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# Consent to Development Agreement Assignment (Outdoor Billboards)

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**CITY COUNCIL MEETING**

**APRIL 2, 2019**





# Background

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- **In 2016, the City adopted Ordinances 2016-05 and 2016-10, approving Development Agreements with FIMI for outdoor advertising billboards at 5545 Orangethorpe Avenue and 6907 Marlin Circle**
- **Section 2.3 of the Development Agreements provide that FIMI may not assign or transfer the Development Agreements without the prior written consent of the City**



## Background

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- **FIMI and Outfront have entered into Purchase Agreements dated as of April 17, 2018, for the purchase and sale of certain billboard assets, including the billboards located at 5545 Orangethorpe Avenue and 6907 Marlin Circle**
- **Outfront Media, formerly CBS Outdoor (OUT on NYSE) is a multi million dollar national corporation**



# Background

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- **The Consents to Assignment warrant that the Development Agreements have not been amended and (along with the permits granted pursuant thereto) are presently in full force and effect**
- **They also confirm that a credit balance of \$13,354.95 in Landscaping Costs for each site is due to FIMI from the City as of the date hereof and the City agrees that said credit balance shall be made available and applied for the benefit of Outfront to future amounts due**



## New Signage

➤ FIMI has submitted a new City logo option to be placed on the poles in place of the current logo





# Fiscal Impact

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- **There is no fiscal impact associated with approving the Consents to Assignment**
- **The two billboards provide \$204,000 in annual revenues to the City's General Fund**



# Recommendation

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- **Approve and authorize the Mayor to Execute the Consent to Assignment for the Development Agreement Assignment from Foster Interstate Media, Inc. (FIMI) to Outfront Media LLC (Outfront) of all of FIMI's right, title and interest in and to the Development Agreement except for the Right of First Refusal (ROFR), and which further consents to the separate assignment of the ROFR from FIMI to Outfront Foster Interstate LLC (OFI) for the outdoor advertising billboard located at 5545 Orangethorpe Avenue, La Palma; and**



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- **Approve the new proposed logo for display on the billboard poles.**





# Questions/Discussion

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