

Comparison of Billboard Proposals

Community & Economic Development Committee
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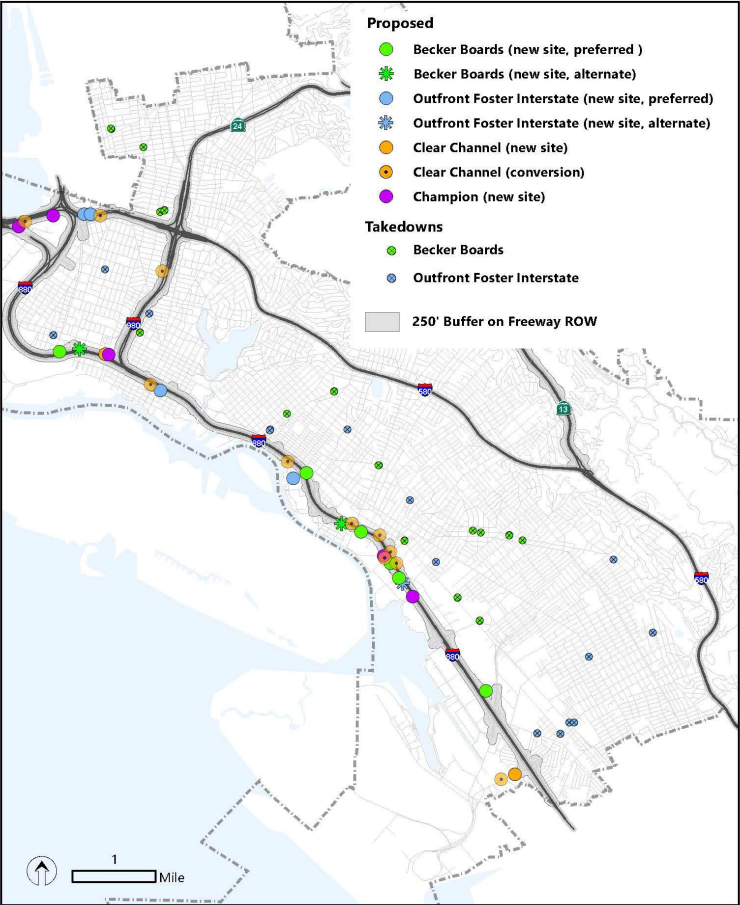
**CITY OF
OAKLAND**



Process

- Resolution 88463, December 2021
- Planning Commission and Zoning Update Committee
- Stakeholder meetings
- Oakland Billboard Economic Development Coalition
- Initial Outfront proposal
- City hired billboard consultant
- Three current proposals
 - Becker-Outfront
 - Clear Channel Outdoors
 - Champion Outdoor

Map of Locations



Proposed New and Converted Digital Advertising Signs



Policy Objective

- Maximize support for the Coalition and the City
- By matching Coalition and City with the proposal that generates the most support

Proposal Comparison

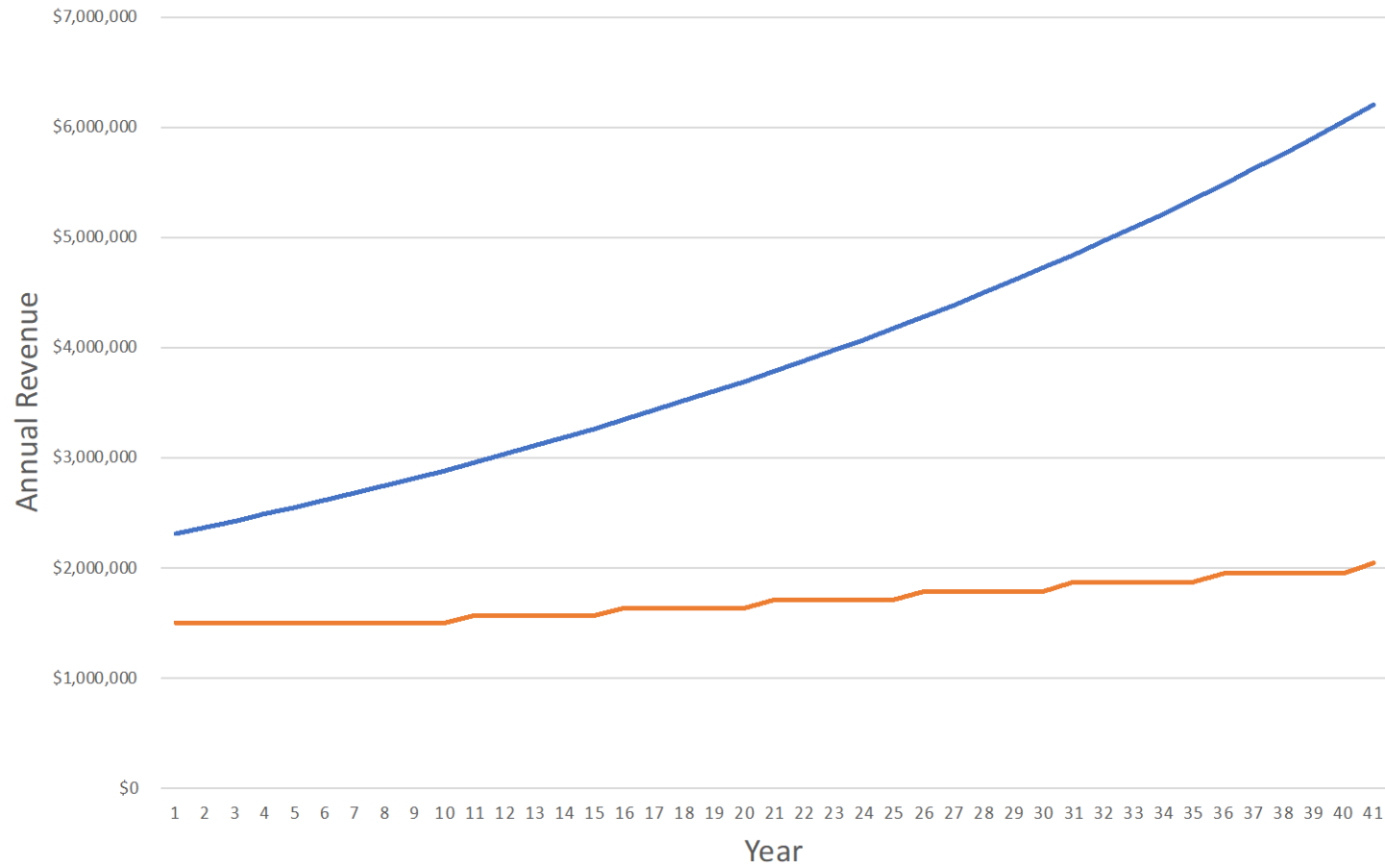
	Faces	Revenue/ face	Revenue/ year	Escalation	Term	Takedowns (SF)
Becker- Outfront	20	\$75,000	\$1,500,000 ¹	4.5% every five years starting in year 11, equivalent to 0.6% annually	31 years + 10 year option	0.18:1
Clear Channel	18	\$128,333 ²	\$2,310,000	2.5% annually	30 years	4:1 to 2:1 ³
Champion	10	\$85,000 ⁴ (\$125,000 if new Ordinance)	\$850,000 (1,250,000 if new Ordinance)	3% annually	25 years	2:1 (none if new Ordinance)

Revenue Comparison

- Substantially more revenue in the Clear Channel proposal
 - Greater starting point (\$800,000 more in year 1)
 - Greater escalation (2.5% vs 0.6% annually)

	Total revenue over Extended Term	Total revenue over Base Term	Annual revenue in year 1	Annual revenue in year 30	Annual revenue in year 41
Becker-OFI	\$68 million	\$49 million	\$1.5 million	\$1.8 million	\$2.0 million
Clear Channel	\$156 million	\$101 million	\$2.3 million	\$4.7 million	\$6.2 million

Annual Revenue Comparison (Clear Channel vs Becker-Outfront)



— Clear Channel — Becker-Outfront

Free Advertising

- Similar offerings
- Becker-Outfront offering one guaranteed free advertising spot on each face (12.5% of 20 faces guaranteed)
- Clear Channel offering one free advertising spot on each face, subject to availability, as well as on all existing digital faces in Alameda County (12.5% of 35 faces estimated)
- Champion offering free advertising spot on each face, subject to availability, with a minimum guarantee of 10%

Visual Impact

- Less visual impact in Clear Channel proposal
- Fewer new signs: 2 new structures vs. 10 new structures
- Much more takedowns:
 - 76 large faces vs 50 small faces
 - 20,664 SF vs 2,750 SF
 - 244% reduction in ad space vs 555% increase in ad space citywide

Location Considerations

- Locations of concern with both proposals
 - 2 Clear Channel locations are in residential areas
 - 2 Becker-OFI locations in residential areas
 - 1 Becker-OFI location has potential driver safety consideration
- May be remedied through further discussion and substitution of alternative sites

Policy Alternatives

1. Authorize Clear Channel relocation agreement

\$2.31 million/year to Coalition & City

Growing at 2.5% annually

\$88 million more over lifetime

Estimated 12.5% free advertising + countywide

Lesser visual impact

2. Authorize Becker-Outfront relocation agreements

\$1.5 million/year to Coalition & City

Growing at 0.6% annually

\$88 million less over lifetime

Fixed 12.5% free advertising

Greater visual impact

3. Require better terms from Becker-Outfront

Substantial increase in revenue/face and annual escalation

Staff unsuccessful negotiating for this to date

4. Authorize a combination

Combine portions (not all) of proposals

Multi-party negotiation

Individual terms likely won't hold

Outcome uncertain