



ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY
ECONOMIC & CIVIC DEVELOPMENT DEPARTMENT

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STAFF REPORT

TO: Members of the Alameda County Planning Commission
FROM: Eileen Dalton, Director, Economic & Civic Development Department
RE: Update on the Billboard Reduction Program
DATE: May 2, 2016

Background:

The Community Development Agency (CDA) has been working on the reduction of billboards in the unincorporated county since 2006. The effort arose from the community's concern regarding the number of billboards located in the urban unincorporated communities, and led to the adoption of the Billboard Ordinance in 2008 prohibiting billboards unless they were part of a relocation program. The goal of the program is to remove at least 50% of the billboards in the unincorporated county and to locate any new billboards along commercial corridors (no residential or agricultural zoning). Implementation of the Billboard Ordinance required subsequent revisions to the General Ordinance Code and three Specific Plans, all of which were approved by the Board in 2010.

In September 2011, CDA received a final consultant report which catalogued every billboard in the urban unincorporated areas of the County; estimated their value; prioritized billboards for removal or relocation; identified sites for possible consolidation, renovation, expansion or new construction; and estimated the advertising revenues available from these sites. At a December 2011 Board of Supervisors' Retreat, CDA staff recommended a phased implementation that would first focus on billboard reduction in the unincorporated communities; that a consultant be hired on a commission-basis to develop a billboard reduction plan; and that the consultant be responsible for negotiating revenue sharing billboard agreements.

CDA issued an RFP in October 2012 and Transit Realty Advisors (TRA) was selected to assist with this work in May 2013. TRA has extensive experience handling advertising resources for public agencies, including the Metropolitan Boston Transit Authority. TRA has been assisting CDA for over 2.5 years on the Billboard Program.

At the start of the billboard reduction effort, there were 66 billboard structures identified in the urban unincorporated area. There are currently 53 billboard structures located in the urban unincorporated area. Of the 53 billboards, 37 are owned by Clear Channel and 16 are owned by Outfront Media (formerly CBS Outdoor).

As part of the Billboard Program, TRA assisted CDA staff with a solicitation process that resulted in giving both Clear Channel and Outfront Media the ability to pursue two new digital billboard locations, in exchange for removing existing billboards and sharing billboard revenue. Each company must secure the appropriate land use permits from Alameda County and CalTrans and successfully negotiate and execute a Billboard Relocation Agreement, which requires the Board of Supervisors' approval.

Clear Channel was awarded two potential billboard sites and is currently negotiating private leases for these locations. Once the leases are finalized, Clear Chanel will pursue land use approvals.

Outfront Media was awarded two potential billboard sites: Lewelling Boulevard/Mission Boulevard/Langton Way area along Hwy 238 (public property) and Arbor and A Street along 880 (private property).

- Propose removing 9 billboard structures (16 faces)
- Propose revenue share back to county (10% of net revenue)

Langton Way Lease with County:

Outfront Media has several billboards along Lewelling Boulevard and requested consideration of using Langton Way ROW as their preferred billboard location. CDA, with assistance from TRA and PWA, negotiated a lease with Outfront Media of a portion of County-owned right-of-way at the cul-de-sac of Langton Way off of Lewelling Boulevard, adjacent to Highway 238, and approximately one block west of Mission Boulevard, for potential placement of a two-sided digital billboard. The Board of Supervisors approved the lease on January 26, 2016.

The initial term of the lease is ten years, with an option for two consecutive ten-year extensions. The proposed rent is \$40,000 per year, payable quarterly, and will be adjusted every five years to reflect any increases in the Consumer Price Index over the prior five year period. Since the leased property is County right-of-way, the rent must be deposited into the County's Road Fund for future eligible expenditures.

The lease advertising guidelines prohibits Outfront Media from displaying any messages that promote the sale or use of tobacco products, alcoholic beverages, medical marijuana and firearms. The sign will be available to CalTrans to display Amber Alert messages, and any unsold spaces on the sign will be available to the County to display County public service messages.

In addition to the rent, the County will negotiate to receive a share of the revenue from the billboard. The revenue share, payable to the County's general fund, and the number

and locations of the billboards to be removed, will be negotiated in a Billboard Relocation Agreement that will be presented to the Board of Supervisors after the Planning Commission's review.

Next steps:

- Outfront Media has submitted billboard permit applications to the County Planning Department and will be heard by the PC – date TBD.
- Clear Channel is finalizing lease terms with private property owners
- Applications will be considered by the Planning Commission.
- Final land use approval and Billboard Relocation Agreement containing the number of billboard removals and revenue sharing is approved by the Board of Supervisors.
- Billboards will then require CalTrans approvals prior to construction.