

TO:

The Honorable James R. Kennedy, Jr., Chair, and Members of City

Council

FROM:

Dave Goodwin, Director of Planning & Economic Development

DATE:

Meeting of August 18, 2011

SUBJECT:

Modifications to Digital Billboard/Static Billboard Removal

Ordinance and Agreement

This memorandum provides City Council with modifications which have been made to the proposed digital billboard/static billboard removal Ordinance and agreement along with additional information requested by City Council. Updated maps are attached and the revised Ordinance and agreement with Clear Channel Outdoor will follow. CBS Outdoor has not agreed to the proposed modifications and has withdrawn from this process.

Ordinance Modifications

- Section Three revised to add a new subsection sixteen (16) to provide for a twenty (20) year sunset provision. On the 20th anniversary of the effective date, any digital face constructed must be replaced with a static billboard face.
- New Section Seven to provide for enhanced fines in the event of violations of the Ordinance. The fine for a violation of any provision of this Ordinance pertaining to a digital or electronic off premises sign shall be not less than \$1,000.00 per day for the first violation, \$2,500.00 per day for the second violation and \$5,000.00 per day for the third and subsequent violations. This provision requires a supermajority vote of City Council.
- Section Three revised to limit the number and location of permissible relocations in the event that the ordinance is found to be invalid, illegal or unenforceable. In such a case, any static billboard relocated back to a previous location must be on a Federal Aid Primary roadway and the sign owner's right to rebuild is limited to the right to replace fifty (50) percent of the inventory removed if the order is within five (5) years of the effective date and twenty-five (25) percent if the order is between five (5) to ten (10) years of the effective date. After ten (10) years, there is no right to replace removed static billboards in the event of such an order.

Agreement Modifications

- Reduces the number of digital billboard faces proposed to replace existing static faces from eight (8) to six (6) while the number of static billboard faces to be removed remains at eighty (80).
- The billboard located on the Manhattan Casino property shall be removed within sixty days of the first availability of a demolition permit associated with this agreement.
- Added a new Section Thirty providing minimum terms for the renewal of the license agreement for billboards on City property. The minimum rent provided to the City for the two (2) locations proposed for digital billboards will be a total of fifty-thousand dollars (\$50,000) or twelve and one-half (12.5) percent of the gross revenue per year, whichever is greater, over a twenty (20) year term. Clear Channel Outdoor will provide an annual accounting to the City as evidence of the gross revenue.
- Added language providing that up to twenty-five (25) percent of the City advertising space will be reserved when available for civic associations. If the space is unavailable through the City's advertising allocation, Clear Channel agrees to provide the advertising space out of Clear Channel's inventory at the nearest available location.
- Modifies removal/replacement schedule to require forty (40) static faces removed prior to permitting three (3) digital faces and the second forty (40) static faces removed prior to permitting the last three (3) digital faces.

Additional Information Requests

- At the August 4th City Council public hearing, Council asked staff for the removal ratio based on square footage. Staff calculates the current proposal of eighty (80) static faces removed for the replacement of six (6) remaining static faces with digital faces has a ratio of 6.41 square feet of static face removal for every one (1) square foot of digital face added.
- Staff was also asked to provide an estimated value of the advertising being provided to the City as part of the Clear Channel Outdoor agreement. Based on published rate information, the value of the advertising is worth between \$2.1 million and \$2.6 million over the twenty (20) year life of the agreement.

- Staff was asked to provide a map depicting the billboard locations which are on City property. This map is attached.
- Lastly, staff was asked to determine the number of non-conforming billboards in the City under the existing regulations and the proposed regulations. Staff is working on mapping out this information in order to make a determination and will provide findings at the next Council meeting on August 18th.

Attachments:

Clear Channel Exhibit A Map Clear Channel Exhibit B Map

Revised Clear Channel Exhibit C Map Clear Channel Existing Inventory Map

Clear Channel Remaining Inventory Map (After Removals)

Map Depicting Billboards on City Property

cc:

Mayor Foster Tish Elston Rick Mussett











