



CITY OF CARSON

PLANNING COMMISSION STAFF REPORT

PUBLIC HEARING: August 14, 2018

SUBJECT: Development Agreement No. 14-17, Variance No. 563-18

APPLICANT: Outfront Media, LLC.

REQUEST: To consider a development agreement between the City of Carson and Outfront Media, LLC, and a height variance to install a 75-foot-high outdoor advertising sign ("digital billboard") within the I-405 Freeway Corridor

PROPERTY INVOLVED: 22020 Recreation Road (APN: 7328-001-021)

COMMISSIONERS' VOTE

AYE	NO		AYE	NO	
		Chairman Pimentel			Madrigal
		Vice-Chair Thomas			Mitoma
		Andrews			Nunley
		Cainglet			Rahman
		Fe'esago			Alt. Osuna/ Alt. Palmer/ Alt. Rashad

I. Introduction

Property Owner

Car Pros Kia of Carson
22020 Recreation Road
Carson, CA 90745

Applicant

Outfront Media, LLC
1731 Workman Street
Los Angeles, CA 90031

II. Project Description

The applicant, Outfront Media, LLC, is proposing to enter into a development agreement (DA) with the City of Carson and requests a variance for height to build a new 75-foot-high, double-faced digital billboard at 22020 Recreation Road (APN: 7328-001-021) within the I-405 Freeway Corridor. The I-405 Freeway Corridor is located adjacent to the north east of the I-405 Freeway.

III. Project Site and Surrounding Land Uses

The project corridor is located in the center of the City, along the portion of the I-405 Freeway. The site is zoned Commercial Automotive (CA), with a General Plan designation of Regional Commercial and located 22020 Recreation Road (APN: 7328-001-021). The following table provides a site summary:

Site Information	
General Plan Land Use	Regional Commercial
Zone District	Commercial Automotive (CA)
Site Size	162,778 SF
Present Use and Development	Static Billboard on Kia Car Dealership property
Surrounding Uses/Zoning	North: Industrial Area, Sanitation District zoned MH South: Industrial Area, Sanitation District zoned MH East: Industrial Area, Sanitation District zoned MH West: 110 Freeway
Access	Access through Kia Car Dealership off Recreation Road

IV. Background and Analysis

A Planning Commission meeting was duly held on June 12, 2018 meeting date, at 6:30 P.M. at City Hall, Council Chambers, 701 East Carson Street, Carson,

California. A notice of time, place and purpose of the aforesaid meeting was duly given. The June 12, 2018 Planning Commission meeting was continued to an undetermined date to allow additional consideration of the terms of the DA. The hearing was subsequently rescheduled for August 14, 2018. A notice of time, place and purpose of the aforesaid meeting was duly given.

The City has four designated freeway oriented billboard corridors within the City: Alameda Street, I-405 Freeway, SR-91 Freeway and I-110 Freeway. The existing prohibition of billboards along the freeways and within residential and commercial zones remains unchanged.

Proposed billboards are permitted within these corridors subject to development standards within the Zoning Code and with approval of a Development Agreement (DA). Development Agreements are subject to City Council approval.

Proposed Digital Billboard

Pursuant to Sections 9141.1 and 9146.7 of the Carson Municipal Code (CMC), proposed Outdoor Advertisement Signs and Development Agreements are subject to a City Council decision.

The applicant has been working with the City on negotiations in preparation of a Development Agreement for a new digital billboard to replace the static billboard at 22020 Recreation Road (APN 7328-001-021) located adjacent to the north side of the I-405 Freeway.

The current static billboard is approximately 60 feet in height and is visible from the north and south bound I-405 Freeway. The applicant proposes to move the new electronic billboard 298 feet south of the existing static billboard location to provide a minimum distance of one thousand feet from the existing Kia Car Dealership electronic Billboard (Exhibit 1) as required by CMC 9146.7 Signs, Section A.4. The new billboard will be located in a separate parcel as the existing static billboard as a result of this relocation, the height of the new digital billboard will be limited to a maximum of 42 feet per CMC 9146.7 Signs, Section A.2. Therefore, the applicant is requesting a variance to exceed the maximum height.

The new location of the electronic billboard is approximately eight feet below freeway grade, thereby limiting the new billboard's visibility from the I-405 Freeway. A 42-foot tall billboard at the new location is not clearly visible beyond approximately 300 feet away as viewed from northbound I-405 Freeway lanes, whereas a 75-foot billboard is clearly visible from roughly 1,200 feet away. In addition, there is a 12-foot block sound wall is built at the freeway's edge between the proposed new electronic billboard and the I-405 Freeway, which further limits the visibility of the new billboard. As such, the applicant is requesting a variance to increase the billboard's height 75 feet to allow visibility from the I-405 Freeway.

The proposed height of 75 feet for the new billboard is comparable to other existing board signs in the area. For example, the existing Kia digital billboard is 65 feet in

height and the StubHub sign, which is roughly 2,800 feet northwest of the proposed site, is 80 feet in height.

The new electronic billboard will be double-faced and visible from both northeast and southwest bound I-405 Freeway lanes. The new billboard's size, design, lighting, messages and timing of messages will be consistent with Development Agreement 14-17 and the CMC. Developer shall comply with State law regarding the limitation of light or glare or such other standards as adopted by the Outdoor Advertising Association of America, Inc. (OAAA). Some of these standards include (but not limited to) limiting the increase in ambient light levels to 0.3 foot-candles, ensuring additional flexibility in reducing such maximum light level standard given existing conditions, and the obligation to have automatic dimming capabilities. Each message on the new digital billboard display is only allowed to be displayed for at least eight (8) seconds.

See Elevation detail (Exhibit 3) for proposed design concept.



Exhibit 1: Location Aerial

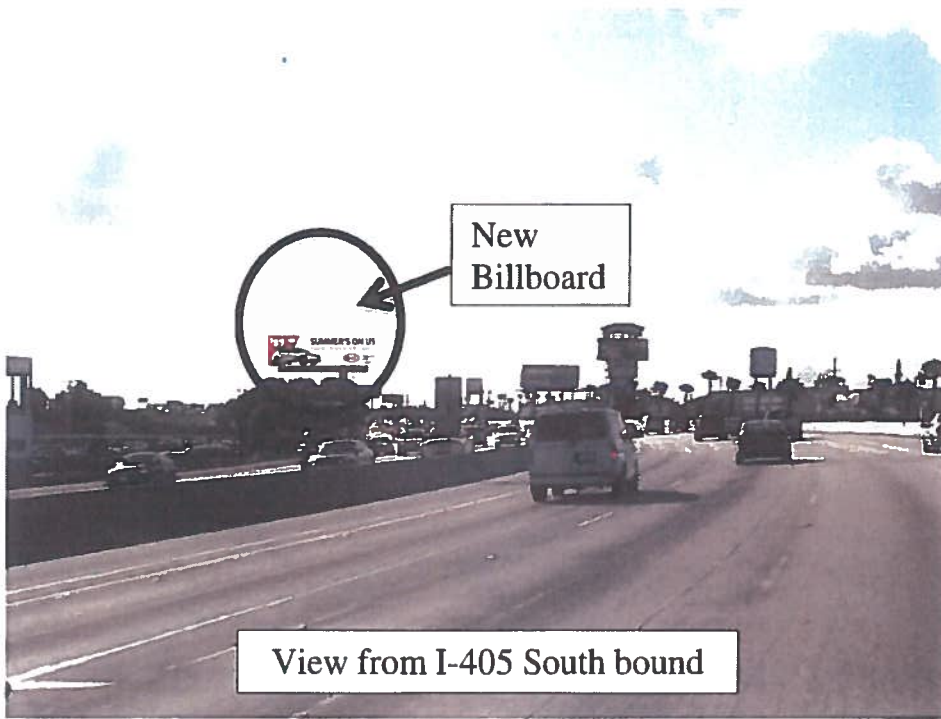
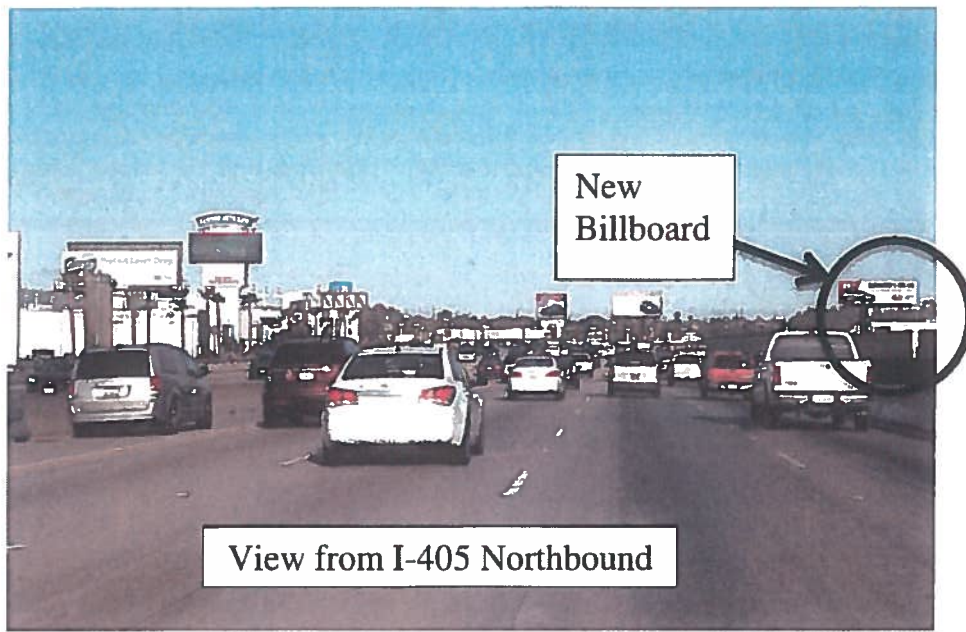


Exhibit 2: Conceptual Freeway Views of New Billboard

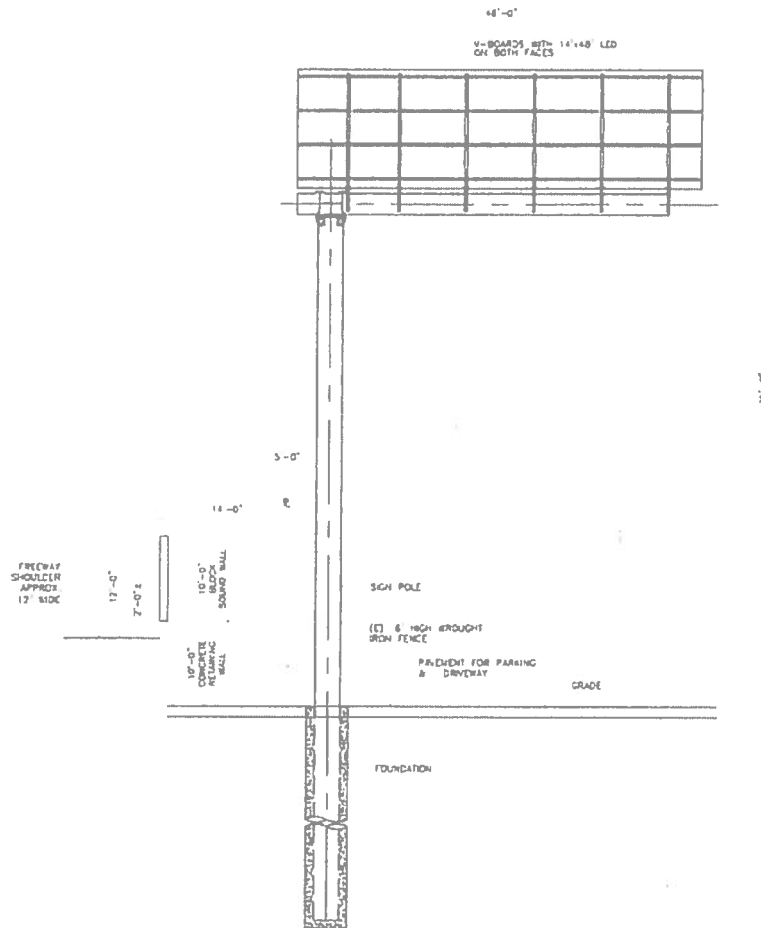


Exhibit 3: New Billboard Elevation Detail

Variance

As stated previously, the applicant requests a variance to increase the billboard height from 42 feet to 75 feet. Pursuant to Section 9172.22, a variance shall be granted only when, because of special circumstances applicable to the property, including size, shape, topography, location or surroundings, the strict application of Section 9146.7 of the CMC deprives such property of privileges enjoyed by other property in the vicinity and under an identical zoning classification. The site is deemed to have a special circumstance due to topography and an adjacent freeway sound wall which will prohibit clear visibility from the freeway.

The maximum sign height per the CMC is 42 feet; however a sign at this height is not clearly visible from the I-405 Freeway due to the site being eight feet lower than the I-405 Freeway. In addition, there is a 12 foot sound wall built at the southern property line of the site. Therefore, in order to be visible from the I-405 Freeway the new billboard is proposed to be 75 feet in height.

Billboard Light Impact

As stated in the DA, the billboard shall comply with State law regarding the limitation of light or glare or such other standards as adopted by the Outdoor Advertising Association of America, Inc. (OAAA), including but not limited to increasing the ambient light levels by 0.3 foot-candles at a distance of 250 feet from the sign. Exhibit 4 represents the radius of the billboard's light impact based on increasing the ambient light levels by 0.3 foot-candles. Therefore, the billboard's light will not impact the surrounding neighbors.

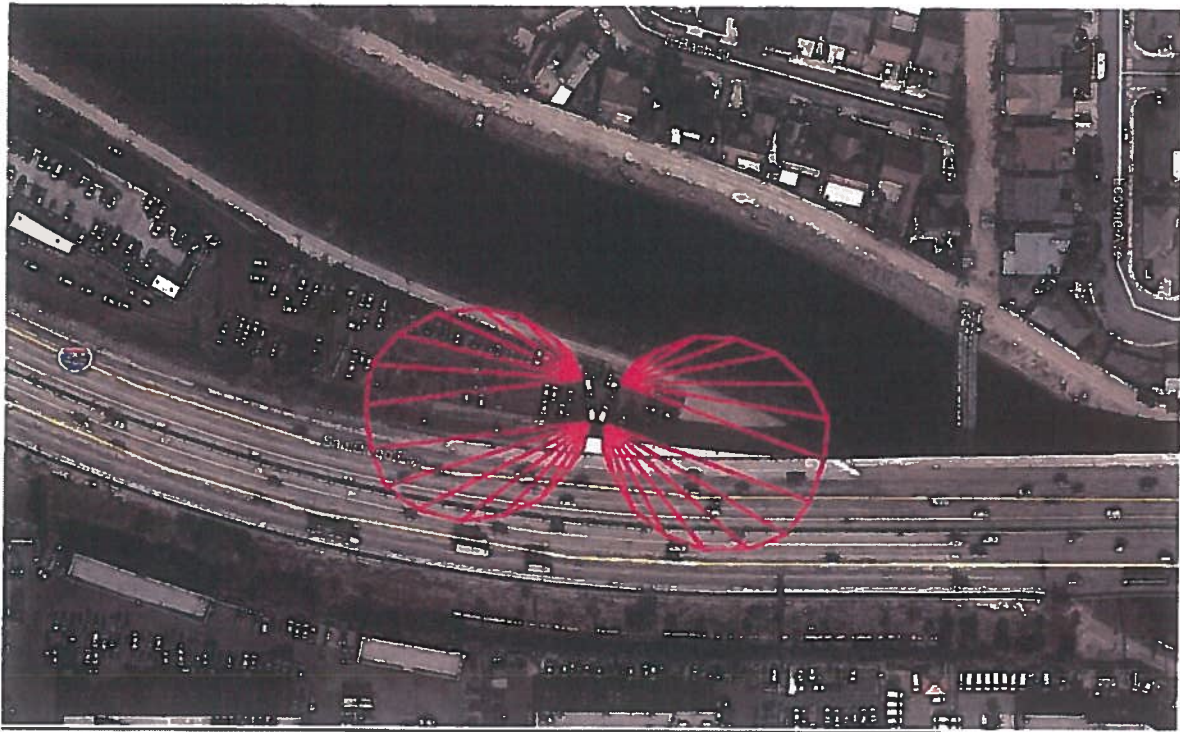


Exhibit 4: Light Impact Boundary

Development Agreement

State Law allows cities to enter into DAs with private parties. The DA is a legal, binding contract between a city and any person or entity having a legal or equitable interest in a property. The agreement must clearly outline conditions, terms, restrictions and requirements. The DA includes three basic deal points: the term or length of the Agreement, the fees the developer has to pay to the city, and community wide benefits. Once a DA is approved by the City Council, the rules of development for that property cannot change even if the zoning code or other development codes are changed.

Under the Development Agreement Statute, cities have a right to enter agreements with private parties to strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development. The Statute authorizes the City to enter into an agreement with any person having a legal or equitable interest in real property providing for the

development of such property and establishing certain development rights therein. Development agreements are often used in large, complex projects and in projects that have a long lead time, multiple phases, or a long development period, in order to give the developer certainty in regards to the entitlements and other governmental actions. There may also be a “business deal” component to a DA, where a city may agree to undertake certain actions to help a project in return for other considerations from a developer, sometimes financial.

Development Agreement Deal Points

The most important parts of DAs are the financial and non-financial deal points that are agreed upon between the City and the applicant. There are no established rules or policies when negotiating these deal points as each proposal is unique and should be considered on its own merits. The following provides a brief discussion of each of the deal points:

Term

Unless earlier terminated as provided in the DA, the term shall continue in full force and effect until the earlier of (i) 20 years after the Commencement Date, as defined in Section 1.1.4 of the DA, (ii) the expiration or earlier termination of Developer's interest in the Site per Section 6.1 of the DA, or (iii) the permanent removal of the new digital billboard pursuant to the terms in the DA. At the occurrence of the earliest of (i), (ii), or (iii), above, Developer shall completely remove the new digital billboard to 4 inches below grade within the times and as provided under Section 4.1 of the DA. Notwithstanding the above, the expiration of the term of this Agreement shall toll for any amounts of time during the term that the new digital billboard is not operational due to a Force Majeure Event, as set forth in Section 9.10 of the DA.

Fees

The potential impacts of the Development on the City and surrounding community are difficult to identify and calculate. Developer and City agree that an annual development fee paid by Developer to City would adequately mitigate all such potential impacts. The parties therefore agree that Developer shall pay an annual Development Fee, as calculated herein, payable for the duration of the Term. The Development Fee will be the greater of the Flat Fee or the Gross Receipts Fee, calculated as follows:

- Flat Fee: An annual amount to City equal to \$100,000.00 for the first five years of the Term of this Agreement. On the fifth anniversary of the Commencement Date, the Flat Fee shall increase to \$110,000 through the balance of the Term of the Agreement.

Table 1 – Flat Fee

Years 1-5	\$100,000
Years 6-20	\$110,000

- **Gross Receipts Fee:** Six percent (6%) of Developer's annual gross advertising revenue in a given Term year (i.e., the calendar years occurring after the Commencement Date or between anniversaries of the Commencement Date during the Term). Annual gross advertising revenue shall mean all revenue that Developer receives relating to the new digital billboard, which includes but is not limited to the sale of advertising space on the new digital billboard, grants, and contributions of any kind whatsoever, prior to any deductions whatsoever, including but not limited to taxes, costs, and fees.

Public Benefits

The digital billboard is expected to generate the following public benefits:

- ***City's Display Time on New Digital Billboard.*** Developer shall also provide advertising space free of charge to City on a space-available basis for public service announcements of noncommercial City-sponsored civic events ("City Messages"). City will be responsible for appropriate artwork for the digital displays pursuant to art specifications as specified by Developer from time to time. The City shall notify Developer 45 days prior to the requested display date and the display of City advertising copy is subject to the following conditions and parameters: all advertising copy must be submitted to Developer at least five (5) business days before the Developer proposed display date and will be subject to Developer's standard advertising policies, which allow Developer, in its sole discretion, to approve or disapprove copy and remove copy once posted or displayed, provided such policies are consistent with the display of public service messages as well as those restrictions described in Section 2.8 of the DA. It is expressly understood and agreed that City Messages may only display third-party names or logos of City event sponsors when those logos are part of the City Message, and that such logos may not be prominently displayed. Advertising space for City Messages may not be sold or exchanged for consideration of any kind to a non-governmental third party. There is no limit to the amount of City Messages requests subject to space availability. Per Section 5.1 of the Development Agreement, Annual Review, the developer will provide a description of all City Messages that have been displayed during the preceding year of the Term and a description of the duration of such displays.
- ***Discount Advertising.*** Developer shall offer a ten percent (10%) discount off of its applicable rate card fees for the display of advertising on the new digital billboard to any business that has its principal place of business in the City of Carson and is a member in good standing of the Carson Chamber of Commerce.
- ***Prohibited Use.*** Developer shall not utilize any of the displays on the new digital billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs," or other related sexually explicit or overly sexually-suggestive messages, or as

may be prohibited by any City ordinance existing as of the Effective Date of the DA.

In exchange for these benefits to City and the other public benefits described in the DA, the Developer shall have a vested right to develop the Project on the Developer Property in accordance with and to the full extent permitted by the Development Plan which shall exclusively control the development of the Project.

V. Zoning and General Plan Consistency

The proposed ordinance modifying regulations pertaining to outdoor advertising signs and its related permitted locations within the City, including allowing a new electronic digital billboard with an approved Development Agreement supports and is consistent with the Carson Zoning Ordinance and General Plan goals and policies.

VI. Environmental Review

The proposed Development Agreement is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15303 regarding new construction or conversion of small structures.

Development Agreement applications of any new outdoor advertising sign are subject to CEQA on a site specific basis.

VII. Public Notice

Public notice was posted to the project site on May 23, 2018. Notices were mailed to property owners and occupants within 500 feet on May 31, 2018. On June 12, 2018, the Planning Commission continued this item and is now scheduled to be heard by the Planning Commission on August 14, 2018. Public notice was posted to the project site on July 21, 2018 and advertised in the Daily Breeze newspaper on Saturday, August 4. Notices were mailed to property owners and occupants within 500 feet on August 2, 2018. The agenda was posted at City Hall 72 hours prior to the Planning Commission meeting.

Recommendation

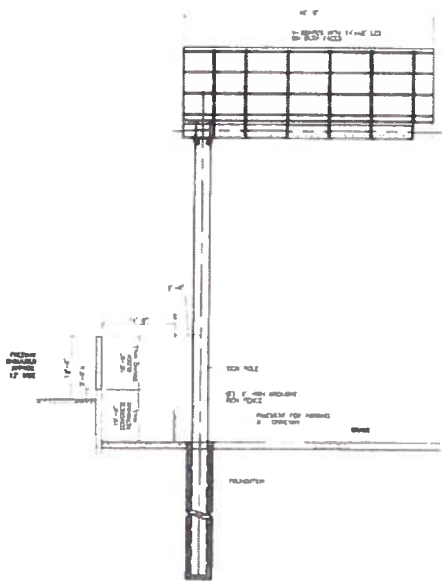
That the Planning Commission:

- **WAIVE FURTHER READING AND ADOPT** Resolution No. 18-108 entitled "A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CARSON RECOMMENDING CITY COUNCIL ADOPTION OF ORDINANCE NO. 18-1813 TO APPROVE DEVELOPMENT AGREEMENT NO. 14-17 BETWEEN THE CITY OF CARSON AND OUTFRONT MEDIA, LLC, TO REPLACE AN EXISTING STATIC BILLBOARD SIGN WITH A NEW DIGITAL FREEWAY BILLBOARD SIGN AT 20220 RECREATION ROAD (APN: 7328-001-021) AND APPROVE VARIANCE NO. 563-18, TO EXCEED MAXIMUM HEIGHT."

VIII. Exhibits

1. Draft Resolution
2. Development Agreement

Prepared by: Gena Guisar, AICP, Planner



A ELEVATION V-SIGN AND SOUND WALL
1/8" = 1'-0"

NOTES

1. UNDERGROUND UTILITIES MAY EXIST ON OR ADJACENT TO THE NEW SIGN LOCATION. THEREFORE, THE CONTRACTOR SHALL CALL FOR DIG-ALERT PRIOR TO ANY EXCAVATION IN ORDER TO VERIFY THE EXACT LOCATIONS OF THE UNDERGROUND FACILITIES.
2. THE CONTRACTOR SHALL VERIFY ALL DIMENSIONS IN FIELD FOR PROPER COORDINATION OF WORK.

THIS DRAWING IS PRELIMINARY. IT IS SUBJECT TO CHANGE WITHOUT NOTICE. THE CONTRACTOR SHALL BE RESPONSIBLE FOR VERIFYING ALL DIMENSIONS IN THE FIELD.



LEEDCO ENGINEERS, INC.

STRUCTURAL ENGINEERS

2000 Leedco Ave., S.W. Suite 100, Grand Rapids, MI 49508

TITLE

STRUCTURAL DESIGN OF V-SIGN AND SOUND WALL

DRAWN BY

J.H.L.

CHECKED BY

J.H.L.

DATE

08-07-18

SCALE

AS SHOWN

PROJECT NO.

1777

SHEET NO.

2

TOTAL SHEETS

2

DATE

08-07-18

BY

J.H.L.

FOR

LEEDCO ENGINEERS, INC.

2000 Leedco Ave., S.W. Suite 100, Grand Rapids, MI 49508

PHONE (616) 941-1000

FAX (616) 941-1001

WWW.LEEDCOENGINEERS.COM

LEEDCO ENGINEERS, INC. IS AN EQUAL OPPORTUNITY EMPLOYER

MINOR REVISIONS

NO. 1

DATE

08-07-18

BY

J.H.L.

FOR

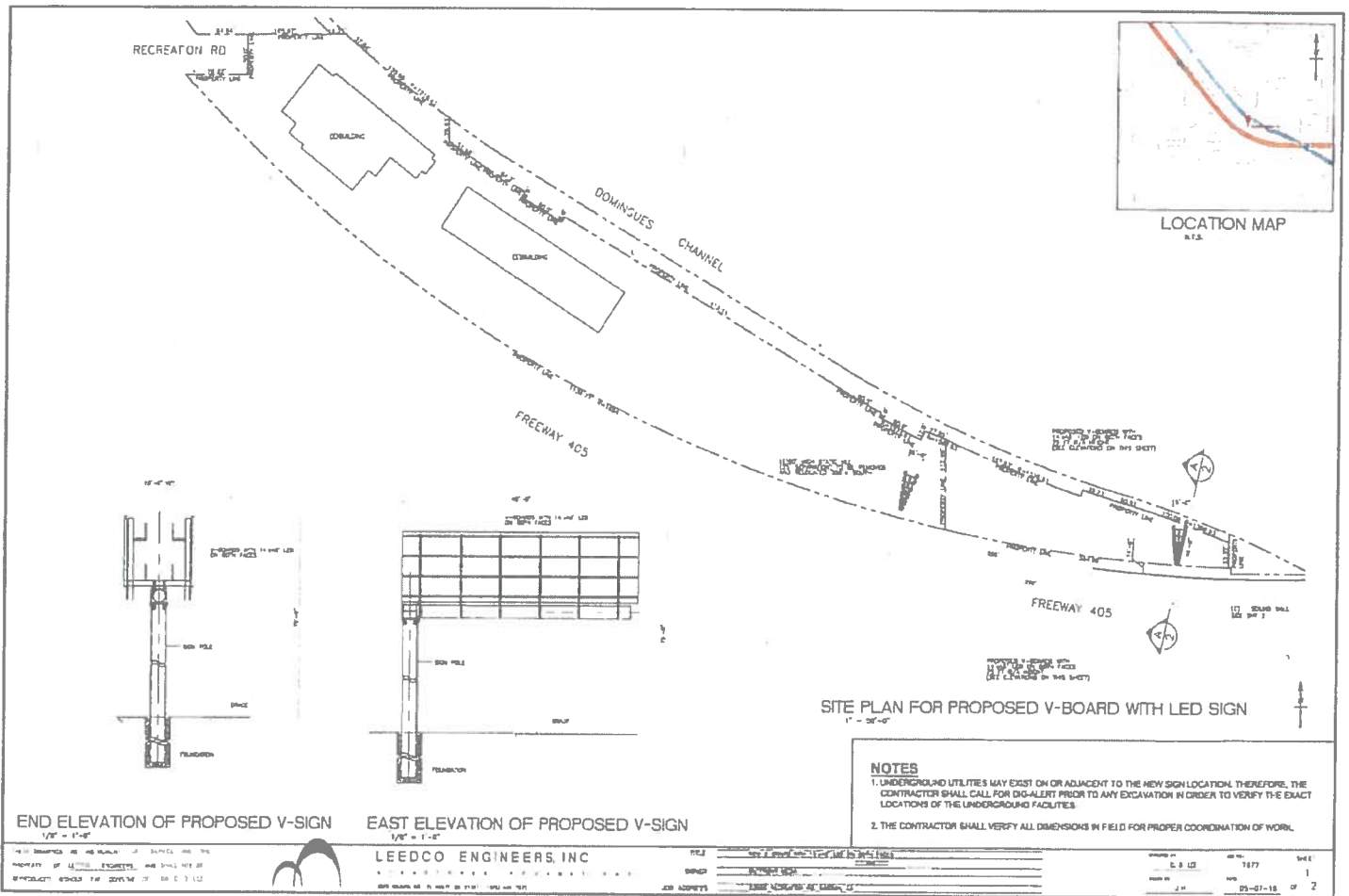
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2000 Leedco Ave., S.W. Suite 100, Grand Rapids, MI 49508

PHONE (616) 941-1000

FAX (616) 941-1001

WWW.LEEDCOENGINEERS.COM



CITY OF CARSON
PLANNING COMMISSION

RESOLUTION NO.

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CARSON RECOMMENDING CITY COUNCIL ADOPTION OF ORDINANCE NO. 18-1813 TO APPROVE DEVELOPMENT AGREEMENT NO. 14-17 BETWEEN THE CITY OF CARSON AND OUTFRONT MEDIA, LLC, TO REPLACE AN EXISTING STATIC BILLBOARD SIGN WITH A NEW DIGITAL FREEWAY BILLBOARD SIGN AT 20220 RECREATION ROAD (APN: 7328-001-021) AND APPROVE VARIANCE NO. 563-18, TO EXCEED MAXIMUM HEIGHT

THE PLANNING COMMISSION OF THE CITY OF CARSON, CALIFORNIA, HEREBY FINDS, RESOLVES AND ORDERS AS FOLLOWS:

Section 1. An application was duly filed by the applicant with respect to real property located at 22020 Recreation Road (APN: 7328-001-021), requesting approval of Development Agreement No. 14-17 to build a new electronic billboard sign on a zoned CA (Commercial Automotive) and Variance No. 563-18 to exceed the maximum allowable height.

A Planning Commission meeting was duly held on June 12, 2018 meeting date, at 6:30 P.M. at City Hall, Council Chambers, 701 East Carson Street, Carson, California. A notice of time, place and purpose of the aforesaid meeting was duly given. The June 12, 2018 Planning Commission meeting was continued to an undetermined date to allow additional consideration of the terms of the DA. The hearing was subsequently rescheduled for August 14, 2018. A notice of time, place and purpose of the aforesaid meeting was duly given.

An approved Development Agreement between the City and a new digital outdoor advertising sign operator will offer the City the ability to extract improvements or benefits for the city that are not possible by way of a conditional use permit; and

An approved Development Agreement between the City and a new digital outdoor advertising sign operator will provide the City the leverage to control the placement of additional billboards and the terms thereof.

Section 2. Based on substantial evidence presented to the Planning Commission during the public hearing conducted with regard to the Development Agreement, including written staff reports, verbal testimony, site plans, and the

conditions of approval stated herein, the Planning Commission hereby determines that the Development Agreement is authorized by and satisfies the requirements of Government Section Code 65864 through 65869.5.

Section 3. With respect to the Development Agreement No. 14-17, the Planning Commission finds that:

- a) The Development Agreement is consistent with the goals and objectives of the City's General Plan.
- b) The Development agreement supports General Plan goal ED-4: Maintain and increase net fiscal gains to the City.

Evidence: The Development Agreement will supplement the general funds via an annual development fee paid by Developer to City would adequately mitigate potential impacts. The Development Fee will be the greater of the Flat Fee or the Gross Receipts Fee, calculated as follows:

- *Flat Fee:* An annual amount to City equal to \$100,000.00 for the first five years of the Term of this Agreement. On the fifth anniversary of the Commencement Date, the Flat Fee shall increase to \$110,000 through the balance of the Term of the Agreement.
 - *Gross Receipts Fee:* Six percent (6%) of Developer's annual gross advertising revenue in a given Term year (i.e., the calendar years occurring after the Commencement Date or between anniversaries of the Commencement Date during the Term). Annual gross advertising revenue shall mean all moneys that Developer receives relating to the New Digital Billboard, which includes but is not limited to the sale of advertising space on the New Digital Billboard, grants, and contributions of any kind whatsoever, prior to any deductions whatsoever, including but not limited to taxes, costs, and fees.
- c) The Development Agreement supports General Plan policy ED-2.2: Continue to enhance the City's public relations/marketing program to improve communications through the business community and the City.

Evidence: The digital billboard is expected to generate the following public benefits: City's Display Time on New Digital Billboard and Discount Advertising.

- *City's Display Time on New Digital Billboard.* Developer shall also provide advertising space free of charge to City on a space-available basis for public service announcements of noncommercial city-sponsored civic events ("City Messages").
- *Discount Advertising.* Developer shall offer a ten percent (10%) discount off of its applicable rate card fees for the display of advertising on the New Digital Billboard to any business that has its principal place of business in the City of Carson and is a member in good standing of the Carson Chamber of Commerce.
- *Prohibited Use.* Developer shall not utilize any of the displays on the New Digital Billboard to advertise tobacco, marijuana, hashish, "gentlemen's clubs," or other related sexually explicit or overly sexually-suggestive messages, or as may be prohibited by any City ordinance existing as of the Effective Date of this Agreement.

Section 4. With respect to the Variance No. 563-18, the Planning Commission finds that:

- a) Due to special circumstances applicable to the property, including size, shape, topography, location and surroundings, the strict application of Section 9146.7 deprives the property of privileges enjoyed by other property in the vicinity and under identical zoning classification.
- b) The site's topography, location and surroundings prevent the proposed sign from being clearly visible from the freeway.

Evidence. The site is approximately 8 feet lower than the I-405 Freeway. In addition, a sound wall of approximately 12 feet in height is located directly adjacent to the project site.

- The proposed digital billboard must be moved approximately 298 feet south in order to maintain a distance of 1,000 feet from an existing Kia advertising sign on the Kia property per CMC 9146.7 Signs, Section A.4.
- c) Variance No. 563-18 does not become effective until the effective date of the Development Agreement.

Section 5. The Planning Commission, exercising their independent judgment, finds that the proposed code amendment is categorically exempt from the provisions of the California Environmental Quality Act ("CEQA") pursuant to Section 15303 regarding new construction or conversion of small structures.

Section 6. Based on the aforementioned findings, the Commission recommends City Council approve Development Agreement No. 14-17, and approves Variance No. 563-18 with respect to the property described in Section 1 hereof.

Section 7. The Secretary shall certify to the adoption of the Resolution and shall transmit copies of the same to the applicant.

Section 8. This action shall become final and effective fifteen days after the adoption of this Resolution unless within such time an appeal is filed with the City Clerk in accordance with the provisions of the Carson Zoning Ordinance.

PASSED, APPROVED AND ADOPTED THIS 14th DAY OF AUGUST, 2018

CHAIRPERSON

ATTEST:

SECRETARY