

CITY OF OAKLAND
AGENDA REPORT

2009 DEC -3 PM 7:36

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Miguel Bustos, Office of Mayor Ronald V. Dellums
DATE: December 15, 2009

RE: **Resolution Authorizing The City Administrator To Enter Into A Billboard Franchise Agreement Without Returning To Council With Clear Channel Outdoor, Inc. (CCO) To Allow Clear Channel To Construct One Billboard (Two Faces) At 165 98th Ave. And Convert One Existing Billboard At Interstate 580 & Ettie Street (One Face) To Light-Emitting Diode (LED) Technology And Requiring CCO To Fund \$1,000,000.00 Of Programs As Identified By The Mayor's Office**

SUMMARY

The City Council is asked to approve a Resolution authorizing the City Administrator to enter into a Billboard Franchise Agreement with Clear Channel Outdoor, Inc., a Delaware corporation (CCO), to provide the City with \$1,000,000 for program sustainability for the right to convert and construct two existing freeway billboards on private property to LED technology. The City would have the right to use unsold advertising space to promote City and community events at no cost to the City. The agreement would also result in the removal of twenty billboards.

FISCAL IMPACT

The proposed Billboard Franchise Agreement will not result in any direct fiscal impact because Clear Channel is waiving their right to compensation, including all real property and personal property interests for the twenty removed signs specified below. Moreover, Clear Channel is providing the City with \$1,000,000 for program sustainability, as identified in *Attachment A*.

BACKGROUND

- In 1997, the City of Oakland enacted an Ordinance prohibiting the installation of new billboards in Oakland.
- In 2002, the City of Oakland adopted an Ordinance to amend the Oakland Municipal Code to permit relocated and wholly reconstructed outdoor advertising signs pursuant to Franchise/Relocation Agreements.

The City of Oakland and Clear Channel have executed successful billboard relocation agreements in the past. These agreements have resulted in Oakland removing more billboards than any other city in the Bay Area. Agreements with Clear Channel alone have resulted in over 93 sign removals since 2002, covering every City Council district.

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In light of the current budget crisis at the local, state and federal level, CCO has agreed to support the Mayor's vision for a *Model City* by providing the necessary funds to continue these vital programs.

KEY ISSUES AND IMPACTS

As part of the agreement 2,016 square feet of billboard space will be removed.

Clear Channel Outdoor has agreed to operate the digital billboards with illumination levels that do not exceed 0.3 foot candles above ambient light. Their brightness will be comparable to the existing signs and at times will be less bright.

This project is exempt from CEQA pursuant to CEQA Guidelines section 15302 (replacement or reconstruction of existing structures); 15303 (new construction of small structures); and, 15061(b)(3) (general rule of no possibility of a significant environmental impact).

PROJECT DESCRIPTION

The proposed project calls for converting and constructing three standard 14' x 48' illuminated V-shaped bulletins. The sign at 3425 Ettie St. was approved on July 29, 2003 by the City Council [Resolution No. 78010 C.M.S] as part of Franchise/Relocation Agreement to LED technology and providing free advertising space to the City on unused advertising space. The first conversion will be at Interstate 580 & 3425 Ettie St. (APN: 007-0606-002-06). The second conversion will be at 165 98th Ave. (APN: 044-5020-002-36).

Clear Channel proposes to remove twenty (20) legal, non-conforming billboards, totaling 2,016 square feet, at the following locations:

Panel	Sales Address	Property Address
007017	Bancroft NS 315ft E/O Avenal F/W - 1	5830 Bancroft Ave.
007040	International Blvd SS 50ft E/O 5th Av F/W - 1	501 International Blvd.
007071	International Blvd NS 55ft E/O 78th Av F/E - 1	7804 International Blvd.
007082	Foothill Blvd SS 5ft W/O 48th Av F/E - 1	4743 Foothill Blvd.
007087	Foothill Blvd SS 80ft W/O 57th Av F/E - 1	5625 Foothill Blvd.
007098	Grand Av WS 548ft N/O Elwood F/S - 1	3607 Grand Ave.
007099	Grand Av WS 548ft N/O Elwood F/S - 2	3607 Grand Ave.
007109	Martin Luther King WS 53ft S/O 28th St F/N - 1	2721 Martin Luther King Jr. Blvd.
007162	Market ES 99ft S/O 45th St F/N - 1	897 45th St.
007179	San Leandro SS 126ft E/O 40th Av F/E - 1	4017 San Leandro St.
007180	San Leandro SS 126ft E/O 40th Av F/E - 2	4017 San Leandro St.
007188	San Leandro SS 123ft E/O 100th Av F/E - 1	10025 San Leandro St.

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007195	San Pablo WS 137ft N/O 62nd St F/N – 1	6225 San Pablo Ave.
007196	San Pablo WS 137ft N/O 62nd St F/S – 1	6225 San Pablo Ave.
007220	Telegraph ES 51ft N/O 59th St F/N – 1	5914 Telegraph Ave.
007252	8th St NS 50ft E/O Castro F/E – 1	672 8th St.
007253	8th St NS 50ft E/O Castro F/E – 2	672 8th St.
007268	40th St NS 106ft W/O Broadway F/W – 1	316 40th St.
007280	29th Av WS 200ft S/O E 12th St F/N – 1	Railroad Property - No Address
001276	Foothill Blvd. SS 150ft E/O 23 rd Ave. F/W-1	2301 Foothill Blvd.

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

SUSTAINABLE OPPORTUNITIES

Economic: This proposal will help sustain the programs identified in *Attachment A*.

Environmental: The removal of the twenty (20) billboards will improve the appearance of impacted neighborhoods and light levels on the new signs will be comparable to the existing signs or, at times, less bright.

Social Equity: This proposal will support existing programs that work diligently to improve the quality of life for Oakland's most vulnerable populations. This money will serve people with HIV/AIDS, youths and adults with barriers to job training/employment, closing the digital divide, providing financial literacy and banking services to the underserved and support the Mayor's Holiday Toy Drive.

OTHER OPPORTUNITIES

Virtually all digital billboards in California are wired to the national AMBER Alert system. When a child is abducted, the most important information about the abduction will be conveyed to the commuters almost instantaneously. Since June, California digital billboards have been activated 13 times to track down abducted children. Clear Channel Outdoor will also allow access to the Oakland Police Department for emergency messaging.

DISABILITY AND SENIOR CITIZEN ACCESS

Funds will support Get Connected Oakland, which will assist the disabled and senior citizens in accessing information for vital support services, create greater independent living and reduce isolation from the outside world. Other funds will be used to enhance the lives of those living with HIV/AIDS.

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ACTION REQUESTED OF THE CITY COUNCIL

Approve the resolution authorizing the City Administrator to enter into a Franchise Agreement without returning to Council with Clear Channel Outdoor, Inc.; to waive its right to compensation, including all real property and personal property interests for twenty outdoor advertising signs, in exchange for the right to convert and construct two existing outdoor advertising structures at I-580 and 3425 Ettie Street and at 165 98th Ave. and to provide the City with \$1,000,000 for program sustainability for the right to convert and construct three standard 14' x 48' illuminated V-shaped bulletin faces to LED technology.

Respectfully submitted,



Miguel Bustos
Office of the Mayor
Director of Intergovernmental Affairs

Prepared By:
VaShone Huff
Office of the Mayor
Deputy Director of Intergovernmental Affairs

Attachment A:

**FORWARDED
TO THE COMMUNITY AND
ECONOMIC DEVELOPMENT COMMITTEE:**



Office of the City Administrator

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ATTACHMENT A

PROGRAM	TOTAL
Project CHOICE	\$200,000.00
Get Screened Oakland	\$200,000.00
Oakland Green Jobs Corps	\$200,000.00
SparkPoint	\$200,000.00
Mayor's Summer Jobs Program	\$ 125,000.00
Get Connected Oakland	\$ 50,000.00
Mayor's Toy Drive	\$ 25,000.00
GRAND TOTAL	\$1,000,000.00 *

* These funds will be allocated over one year in January 2010 and must be spent by December 31, 2011.

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REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND

Resolution No. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A BILLBOARD FRANCHISE AGREEMENT WITHOUT RETURNING TO COUNCIL WITH CLEAR CHANNEL OUTDOOR, INC. (CCO) TO ALLOW CLEAR CHANNEL TO CONSTRUCT ONE BILLBOARD (TWO FACES) AT 165 98TH AVE. AND CONVERT ONE EXISTING BILLBOARD AT INTERSTATE 580 & ETTIE STREET (ONE FACE) TO LIGHT-EMITTING DIODE (LED) TECHNOLOGY AND REQUIRING CCO TO FUND \$1,000,000.00 OF PROGRAMS AS IDENTIFIED BY THE MAYOR'S OFFICE

WHEREAS, It is proposed that The City Council authorize the City Administrator to enter into a Billboard Franchise Agreement with Clear Channel Outdoor, Inc., a Delaware corporation (CCO), to provide the City with \$1,000,000 for program sustainability for the right to convert and construct two existing freeway billboards on private property to LED technology; and

WHEREAS, The City would have the right to use unsold advertising space to promote City and community events at no cost to the City. The agreement would also result in the removal of twenty billboards; and

WHEREAS, The proposed Billboard Franchise Agreement will not result in any direct fiscal impact because Clear Channel is waiving their right to compensation, including all real property and personal property interests for the twenty removed signs specified below. Moreover, Clear Channel is providing the City with \$1,000,000 for program sustainability, as identified in Attachment A; now, therefore, be it

RESOLVED, that the City Administrator is hereby authorized to enter into a Billboard Franchise Agreement with Clear Channel Outdoor, Inc., a Delaware corporation (CCO), to provide the City with \$1,000,000 for program sustainability for the right to convert and construct two existing freeway billboards on private property to LED technology; and be it

FURTHER RESOLVED, that the City Council hereby authorizes the City Administrator to conduct negotiations, execute documents, and take any other action with respect to the Billboard Franchise Agreement consistent with this Resolution and its basic purpose; and be it

FURTHER RESOLVED, that prior to execution, all contracts and agreements shall be reviewed and approved for form and legality by the Office of the City Attorney and a final copy shall be placed on file in the Office of the City Clerk.

IN AGENCY, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - KERNIGHAN, NADEL, QUAN, DE LA FUENTE, REID, KAPLAN, AND
CHAIRPERSON BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
Secretary of the Redevelopment Agency
of the City of Oakland, California