



CITY OF OAKLAND

## AGENDA REPORT

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**TO:** Oakland City Councilmembers and  
Office of the City Administrator  
**ATTN:** Jestin D. Johnson, City Administrator  
**SUBJECT:** Becker Boards Agreement  
Adjustments

**FROM:** Councilmember, Noel Gallo,  
District 5

**DATE:** May 13, 2026

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### **RECCOMENDATION:**

**Councilmember Noel Gallo Recommends that the City Council:**

#### **ADOPT A RESOLUTION:**

**(1) AUTHORIZING THE CITY ADMINISTRATOR TO AMEND THE ADVERTISING SIGNS RELOCATION AGREEMENT, DATED DECEMBER 29, 2023, WITH BECKER BOARDS, A CALIFORNIA LIMITED LIABILITY COMPANY (“BECKER”), SUCH THAT THE ANNUAL PAYMENTS WOULD BE CONVERTED FROM A FIXED-FEE STRUCTURE TO A PAYMENT STRUCTURE WHERE TWENTY PERCENT (20%) OF BECKER’S ADVERTISING REVENUE COLLECTED FROM THE NEW ADVERTISING SIGNS WOULD BE APPORTIONED TO THE CITY AND CERTAIN COMMUNITY NON-PROFITS, WITH FIFTY PERCENT (50%) OF THAT REVENUE PAID TO THE CITY AND THE REMAINING FIFTY PERCENT (50%) SPLIT EQUALLY AMONG (A) THE NATIVE AMERICAN HEALTH CENTER, (B) ASIAN HEALTH SERVICES, (C) LA CLINICA DE LA RAZA, AND (D) BAYWELL HEALTH, WITH THE CITY RECEIVING A MINIMUM OF \$250,000 PER YEAR, REGARDLESS OF BECKER’S REVENUE, WHICH AMOUNT MAY BE MORE DEPENDING ON BECKER’S REVENUE; AND (2) ADOPTING APPROPRIATE CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS**

## **EXECUTIVE SUMMARY**

This report recommends that the City Council adopt a resolution authorizing the City Administrator to make changes to the existing Advertising Sign Relocation Agreement dated December 29, 2023 (the “2023 Relocation Agreement”) with Becker Boards, LLC, a California limited liability company (“Becker”). Under the 2023 Relocation Agreement, Becker constructed five (5) new double-sided digital advertising signs (“New Advertising Signs”) in exchange for removing twenty-five (25) existing advertising sign faces (“Removal Signs”), making one-time payments to the City, making ongoing fixed-fee annual payments (“Annual Payments”) to the City and certain non-city non-profit organizations, and providing free community advertising on the New Advertising Signs. Becker has completed the removals, paid all one-time payments to the City, is current on its Annual Payments, and has provided free community advertising in compliance with the 2023 Relocation Agreement.

Due to current economic conditions in the Oakland advertising market, Becker has requested a prospective change in the structure of the Annual Payments. The proposed amendment converts the Annual Payments from a fixed fee to twenty percent (20%) of advertising revenue collected from all New Advertising Signs (the “Percentage of Becker Gross Revenue”), with fifty percent (50%) paid to the City and the remaining fifty percent (50%) split equally among four community health organizations. The amendment guarantees the City a minimum of \$250,000 per year and is structured to generate equal or greater revenue to the City over the remaining term of the Relocation Agreement compared with the existing fixed-fee formula.

Under no circumstances will the City make less than it is making now, only the possibility of making more will be created through the authorization of this resolution, and over the lifetime of the new agreement, the City will make significantly more than the status quo.

## **BACKGROUND / LEGISLATIVE HISTORY**

On June 6, 2023, the City Council passed Resolution 89771 C.M.S. authorizing the City Administrator to enter into a Relocation Agreement with Becker upon certain terms. Becker and the City executed the 2023 Relocation Agreement on December 29, 2023 pursuant to Resolution 89771 C.M.S. The 2023 Relocation Agreement authorized Becker to construct five (5) New Advertising Signs in exchange for (i) causing the removal of twenty-five (25) existing advertising signs (the “Removal Signs”), (ii) making one-time payments to the City, (iii) making ongoing fixed-fee Annual Payments to the City and various non-city non-profit organizations, and (iv) allowing the community to place free advertisements upon the New Advertising Signs.

This Councilmember’s Office believes that Becker has caused the removal of all twenty-five (25) Removal Sign faces, paid all one-time payments owed to the City, and remains current on its ongoing Annual Payments to the City, and has provided free community advertisements in

compliance with the 2023 Relocation Agreement. Due to current economic conditions in the Oakland advertising market, Becker has requested a prospective change in the structure of the Annual Payments to allow continued operation of the New Advertising Signs and to provide additional revenue to the City. In order to prevent the Annual Payments from ceasing completely, the City and Becker wish to convert the Annual Payments from a fixed amount to a percentage of revenue share, among other related changes.

### **FISCAL IMPACT**

The amendment is structured to provide the City with at least as much annual revenue as the existing fixed-fee formula and is expected to generate more revenue to the City over the remaining term of the Relocation Agreement. Annual Payments will convert from a fixed fee to twenty percent (20%) of advertising revenue collected from all five New Advertising Signs (the “Percentage of Becker Gross Revenue”), paid on or before January 31 of the year following each 12-month collection period. Becker must provide evidence, acceptable to the City, of the accuracy of the accounting of the Percentage of Becker Gross Revenue.

Fifty percent (50%) of the Percentage of Becker Gross Revenue shall be paid to the City, and the remaining fifty percent (50%) shall be split equally among the non-city payees. In any year in which the Percentage of Becker Gross Revenue is \$500,000 or less, the first \$250,000 shall be paid to the City and the remaining amount shall be split equally among the non-city payees. In no event shall the City receive less than \$250,000 per year from Becker.

Under no circumstances will the City make less than it is making now, only the possibility of making more will be created through the authorization of this resolution, and over the lifetime of the new agreement, the City will make significantly more than the status quo.

### **KEY ISSUES AND IMPACTS**

State law authorizes cities to enter into relocation agreements allowing for the removal of existing signs and the construction of new signs on terms and conditions that are mutually agreeable to the parties (California Business and Professions Code section 5412); see also Oakland Municipal Code section 1501(6) (“Signs Adjacent to Freeways”). The proposed amendment is consistent with those provisions. Key impacts include the following:

- Annual Payments converted from a fixed fee to twenty percent (20%) of Becker’s gross advertising revenue from the New Advertising Signs, with required accounting evidence acceptable to the City.
- City share of Annual Payments increased from 33.33% to 50% (and to 100% of the first \$250,000 in lower-revenue years).
- City guaranteed not less than \$250,000 per year regardless of revenue performance.

## **PROJECT DESCRIPTION**

The Amendment to the 2023 Relocation Agreement makes the following changes:

1. The Annual Payments shall no longer be a fixed fee but shall be 20.00% of advertising revenue collected from all the New Advertising Signs (the “Percentage of Becker Gross Revenue”), paid on or before January 31 of the year following the preceding 12-month collection period. Becker shall provide evidence, acceptable to the City, of the accuracy of the accounting of the Percentage of Becker Gross Revenue.
2. Fifty percent (50%) of the Percentage of Becker Gross Revenue shall be paid to the City, and the remaining 50% shall be split equally among the non-city payees, provided that should the Percentage of Becker Gross Revenue for any given year be \$500,000 or less, the first \$250,000 shall be paid to the City and the remaining amount shall be split equally among the non-city payees. **In no event shall the City receive less than \$250,000 per year from Becker.**

## **SUSTAINABLE OPPORTUNITIES**

Economic Development: The amended Annual Payments structure is anticipated to generate equal or greater revenue to the City over the remaining term of the Relocation Agreement compared with the existing fixed-fee formula and is guaranteed to provide the City no less than \$250,000 per year. Free community advertising on the New Advertising Signs will continue.

Environmental Impact: The amendment does not alter the physical environmental footprint of the New Advertising Signs already constructed.

Social Equity: Approval of this Amendment will have no direct impact on social equity.

## **DISABILITY AND SENIOR CITIZEN ACCESS:**

Approval of this Amendment will have no direct impact on disabled persons or senior citizens.

## **ENVIRONMENTAL DETERMINATION:**

The Council's action in approving the Amendment to the Relocation Agreement is exempt from the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code Section 21080.17 and CEQA Guidelines Sections 15183 (projects consistent with General Plan and Zoning) and 15061(b)(3) (general rule, no significant effect on the environment). The action is further exempt under CEQA Guidelines Sections 15301 (Existing Facilities), 15302 (Small Structures), 15303 (Minor Alterations to Land), and 15332 (Infill Development Projects). No exceptions to these exemptions apply. Each of the foregoing provides a separate and independent basis for a CEQA exemption and, when viewed collectively, provides an overall basis to support the finding that this action is exempt from CEQA.

**ACTION REQUESTED OF THE CITY COUNCIL**

**Councilmember Noel Gallo Recommends that the City Council Adopt:**

**A RESOLUTION: (1) AUTHORIZING THE CITY ADMINISTRATOR TO AMEND THE ADVERTISING SIGNS RELOCATION AGREEMENT, DATED DECEMBER 29, 2023, WITH BECKER BOARDS, A CALIFORNIA LIMITED LIABILITY COMPANY ("BECKER"), SUCH THAT THE ANNUAL PAYMENTS WOULD BE CONVERTED FROM A FIXED-FEE STRUCTURE TO A PAYMENT STRUCTURE WHERE TWENTY PERCENT (20%) OF BECKER'S ADVERTISING REVENUE COLLECTED FROM THE NEW ADVERTISING SIGNS WOULD BE APPORTIONED TO THE CITY AND CERTAIN COMMUNITY NON-PROFITS, WITH FIFTY PERCENT (50%) OF THAT REVENUE PAID TO THE CITY AND THE REMAINING FIFTY PERCENT (50%) SPLIT EQUALLY AMONG (A) THE NATIVE AMERICAN HEALTH CENTER, (B) ASIAN HEALTH SERVICES, (C) LA CLINICA DE LA RAZA, AND (D) BAYWELL HEALTH, WITH THE CITY RECEIVING A MINIMUM OF \$250,000 PER YEAR, REGARDLESS OF BECKER'S REVENUE, WHICH AMOUNT MAY BE MORE DEPENDING ON BECKER'S REVENUE; AND (2) ADOPTING APPROPRIATE CALIFORNIA ENVIRONMENTAL QUALITY ACT FINDINGS**

Respectfully submitted,



Councilmember Noel Gallo

District 5

