameter of each conduit is six (6) inches or less. For overhead occupation, the Franchisee shall pay an amount based on the air space required for the Facility at the rate of one dollar and twenty five cents ($1.25) per linear foot per year, per wire or cable.

5.3 Annual Payment

The first annual payment made pursuant to Section 5.1 hereof, shall be applied to the one-year period beginning with the effective date of this Ordinance. Additional annual payments shall be applied to the nine subsequent annual periods, and shall be made not later than thirty (30) days following each of the first through ninth anniversary dates of the effective date. The annual payment amount is calculated as:

60 linear feet x one (1) conduit x $5.00 = $300.00

Any annual payment made after the due date shall accrue interest at an annual rate of 8%.

5.4 Option to Pay Lump Sum

In lieu of making the above annual payments specified in section 5.3 above, the Franchisee may, at its option, elect to prepay the sum of three thousand dollars ($3,000.00) in one payment, within thirty (30) days of the effective date of this Franchise.

5.5 Payment Terms

All payments by the Franchisee to the City pursuant to this Franchise shall be made payable to the City Treasurer and deposited with the General Manager of ITA whose address is set forth in Section 3.4. Acceptance of any payment made by the Franchisee pursuant to this Franchise shall not be construed as an acknowledgment that the amount paid is the correct amount due, nor shall such acceptance of payment be construed as a release of any claim which the City may have for additional sums due and payable.

5.6 Revocation for Non-payment

In the event that any payment required by this Franchise is not actually received by the City on or before the applicable date fixed in this Franchise, then this Franchise shall be subject to revocation by the City Council as set forth in Section 8.1.

6. OVERSIGHT AND REGULATION

6.1 Notices

Notice of a public meeting relating to this Franchise shall be posted not less than 72 hours prior to the meeting, and shall remain posted until after the meeting.

The Franchisee shall maintain an address on file with ITA and with the City Clerk. Notices to the Franchisee shall be addressed or delivered to the Franchisee at said address.

Notices to the City required by law or by this Franchise shall be delivered in person or by first class, receipted mail or certified mail as appropriate, to the City Clerk, Room 607, City Hall, 200 North Main Street, Los Angeles, California 90012 and to the General Manager of ITA, whose address is set forth in Section 3.4, not less than ten (10) business days prior to the day on which the party giving such notice shall commence any activity which requires the giving of notice. In computing business days, Saturdays, Sundays and holidays recognized by the City shall be excluded.

All required notices shall be in writing.

7. LIABILITY AND INSURANCE

7.1 Indemnification of City

Except for the active negligence or willful misconduct of City , or any of its boards, officers, agents, employees, assigns and successors in interest, Franchisee undertakes and agrees to defend, indemnify and hold harmless City and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including Franchisee's employees and agents, or damage or destruction of any property of either party hereto or of third parties, arising in any manner by reason of the negligent acts, errors, omissions or willful misconduct incident to the performance of this Franchise by the Franchisee. The provisions of this paragraph survive expiration or termination of this Franchise.

7.2 Insurance Requirement

During the term of this Franchise and without limiting the Franchisee's indemnification of the City pursuant to Section 7.1, the Franchisee shall provide and maintain, at its own expense, continuously during the terms specified below, a program of insurance as listed in Sections 7.3-7.5 covering installation or operation of the Facility, commencing no later than the effective date of this Franchise and subject to the following conditions:

The City shall be named as an additional insured in all insurance policies. The City shall be named Loss Payee as its interest may appear in all required property fidelity and surety coverage.

Evidence of insurance shall be submitted to the City Administrative Officer, Risk Management for approval prior to commencement of any operations under this Franchise, which approval shall not be unreasonably withheld.

With respect to the interests of the City, such insurance shall not be cancelled, reduced in coverage or limits, or non-renewed except after thirty (30) days written notice, by hand delivery or certified mail, has been given to the City Administrative Officer , 200 North Main Street, 12th Floor, Los Angeles, California 90012, Attention: Risk Management.

The appropriate City Special Endorsement forms, obtainable from the City Administrative Officer, are the preferred forms of evidence of insurance. Alternatively, the Franchisee may submit two (2) certified copies of the full policies containing the appropriate cancellation notice language and additional insured/loss payee language as specified.

7.3 General Liability

The Franchisee shall provide insurance with combined single limits of $1,000,000 per occurrence for Bodily Injury and Property Damage during construction only. Such insurance must include: premises and operations, completed operations, contractual liability, and independent contractors and, during the course of construction, collapse and underground hazards.

7.4 Automobile Liability

The Franchisee shall provide insurance with combined single limits of $1,000,000 per occurrence, for Bodily Injury and Property Damage, including coverage for owned automobiles, non-owned automobiles, and hired automobiles. This coverage is required during construction only.

7.5 Worker's Compensation and Employer's Liability

By acceptance of this Franchise, the Franchisee certifies that it is aware of the provisions of Section 3700, et seq., of the California Labor Code which require every employer to be insured against liability for worker's compensation or to undertake self-insurance in accordance with such provisions. A minimum limit of $1,000,000 per employee is required for Employer's Liability with a Waiver of Subrogation in favor of the City. This coverage is required during construction only.

8. TERMINATION AND RELATED RIGHTS

8.1 Revocation

In the event that the Franchisee violates or fails to comply with any material condition of this Franchise, including, but not limited to Sections 1.6, 3.2 and 5.6, the Council shall exercise its right to revoke the Franchise in accordance with the following procedures:

(a) The General Manager of ITA shall notify the Franchisee, in writing, of an alleged failure to comply with a material provision of this Franchise. The Franchisee shall cure the alleged material breaches of the Franchise Agreement within 45 days after receipt of said notice. In the event such alleged failure cannot be reasonably cured within 45 days, or within a reasonable time, provided the Franchisee commences to cure within 30 days and diligently pursues such cure to completion, the Franchisee shall provide a written response to the General Manager of ITA, presenting facts and arguments in refutation or excuse of such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing said cure.

(b) The General Manager of ITA shall investigate: whether a failure to comply with a material provision has occurred; whether said failure is excusable; and whether said failure has been cured or will be cured by the Franchisee.

(c) If the General Manager of ITA determines that a failure to comply with a material provision has occurred and that either said failure is not excusable or has not been or will not be cured by the Franchisee, then the General Manager of ITA shall so notify the City Clerk and the Board in a written report. The General Manager shall provide notice of the Board's hearing on the matter and a copy of said report to the Franchisee.

(d) The Board shall, within 30 days of receipt of a report from the General Manager of ITA, notice a public hearing at which the Franchisee shall have the opportunity to respond to the claim that a material breach has occurred and to present facts and arguments in refutation or excuse of such alleged breach, or to demonstrate that such failure shall be cured as provided in this Franchise.

(e) After the conclusion of such public hearing, or at any time upon its own motion, the Board may determine to recommend revocation by the City Council, provided that if the Board acts on its own motion, it shall follow the procedural steps regarding notice, opportunity to cure, and public hearing which are set forth in this Section. All final City determinations with respect to the revocation or termination of the Franchise must be made by the City Council as set forth in the Los Angeles Administrative Code.

8.2 Termination Defined

The termination of this Franchise and the termination of Franchisee's privileges herein shall become effective upon the earliest to occur of: (i) the revocation of the Franchise by action of the City Council, as provided in section 8.1; (ii) the abandonment of the Facility, in whole or material part, as defined in section 4.6 , by the Franchisee, without the express, prior approval of the City; (iii) non-use of the Franchise privileges as set forth in section 2.2; or (iv) the expiration of the term of the Franchise as set forth in section 2.9.

8.3 Removal Upon Termination

Upon any termination of this Franchise, the Franchisee shall, at its own cost and expense, promptly remove that part of the Facility located in the streets and public ways and shall replace or repair and restore to serviceable condition each affected street, public way, and governmental structure therein, in such manner as may be reasonably specified by the City.

If the Franchisee fails to remove the Facility from the public rights-of-way within ninety (90) days of a City request to do so, or fails to repair or restore any street in conformance with the manner specified by the City, the City shall be permitted to initiate and/or complete such work at the expense of, and without liability to, the Franchisee.

In the event of any acquisition of the Facility by the City pursuant to section 4.6, and subject to the requirements of applicable law, the City may lease, sell, operate, or otherwise dispose of all or any part of the Facility.

9. CERTIFICATION

9.1. Certification

The City Clerk shall certify to the passage of this ordinance and cause the same to be published in accordance with City Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located in the Main Street lobby to the City Hall; one copy on the bulletin board located at the ground level at the Los Angeles Street entrance to the Los Angeles Police Department; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that the preceding ordinance was passed by the Council of the City of Los Angeles at its meeting of ___________________.

Frank T. Martinez, City Clerk

By:___________________________
Deputy

Approved:_________________

____
James K. Hahn, Mayor

Approved as to Form and Legality

ROCKARD J. DELGADILLO, City Attorney

By ________________________________
Valerie Barreiro, Deputy City Attorney

Date :___________________________

File No.___________________________