

RESOLUTION NO. 2010-246

Adopted by the Sacramento City Council

May 11, 2010

APPROVAL OF LEASES RELATED TO DIGITAL BILLBOARDS ON CITY-OWNED SITES; RELATED ACTIONS

BACKGROUND

- A. On August 25, 2009, the City Council adopted Resolution No. 2009-558 granting Clear Channel Outdoor, Inc. (CCO) a 120-day exclusive right to negotiate (ERN) with the City on terms for (1) the installation and operation of digital billboards on City-owned sites along major freeways within the City; and (2) the removal of certain existing non-digital billboards (the "Terms").
- B. On December 15, 2009, the City Council adopted Resolution 2009-757 extending the ERN until March 25, 2010. Negotiations between the City and CCO on the Terms were completed prior to expiration of the ERN.
- C. The Terms have been incorporated into four individual leases (the "Leases"), under which the City will authorize CCO to construct and operate four digital billboards on the four City-owned sites identified in Exhibits A, B, C, and D to this resolution.
- D. Approval and execution of the Leases will result in revenues accruing to the City. Those revenues include "conditional signing bonus" that CCO will pay the City when each of the Leases has been signed (the "Signing Bonus").
- E. The Economic Development Department recommends (1) that the General Fund (Fund 1001) revenues received as a result of the Leases be programmed annually through the budget process; and (2) that Signing Bonus be deposited in a liability account and held there until the digital billboards are operational and the City's right to the Signing Bonus is no longer contingent.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The Leases are approved as of the effective date of the ordinances enacted on May 11, 2010, to amend section 15.148.815 of the Sacramento City Code (thereby authorizing digital billboards on certain City-owned lands) and title 17 of the Sacramento City Code (thereby rezoning certain land from Agricultural (A) to Light Industrial (M-1)).
- Section 2. The City Manager is authorized to execute the Leases on behalf of the City of Sacramento.

Table of Contents:

- Exhibit A - Land Use Map, Site 1
- Exhibit B - Land Use Map, Site 2
- Exhibit C - Land Use Map, Site 3
- Exhibit D - Land Use Map, Site 4

Adopted by the City of Sacramento City Council on May 11, 2010 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.

Attest:


Shirley Concolino, City Clerk


Mayor Kevin Johnson







