




TO: Elizabeth Pauli, City Manager
FROM: Chris Bacha, Chief Deputy City Attorney 
COPY: City Council and City Clerk
SUBJECT: Agreement with Lamar Advertising – December 12, 2017
DATE: December 5, 2017

SUMMARY:

The proposed agreement would obligate Lamar to remove 111 billboard faces over a five year period and permanently limit Lamar to no more than 225 billboard faces in the City; provided that, the City Council adopts Ordinance No. 28476.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

BACKGROUND:

In 1997 the City Council enacted amendments to the sign code imposing a ten-year amortization period for removing non-conforming billboards. In 2007 Clear Channel brought suit challenging the constitutionality of the City’s Sign Code. In 2010 the parties entered into a settlement agreement allowing Clear Channel to re-file its lawsuit if the City Council did not adopt an ordinance allowing digital billboards. In 2011 The Planning Commission and City Council rejected such an ordinance and filed a declaratory judgement action against Clear Channel. In 2012 the City and Clear Channel entered into a standstill agreement to allow for continued discussion of resolution of issues related to the sign code and providing for Clear Channel’s removal of 31 sign faces. In 2014, the Tacoma Billboards Community Working Group (CWG) convened to explore alternative options for billboard regulation and in 2015 the City Council directed the City Manager to work to develop recommendations for removing and consolidating billboards. The Lamar Company, LLC (Lamar) acquired all Clear Channel billboards in the Tacoma-Seattle Region in early 2016. City Staff began discussion with Lamar to determine if a mutually acceptable agreement could be reached to preclude a legal challenge to the sign code. These discussions have led to Lamar proposing such an agreement.

ISSUE:

Lamar, and its predecessor, have challenged the validity of the City Sign Code, Chapter 13.06 TMC. Lamar has proposed an agreement for consideration by the City Council that would resolve their anticipated legal challenge to the sign code and would result in Lamar’s removal of 111 billboard faces and limitation in perpetuity to no more than 225 billboard sign faces. Lamar’s obligations under this agreement would be triggered by the City Council’s enactment of Ordinance No. 28476.

ALTERNATIVES:

The City Council could reject the proposed agreement and/or direct staff to continue negotiations with Lamar.

RECOMMENDATION:

There is no staff recommendation.

FISCAL IMPACT:

There is no fiscal impact