



# City of Rialto

## Legislation Text

---

File #: CC-19-088, Version: 1

---

For City Council Meeting [February 12, 2019]

TO: Honorable Mayor and City Council

APPROVAL: Sean Grayson, Interim City Administrator

FROM: Robb R. Steel, Assistant CA/Development Services Director

Request City Council to Consider a Billboard Removal and Relocation Agreement by and among the City of Rialto, San Bernardino County Transportation Authority, and Lamar Central Outdoor.

### **BACKGROUND:**

The City owns a 13-acre parcel at the southwest corner of Casmalia Street and Alder Avenue (see **Exhibit A**). The property has extraordinary visibility along the 210 Freeway. On July 24, 2018, the City entered into an Exclusive Negotiation Agreement with RV Spa for the 6 acre Site shown as Parcel A.

The City is exploring options for the remaining 7.2-acre Parcel B site. The site is very long and linear along Casmalia Street, with limited depth creating constraints for development. One potential use is for advertising purposes. The City and Lamar Outdoor Advertising initiated informal discussions regarding the placement of a billboard at the westernmost portion of Parcel B.

Caltrans declared the 210 Freeway a “landscaped freeway” and the State generally prohibits off-site advertising structures in such areas; however, because Lamar had an existing structure removed as part of a freeway improvement project, state law may permit the relocation of a billboard to another location that may not otherwise qualify. Once Lamar secures a location, Lamar will seek a Billboard Relocation Agreement with Caltrans to permit the relocation of a removed billboard to a new location within Rialto at the proposed location. The City may also consider requesting that Caltrans declassify this section of the 210 Freeway as landscaped.

### **ANALYSIS/DISCUSSION:**

#### **Billboard Relocation Agreement**

Lamar proposes to enter into a Billboard Relocation Agreement with the State of California and the San Bernardino County Transportation Authority, which authorizes the relocation of the Colton Billboard to Rialto. SANBAG acquired the Colton Billboard from Lamar as part of the highway improvement project, and tendered compensation for the fixtures and equipment but negotiations continued on the loss of goodwill claim. Lamar proposes to relocate the entitlement for the Colton Billboard to another location, thereby resolving the loss of goodwill claim. Section 5443.5 of the California Outdoor Advertising Act permits the State to authorize relocation of a billboard acquired for public use provided (1) the City approves the relocation, (2) the relocation does not cause a reduction in federal-aid highway funds, or (3) increase the number of non-conforming displays within the City. The draft Billboard Relocation Agreement is attached hereto as **Exhibit B** (the City is not a party to this Agreement).

To fulfill the requirement to obtain City approval, Lamar proposes to enter into a Billboard Removal and Relocation

Agreement among the City of Rialto, San Bernardino County Transportation Authority, and Lamar to site a new billboard on the Casmalia property (**Exhibit C**), while removing billboards in Colton (at the I-10/215 Interchange) and in Bloomington on the I-10 (0.2 miles west of Cedar Avenue). The principal terms of the Billboard Removal and Relocation Agreement include:

1. Lamar shall enter into a lease agreement with the City of Rialto governing the economic terms for the placement of the Rialto Billboard. A subsequent City Council action requires the negotiation and approval of a proposed Property Lease by and between the City of Rialto and Lamar Central Outdoor LLC for a portion of the Casmalia property. If the City Council does not approve a Lease Agreement, then the Relocation Agreement shall be of no force and effect.
2. Lamar will secure all entitlements and permits necessary to relocate the Colton Billboard to Rialto at its sole expense.
3. Lamar agrees to remove 2 existing billboards from the I-10 Freeway, the previously removed Colton Billboard and one additional billboard 0.2 miles west of Cedar Avenue on the north side of the I-10 Freeway within Rialto's Sphere of Influence.
4. Lamar shall construct and operate the Rialto Billboard at its sole cost and expense.
5. Lamar agrees to limit the advertising on the Rialto Billboard to prevent adult entertainment, alcohol, drug, or tobacco product advertising.

The proposed Rialto Billboard location is within a "landscaped freeway", which generally prohibits new billboard approvals; however, the State may grant such approvals as compensation for removal of existing billboards on state highways. Lamar remains responsible for securing the State's approval.

#### City Codes

Section 18.102.60 (J) of the Rialto Municipal Code establishes the following requirements for billboards: Permitted Signs -- Off-Site Advertising Structures (Billboards). The City permits off-site advertising structures only within the C-3 and C-M commercial zones and the M-1 and M-2 manufacturing zones subject to the following provisions:

1. Maximum sign area shall not exceed three hundred square feet per display face, with a maximum of two display faces parallel to one another allowed per sign structure.
2. Maximum overall height of the sign structure shall not exceed twenty-five feet above grade.
3. Sign structures shall be set back a minimum of five feet from the public right-of-way.
4. No sign structure shall be placed less than one thousand feet from another existing off-site advertising (billboard) sign structure, measured in a straight-line distance.
5. No sign structure shall be located so that its side edge is less than one hundred feet or its front face or back face is less than five hundred feet from any residential zoning district.
6. No sign structure shall be placed within five hundred feet from any property used as a public park, school, cemetery or church, regardless of the zoning district.
7. No sign structure shall be located within five hundred feet from the centerline of any freeway or parkway, as defined in the Streets and Highways Code of the state of California. The City Council should amend the Rialto Municipal Code to address the 500-foot restriction as part of the subsequent entitlement process for the contemplated sign relocation.

8. All signs shall be built on steel beams with a maximum of two beams permitted for ground support per sign structure.

While the RMC appears to prohibit a freeway oriented advertising structure, the City has in the past granted exceptions where older billboards (often in greater number) were removed and replaced with newer billboards. The City would need to find that the removal of 2 billboards in the region, and the replacement with 1 new billboard provides a compelling benefit warranting relief from these requirements. The Resolution of approval shall provide such findings.

On August 29, 2018, the Economic Development Committee received a presentation from Brian Smith of Lamar Outdoor Central LLC and recommended that the City Council approve the Billboard Removal and Relocation Agreement.

**ENVIRONMENTAL IMPACT:**

The proposed Billboard Removal and Relocation Agreement by and among the City of Rialto, San Bernardino County Transportation Authority, and Lamar Central Outdoor LLC ("Agreement") does not grant any specific entitlement to construct a billboard within the City of Rialto and therefore does not constitute approval of a Project in accordance with CEQA Guidelines Section 15060, 15352, and 15378

**GENERAL PLAN CONSISTENCY:**

The project is consistent with the following goal of the Economic Development Element of the Rialto General Plan:

**Goal 3-1:** Strengthen and diversify the economic base and employment opportunities, and maintain a positive business climate.

**LEGAL REVIEW:**

The City Attorney reviewed and approved this staff report, the Billboard Removal and Relocation Agreement and the Resolution.

**FINANCIAL IMPACT:**

Operating Budget Impact

The Relocation Agreement does not affect the operating budget. If the City enters into a Lease Agreement, it expects to derive lease revenue from a public parcel, estimated at upwards of \$100,000 per year per display. All capital costs of construction shall be borne by Lamar. Revenue will be recorded in Account No. 010-400-0001-7402.

Capital Improvement Budget Impact

This action will not affect the City's capital improvement budget.

Licensing

Lamar currently has a business license with the City to operate public advertising structures and the additional income may increase its obligation for business license taxes.

**RECOMMENDATION:**

Staff recommends that the City Council Adopt a Resolution (**Exhibit D**) Approving of the Billboard Removal and Relocation Agreement by and among the City of Rialto, San Bernardino County Transportation Authority, and Lamar Central Outdoor, and (2) the Property Lease between the City of Rialto and Lamar Central Outdoor LLC.