

December 5, 2011

Client-Matter: 26881-047

**VIA E-MAIL AND HAND DELIVERY**

Honorable Mayor Foster and Long Beach City Council  
City of Long Beach City Hall  
333 W. Ocean Boulevard  
Long Beach, CA 90802

Re: Amendments to Proposed City Billboard Ordinance That Would Ensure Fairness to all Billboard Companies Operating in Long Beach (Council Agenda Item #2, File 11-1179)

Dear Honorable Mayor Foster and Members of the City Council:

This firm represents Regency Outdoor Advertising, Inc. (“Regency”), the owner and operator of several freeway-oriented billboards in the City of Long Beach (“Long Beach” or the “City”). We are writing to request a minor change to the proposed ordinance amending the Zoning Regulations of the Long Beach Municipal Code, Title 21, relating to the regulation of billboards (off-site advertising)(the “Ordinance”) that would go a long way in providing a level playing field for all four billboard companies operating in the City.

Unlike the other three (and much larger) billboard companies that do business in Long Beach, all of Regency’s billboards are freeway-oriented and located in areas that the City deems appropriate for billboards. Because Regency owns relatively few billboards compared to the other sign companies, and none of these billboards are in areas where the City would like them taken down, the proposed Ordinance has a particularly harsh, negative impact on Regency. The Ordinance provides all types of benefits to the other three companies that could meaningfully participate in a take-down program by removing numerous, small signs of reduced value scattered throughout the City (the ability to convert traditional billboards to electronic billboards, the ability to erect new billboards in desirable locations, etc.), but punishes Regency for *only* having erected signs in areas where they would not impact communities and residential neighborhoods. We do not believe punishing responsible stakeholders was ever the intent of the Ordinance.

Under the Ordinance as currently drafted, Regency would be the only billboard company denied a meaningful opportunity to convert any portion of its billboard inventory to electronic billboards. Because another company could locate a new billboard within 1,000 feet of Regency’s freeway-oriented billboards, the Ordinance could also forever prevent Regency from

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converting its traditional billboards to electronic billboards even if Regency sought to purchase non-conforming signs to take down. Most importantly, the Ordinance would completely eviscerate the value of Regency's existing billboards because they would now have to compete with the much more desirable electronic billboards owned by other companies. Put simply, the proposed Ordinance would devastate Regency's business in Long Beach.

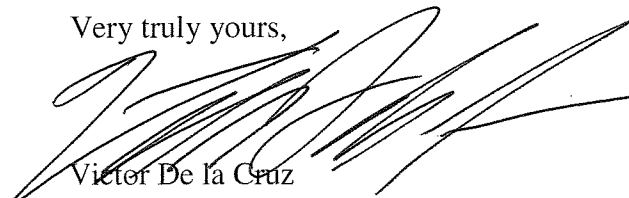
Accordingly, to ensure a level playing field, Regency respectfully requests an amendment to the Ordinance, as set forth in the attached Exhibit A. This amendment would level the playing field for all sign companies by allowing Regency the ability to convert its freeway-oriented billboards to electronic billboards, subject to an in lieu fee of \$100,000 per converted billboard and subject to the same conditional use permit process that all other companies would participate in. We hope you agree that this amendment is a win-win solution for the City and Regency – it would level the playing field for Regency, provide significant funding to the City, and protect City residents through a conditional use permit process.

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The proposed Ordinance would drastically reduce the value of Regency's Long Beach billboard inventory, while increasing that of all other sign companies. This is not an acceptable outcome for Regency, and we respectfully request that you amend the Ordinance in accordance with Exhibit A. In the alternative, we would very much appreciate an opportunity to amicably resolve this issue with the City before you adopt the Ordinance.

Thank you very much for your time and consideration.

Very truly yours,



Victor De la Cruz  
Manatt, Phelps & Phillips, LLP

cc: Mr. Patrick West, City Manager  
Robert E. Shannon, Esq. City Attorney  
Mr. Larry G. Herrera, City Clerk  
Wendelyn Nichols-Julien, Esq., Manatt, Phelps & Phillips, LLP  
Sara Kani, Esq., Manatt, Phelps & Phillips, LLP

## EXHIBIT A

### **PROPOSED AMENDMENTS TO OFF-SITE ADVERTISING ORDINANCE**

#### *Amend Section 21.54.115.A (Required Findings) as follows:*

The proposed billboard does not represent a net increase in billboard sign area Citywide, and the applicant or developer has provided a written plan explaining how the removal requirements of Section 21.54.160.A or B will be accomplished, or in the alternative, how the requirements of Section 21.54.160.A.7 have been satisfied.

#### *Amend Section 21.54.130 (Landscaped segment relocation credits) as follows:*

No new billboard shall be constructed or installed within the City through utilization of credits given by the California Department of Transportation or State law for relocation of billboards located in landscaped freeway segments, unless so mandated by State law. This shall include credits for billboards located either within the City of Long Beach or in other jurisdictions. Conversion of existing billboards located in landscaped freeway segments to electronic billboards using such credits shall be the sole exception, and in this case all removal requirements of Section 21.54.160(A) or (B) shall apply, unless the applicant has paid an in-lieu fee in accordance with Section 21.54.160.A.7.

#### *Amend Section 21.54.140.D (Conversion of non-electronic billboards to electronic) as follows:*

Other existing billboard display surface area is removed from the City as required by Section 21.54.160.A or B, as applicable (see Table 54-2 for summary), or compliance with Section 21.54.160.A.7.

#### *Add Section 21.54.160.A.7 (Citywide billboard capacity limited) as follows:*

If a billboard company owns only freeway-oriented billboards in the City as of December 6, 2011, then that company may pay an in-lieu fee of \$100,000 to convert any such billboard into an electronic billboard without having to remove any billboard square footage.