

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2008 JUL 10 PM 4:10

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Community & Economic Development Agency
DATE: July 22, 2008

RE: **Resolution Authorizing the City Administrator to Enter into a Billboard Relocation Agreement with Clear Channel Outdoor, Inc. ("CCO"): (1) Allowing CCO to Remove and Waive its Rights to Compensation, Including All Real Property and Personal Property Interests, for a Number of Billboards at Various Locations in Exchange for: (A) Construction of a New Billboard on East Bay Municipal Utility District (EBMUD) Land East of the Bay Bridge Toll Plaza; and (B) Reconstruction of an Existing Billboard on EBMUD Land East of the Bay Bridge Toll Plaza**

SUMMARY

The City Council is asked to approve a resolution to permit the City to enter into a Billboard Relocation Agreement with Clear Channel Outdoor Inc., a Delaware corporation ("Clear Channel") regarding the specific sites identified in the resolution title above. The Agreement also will result in the removal of 16 billboards throughout various Oakland neighborhoods in exchange for the two billboards, one new and one existing, with freeway visibility.

FISCAL IMPACT

The proposed Billboard Relocation Agreement will not result in any direct cost impacts because Clear Channel is waiving its rights to compensation, including all real property and personal property interests for the 16 billboards specified in the staff report.

BACKGROUND

- In December 1997, the City of Oakland enacted Ordinance No. 12025 CMS, which prohibited the installation of new billboards anywhere in the City.
- In 1998, the City adopted Ordinance No. 12073 CMS, amended by Ordinance No. 12146 CMS, creating an amortization program for billboards in residential areas. After Clear Channel's predecessor (Eller Media Company) sued the City to stop the ordinance's enforcement, the parties executed the Eller Media Co. Amortization Settlement Agreement dated November 3, 1999 (the "Settlement Agreement").

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- In 2002, the City adopted Ordinance No. 12425 CMS to amend the Oakland Municipal Code to permit relocated and wholly reconstructed advertising signs pursuant to Franchise/Relocation Agreements.

The City of Oakland and Clear Channel have executed two similar billboard relocation agreements, one in late 2003 and the other in April of 2007. The 2003 agreement provided for the removal of 30 billboards, retention of the Clear Channel offices in Oakland and a \$100,000 contribution to the City's General Fund in exchange for the development of two new freeway billboards with a total of 2,688 square feet. The total square foot sign area of the removed billboards totaled 5,424 square feet, roughly a two to one ratio of removed sign area to new sign area. The 2007 agreement provided for the reconstruction, and expansion by 480 square feet, of two existing billboards in return for removal of 2,364 square feet of other billboards, roughly a five to one ratio. This agreement also required payments by the property owners on which the billboards were located to the Chabot Science Center in the amount of \$125,000 and to the City for an undesignated future project also in the amount of \$125,000.

KEY ISSUES AND IMPACTS

This agreement calls for 2,016 square feet of new billboards in return for removal of 4,092 square feet of existing billboards, roughly a two to one ratio. The agreement will also include the removal of five non-native eucalyptus trees and the planting of a native oak tree screen on EBMUD property.

PROJECT DESCRIPTION

The details of the agreement are provided (Attachment A) showing the locations and sizes of the billboards proposed for removal. An aerial photo showing the proposed locations for the billboards is also attached.

None of these signs is scheduled for removal under the amortization program.

The proposed Billboard Relocation Agreement will be conditioned on Clear Channel providing documentation satisfactory to the City that Clear Channel has fully complied with the Settlement Agreement.

SUSTAINABLE OPPORTUNITIES

Economic: There are no economic opportunities contained in this report.

Environmental: No environmental opportunities have been identified.

Social Equity: Removal of the 16 billboards will result in reduced blight in our City's neighborhoods, increasing enhancement of the City's physical attributes.

DISABILITY AND SENIOR CITIZEN ACCESS

Approval of this resolution will have no direct impact on disabled and senior citizen access.

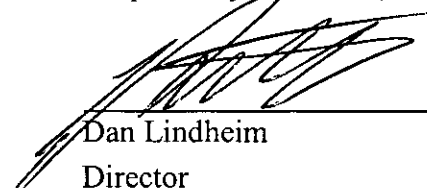
RECOMMENDATION AND RATIONAL

Staff recommends approval of a resolution authorizing the City Administrator to enter into a Billboard Relocation Agreement with Clear Channel Outdoor, Inc., to waive its rights to compensation, including all real property and personal property interests, for sixteen (16) billboards located as designated in the staff report, continuing the trend of reducing the amount of freeway visible advertising in the City of Oakland.

ACTION REQUESTED OF THE CITY COUNCIL

Adopt the resolution authorizing the City Administrator to enter into a Billboard Relocation Agreement with Clear Channel Outdoor, Inc., to waive its rights to compensation, including all real property and personal property interests, for sixteen (16) billboards located as designated in the staff report in exchange for the construction of one new billboard and the reconstruction of one existing billboard on EBMUD land by the Bay Bridge Toll Plaza.

Respectfully submitted,

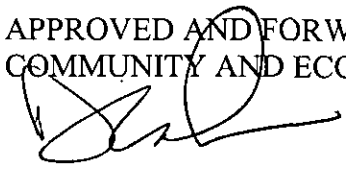


Dan Lindheim

Director

Community & Economic Development Agency

APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE:



Office of the City Administrator

Attachment A: Clear Channel Proposal

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Project Summary

EBMUD (District's Main Wastewater Treatment Plant @ Assessor's Parcel 000-0303-002-03 adjacent to I-80

Project Goals:

- 1) Construct a new v-shaped billboard along I-80 (see attached site plan and elevation map), approximately 1 mile east of the Bay Bridge Toll Plaza. This sign would have two – H 14' x W 48' advertising faces amounting to 1,344 square feet of advertising space.
- 2) The existing sign structure on East Bay Municipal Utility District (EBMUD) property adjacent to I-80 (see attached site plan and elevation map) shall remain in place, but would be converted from on-premise messaging to a general advertising format. This sign would also have one – H 14' x W 48' advertising face amounting to 672 square feet of advertising space.

Purpose:

The construction of these new billboards and the conversion of the existing sign structure on EBMUD property will provide much needed income to the District and help assist in any potential budget shortfalls that EBMUD may face over the life of the signed agreement between our two entities.

Removed Signage:

This project will create 2,016 square feet of new general advertising square footage adjacent to a freeway. Therefore, Clear Channel Outdoor, Inc. will pledge remove 4,092 square feet of existing surface street general advertising signage from the City of Oakland. The proposed removals will come from a list submitted by our company, in accordance with approval of this project. The list is as follows:

Panel#	Square Footage	Description	Address or Parcel #
2096	300	San Pablo westline 5ft south of Castro - facing north	2040 Castro - 003-0039-002-2
1673	300	Castro eastline 95' north of 16th St. - facing south	698 - 16 th St. - 003-0059-019
1873	300	M.L.K. Jr. Way westline 75' north of 27th St. - facing south	2721 M.L.K. Jr. Way - 009-0069-002
2174	300	Webster WS 87ft N/O 20th St F/N - 1	2011 Webster - 008-0651-012-1
2282	300	27th St. WS 10' W/O San Pablo Ave. F/E - 1	2625 San Pablo Ave - 003-0005-002
7056	72	International Blvd northline 158ft east of 55th Ave. - facing west	5500 East 14th Street - 038-3232-017
7057	72	International Blvd northline 158ft east of 55th Ave. - facing east	5500 East 14th Street - 038-3232-017
7075	72	Foothill Blvd. southline 98ft west of 19th Ave. - facing west	1839 Foothill Blvd - 020-0164-006
7076	72	Foothill Blvd. southline 98ft west of 19th Ave. - facing east	1839 Foothill Blvd - 020-0164-006
7135	72	Mac Arthur northline 101ft east of 75th Ave. - facing west	7526 MacArthur Blvd - 040A-3409-001-13
7136	72	Mac Arthur northline 101ft east of 75th Ave. - facing east	7526 MacArthur Blvd - 040A-3409-001-13
7177	72	San Leandro southline 34ft west of 35th Ave. - facing east	3435 San Leandro St. - 033-2188-007
7178	72	San Leandro southline 34ft west of 35th Av - facing west	3435 San Leandro St. - 033-2188-007

1201	672	Broadway eastline 75ft north of Mather - facing north	5343 Broadway - 014-1248-004
1254	672	Mac Arthur Frwy I-580 northline 100ft est of High St - facing east	4311 MacArthur Blvd - 030-1982-121
1672	672	Foothill Blvd southline 10ft east of 73rd Ave. - facing west	7301 MacArthur Blvd - 040-3400-001

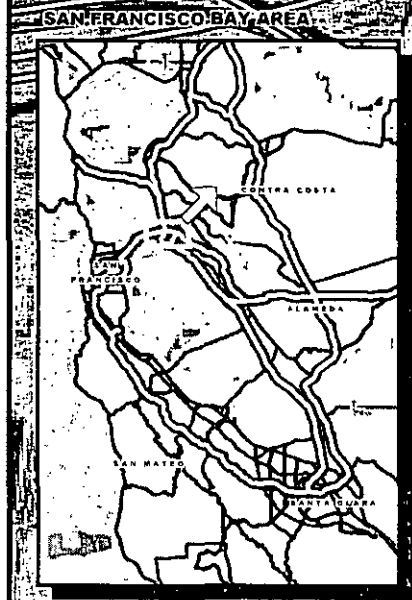
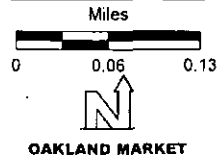
In addition, CCO shall agree to replace and relocate the existing (5) non-native eucalyptus trees from the parking area, where the proposed v-shaped structure is to be located. Native oak trees will be planted along the southern border of EBMUD property to create a border between the proposed Auto Mall site.

Other Project Details:

- CCO agrees to pay for all costs associated with the removal of the proposed signage for this project, including all required permitting related to the demolition of existing billboard signage.
- CCO shall pay for and coordinate with Caltrans for all of the state permitting requirements associated with this project.
- Project go-ahead is contingent upon both City Council and Caltrans approval.

ESPECIALLY PREPARED FOR
**EAST BAY MUD -
SIGN PROJECT**

14'x48' V-Shaped
Bulletin (New
Structure)
14'x48' Single Facing
Bulletin (Existing
Structure)



FILED
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Approved as to Form and Legality

OAKLAND CITY COUNCIL

DRAFT
City Attorney

RESOLUTION No. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A BILLBOARD RELOCATION AGREEMENT WITH CLEAR CHANNEL OUTDOOR, INC. (CCO): (1) ALLOWING CCO TO REMOVE AND WAIVE ITS RIGHTS TO COMPENSATION, INCLUDING ALL REAL PROPERTY AND PERSONAL PROPERTY INTERESTS, FOR A NUMBER OF BILLBOARDS AT VARIOUS LOCATIONS IN EXCHANGE FOR: (A) CONSTRUCTION OF A NEW BILLBOARD ON EAST BAY MUNICIPAL UTILITY DISTRICT (EBMUD) LAND NEAR THE BAY BRIDGE TOLL PLAZA AND (B) RECONSTRUCTION OF AN EXISTING BILLBOARD ON EBMUD LAND NEAR THE BAY BRIDGE TOLL PLAZA

WHEREAS, removal of a number of billboards at various locations throughout the City is consistent with the City's objective to remove billboard signage throughout Oakland to enhance the City's physical attributes; and

WHEREAS, Clear Channel would waive their rights to compensation, including all real property and personal property interests, thereby eliminating the various billboards at no cost to the City; and

WHEREAS, all the proposed billboards will be removed by Clear Channel at its sole cost and expense; and

WHEREAS, the proposed billboard relocation agreement would permit Clear Channel to construct one new billboard of 1,344 square feet of advertising space on EBMUD land and reconstruct one existing billboard with 672 square feet of advertising space; and

WHEREAS, Clear Channel would remove at least sixteen billboards totaling at least 4,092 square feet from various locations around the City of Oakland; resulting in a net decrease of sign area in the City; and

WHEREAS, the proposed billboard relocation agreement complies with the existing City regulations that permit relocated and wholly reconstructed advertising signs pursuant to a billboard relocation agreement; now, therefore be it

RESOLVED: That the City Council authorizes the City Administrator to enter into a billboard relocation agreement with Clear Channel Outdoor, Inc. ("CCO"): (1) allowing CCO to remove and waive its rights to compensation, including all real property and personal property interests, for a number of billboards at various locations, as designated in Exhibit A to this Resolution, in exchange for: (A) construction of a new billboard with 1,344 square feet of advertising space on EBMUD land near the Bay Bridge Toll Plaza; and (B) reconstruct an existing billboard with 672 square feet of advertising space on EBMUD land near the Bay Bridge Toll Plaza; and be it

FURTHER RESOLVED: That the City Administrator or a designee is authorized to complete all the required negotiations regarding the terms of, and to execute, a billboard relocation agreement with Clear Channel in accordance with the intent of this resolution, and including other conditions and enforcement mechanisms as will be recommended by the City Attorney; and be it

FURTHER RESOLVED: That the City Attorney shall approve the billboard relocation agreement as to form and legality.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

EXHIBIT A

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