



## Legislation Text

File #: 2020-216, Version: 1

### Report to Mayor and City Council

Tuesday, April 21, 2020  
Special Orders of the Day

#### SUBJECT:

**PUBLIC HEARING TO CONSIDER INTRODUCING ORDINANCE NO. 20-2004 APPROVING DEVELOPMENT AGREEMENT NO. 21-19 BETWEEN THE CITY OF CARSON AND CLEAR CHANNEL OUTDOOR, LLC, TO (1) REPLACE AN EXISTING SINGLE-SIDED STATIC BILLBOARD WITH A 65-FOOT HIGH DOUBLE-SIDED OUTDOOR ADVERTISING SIGN ("REPLACEMENT DIGITAL BILLBOARD") ALONG A PORTION OF THE I-405 FREEWAY CORRIDOR, ZONED CR-ORL-D, LOCATED AT 19500 MAIN STREET (APN 7339-017-003), AND (2) INSTALL A 55-FOOT HIGH DOUBLE-SIDED OUTDOOR ADVERTISING SIGN ("NEW DIGITAL BILLBOARD") ALONG A PORTION OF THE I-405 FREEWAY CORRIDOR, ZONED CR-ORL-D, LOCATED AT 19500 MAIN STREET (APN 7339-017-003) AND (3) REMOVE TWO CITY-ORIENTED BILLBOARDS FROM WITHIN THE CITY AT APN NOS. 7306-011-034 AND 7406-026-914 (CITY COUNCIL)**

#### **I. SUMMARY**

On March 10, 2020, the Planning Commission conducted a public hearing and unanimously approved Variance No. 568-19 and 569-19 and recommended approval of Development Agreement No. 21-19 between the City of Carson and Clear Channel Outdoor, LLC., Mitigated Negative Declaration and Mitigation Monitoring Program (MMRP) to install two dual-faced digital billboards at 19500 Main Street, along the northern side of the I-405 Freeway corridor between Del Amo Boulevard and Main Street. Currently, there are a total of seven static billboards (or three dual-faced and one single-faced billboard) in four locations on this property (Exhibit 1). Land uses surrounding the proposed project site are primarily recreational/open space.

The applicant, Clear Channel Outdoor, LLC., requests approval of DA No. 21-19 to enter into a development agreement with the City for the installation of two dual-faced digital billboards. Both proposed digital billboards will measure 14' feet high by 48' feet long, which is the standard size for all digital billboards approved by the City. The installation of the 65' high northern digital billboard includes the removal of a 51'-2"-foot high, 14' x 48' existing static billboard. The new billboard will be approximately 55' feet high. The DA also includes the removal of two static billboards within the City limits.

The proposed DA is subject to the approval of Zone Text Amendment No.183-19 that the applicant has submitted concurrently for City Council's consideration. The proposed zone text amendment would expand the area where billboards are allowed along the 405 Freeway corridor between Main and Figueroa Street and expand it to between Del Amo Boulevard and Figueroa Street. Both digital billboards will be located within I-405 Freeway Corridor.

## **II. RECOMMENDATION**

TAKE the following actions:

1. OPEN the public hearing, TAKE public testimony, and CLOSE the public hearing; and
2. INTRODUCE, for first reading by title only and with further reading waived, Ordinance No. 20-2004, entitled, "AN UNCODIFIED ORDINANCE OF THE CITY OF CARSON, CALIFORNIA, APPROVING DEVELOPMENT AGREEMENT NO. 21-19 BETWEEN THE CITY OF CARSON AND CLEAR CHANNEL OUTDOOR, LLC, TO (1) REPLACE AN EXISTING SINGLE-SIDED STATIC BILLBOARD WITH A 65-FOOT HIGH DOUBLE-SIDED OUTDOOR ADVERTISING SIGN ("REPLACEMENT DIGITAL BILLBOARD") ALONG A PORTION OF THE I-405 FREEWAY CORRIDOR, ZONED CR-ORL-D, LOCATED AT 19500 MAIN STREET (APN 7339-017-003), AND (2) INSTALL A 55-FOOT HIGH DOUBLE-SIDED OUTDOOR ADVERTISING SIGN ("NEW DIGITAL BILLBOARD") ALONG A PORTION OF THE I-405 FREEWAY CORRIDOR, ZONED CR-ORL-D, LOCATED AT 19500 MAIN STREET (APN 7339-017-003) AND (3) REMOVE TWO CITY-ORIENTED BILLBOARDS FROM WITHIN THE CITY AT APN NOS. 7306-011-034 AND 7406-026-914."

## **III. ALTERNATIVES**

TAKE such other action as the City Council deems appropriate, consistent with the requirements of the law.

## **IV. BACKGROUND**

Carson Municipal Code Section 9146.7 states Billboards are permitted in the City within four designated freeway corridors; Alameda Street, I-405 Freeway, SR-91 Freeway and I-110 Freeway subject to Zoning Ordinance development standards and a City Council Development Agreement. The proposed billboards are located within the I-405 Freeway corridor.

### **Northern Billboard**

The proposed 65'-foot northern dual-faced digital billboard, henceforth referred to as the "Replacement Digital Billboard", will replace an existing 51'-2"-foot high single-faced static 48' x 14' billboard visible from the north bound 405 Freeway.

The proposed Replacement Digital Billboard will be approximately 13'10" feet higher than

the existing static billboard from freeway grade; according to the applicant, the increase in height ensures visibility from southbound I-405 Freeway vehicular traffic.

### Southern Billboard

The proposed 55'-foot southern dual-faced digital billboard, henceforth referred to as the "New Digital Billboard", will be constructed between the two southern dual-faced billboards.

Both proposed digital billboards will measure 14' feet high by 48' feet long which is the standard size for all digital billboards approved by the City. The new size, design, lighting, content and timing of messages will be consistent with Development Agreement 21-19.

### Billboard Removal and Installation

As part of the Development Agreement (DA), the developer will remove two existing dual-faced static billboards (both 36' feet high and measure 12'X24' feet) at 20434 South Santa Fe Avenue (APN 7306-011-034) and at parcel APN 7406-026-914.

Carson Municipal Code Section 9146.7(A)(4) (Signs) requires at least 500' foot distance separation between static billboards and at least 1,000' foot distance separation between digital billboards. These distances will be maintained by the proposed digital billboards.

### Development Agreement

Under State Law, 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. 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, to give the developer certainty in regard to the entitlements and other governmental actions. 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 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.

### Term

Unless earlier terminated as provided in the Development Agreement, the DA shall continue in full force and effect until the earlier of:

- (i) 30 years after the Commencement Date, as defined in Section 1.1.7,
- (ii) The expiration or earlier termination of Developer's interest in the 405 Freeway Site per Section 4.1,
- (iii) Termination of the Agreement in the event of a material Default by Developer per Section 6.1.1 or in the event of a material Default by City per Section 6.1.2,
- (iv) Conversion of the Replacement Digital Billboard or New Digital Billboard back to

static displays, or

- (v) The permanent removal of the Replacement Digital Billboard or New Digital Billboard pursuant to the terms hereof. In such case, Developer shall completely remove the above-ground portions of the Replacement Digital Billboard and New Digital Billboard within the times and as provided under Section 4.1.

Notwithstanding the foregoing to the contrary, City and Developer may agree to extend the Term of this Agreement pursuant to a mutual agreement in writing upon terms acceptable to both parties.

### Fees

The Developer will pay an annual fee as indicated below and payable on the Due Date for the duration of the Term.

Table 1: Replacement Digital Billboard Annual Development Fee

Years	Annual Amount
1-5	\$145,000
6-10	\$150,000
11-15	\$155,000
16-20	\$165,000
21-25	\$180,000
26-30	\$195,000

Table 2: New Digital Billboard Annual Development Fee

Years	Annual Amount
1-5	\$145,000
6-10	\$155,000
11-15	\$165,000
16-20	\$175,000
21-25	\$185,000
26-30	\$195,000

### Public Benefits

The digital billboards are expected to generate the following public benefits:

- *City Advertising.* Developer shall provide free-of-charge to City an allocation advertising time on both digital billboards, advertising limited to public service announcements for City sponsored, noncommercial civic events ("City Messages"). The City shall notify Developer in writing 45 days prior to any requested date(s) for the airing of City Messages.
-

- (a) The display of City Messages is subject to mutually agreed upon conditions. Advertising space for City Messages may not be sold or exchanged for consideration of any kind to a non-governmental third-party.
  - (b) The City shall and hereby does agree to indemnify, defend and hold harmless Developer for, from and against, any claims, costs (including, but not limited to, court costs and reasonable attorneys' fees), losses, actions or liabilities arising from or in connection with any third-party allegation that any portion of any City Message provided by the City infringes or violates the rights, including, but not limited to, copyright, trademark, trade secret or any similar right, of any third-party. This indemnity shall not include Developer's lost profits or consequential damages or any similar right, of any third-party.
- *Discount Advertising.* Developer shall offer a ten percent (10%) discount off Developer's established advertising rates and fees for the use of advertising displays on both digital billboards to any business/advertiser that has its principal place of business in the City limits of Carson and is a member in good standing of the Carson Chamber of Commerce.
- *Prohibited Use.* Developer shall not utilize either 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.

In exchange for these benefits the Developer shall have a vested right to develop the Project on the subject property in accordance with and to the full extent permitted by the Development Agreement which shall exclusively control the development of the Project.

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 Plans which shall exclusively control the development of the Project.

### **Environmental Review**

Pursuant to the California Environmental Quality Act (CEQA), a Draft Mitigated Negative Declaration was prepared and made available for public review from January 17, 2020 through February 17, 2020. A Notice of Intent to Adopt a Draft Mitigated Negative Declaration was posted with the City Clerk, LA County Clerk, Carson Library, on-site, and sent to responsible agencies. An electronic copy of the document was also posted on the Planning Division website (<http://ci.carson.ca.us/CommunityDevelopment/Billboards.aspx>). No comments were received recommending that an Environmental Impact Report (EIR) should be prepared.

Potentially significant impacts of Cultural Resources, Geology and Soils, Hazards and Hazardous Material and Tribal Cultural Resources were identified during the Initial Study. Per the Negative Declaration, with the inclusion of the proposed mitigation measures, adverse

impacts are mitigated to the maximum extent feasible and below a level of significance.

A Mitigated Negative Declaration (MND) was subsequently prepared. The most significant finding was that the site is located on a list compiled by Department of Toxic Substance Control pursuant to Government Code section 65962.5 based on its former use as an organic refuse landfill site. However, impacts would be reduced to less than significant with mitigation measures to be implemented during Construction and Operations of the site and listed in the MND as HAZ-1 and HAZ-2.

### **Public Notice**

Public notice was posted in the Daily Breeze newspaper on April 2, 2020. The agenda was posted at City Hall 72 hours prior to the City Council meeting.

## **V. FISCAL IMPACT**

The Project will generate an annual fee of One Hundred Forty-five Thousand Dollars (\$145,000) per billboard for years 1-5, and increase to One Hundred Ninety-five Thousand Dollars (\$195,000) for years 26-30. The total revenues earned by the City at the end of 30 years for these two billboards will be \$10,050,000.

## **VI. EXHIBITS**

1. Existing and Proposed Billboards location (pgs. 7-8)
2. Ordinance No. 20-2004 (pgs. 9-11)
3. Development Agreement No. 21-19 (pgs.12-60)
4. Planning Commission Resolution No. 20-2688 (pgs. 61-66)
5. Planning Commission Meeting Minutes (pgs. 67-68)
6. Development Plans (pgs.69-82)
7. Mitigation Monitoring and Reporting Program (pgs. 83-88)  
(Mitigated Negative Declaration can be accessed at  
<http://ci.carson.ca.us/CommunityDevelopment/Billboards.aspx> (under separate cover)

Prepared by: Manraj Bhatia, Assistant Planner