

**SIGN TASK FORCE MINUTES
DECEMBER 06 2007**

Members Present: Senator Metsger, Representative Read, Kevin Howard, Dale Clark, Chris Stienbacher (for Rich Gaston-CBS), Corey Shumway, Chris Daugherty, Kris Levesque, Phil Schradle, Chris Zukin, Terry Sandblast, Amy Joyce and Peter Frost via phone

Absent: None

Meeting called to order by Senator Metsger at 2:30 pm

Introductions: Senator Metsger asked each member to introduce themselves and who they represent

Adoption of minutes from last meeting: Senator Metsger asked if anyone had any had any changes to the draft minutes. There were none. Minutes were adopted.

Representative Read asked for a review of the eight proposals submitted regarding relocation credits and penalty issues.

1. Terry Sandblast-Clear Channel

- In favor of aggregation
- Combine signs 249 sq. ft. and less at a ratio of 1 to 1 sq. ft.
- Once signs are combined they can not be disaggregated to smaller signs
- Retain 100 mile of current location policy
- Retain current credit banking policy
- Scenic Routes-cap should be modified
- In favor of increased penalties \$1000 per day no limit
- Increase cap to a include modified and new signs that comply with HB2273

Open Discussion

- Corey Shumway-agrees this is a good solution
- Dale Clark-likes idea, reduces small signs opens market up to customers
- Phil Schradle-what happens to existing permits that are combined to make larger ones? (Terry Sandblast-they go away)
- Chris Daugherty-how are permits obtained? (Terry-bought from owners)
- Rich Gaston-likes the idea
- Rep. Read-what are the chances the industry will come back at a later date requesting smaller signs? (Terry-hard to look into the future, but should not be allowed) (Corey Shumway-should not be a problem they could relocate a sign)

- Chris Zukin-when looking at way to control signs, aggregation is a part of the solution to obtain the goal.
- Phil Schradle-how significant is the relocation credit elimination of the mile point? (Terry-the mp must be within 100 miles of one of the smaller signs aggregated)
- Corey Shumway-MP must be within the allowable mile point of one of the signs
- Amy Joyce-Caution on lumping any ideas that combine Scenic By-Ways with other proposals as the Feds have tough regulations.

2. Chris Daugherty-Icon

- Environmental control of market or economics-stifling of competition
- Feels current regulations are subject to challenge
- Signs removed after HB2273 are placed in holding pool if not relocated within 90 days made available to any one.
- Credit given after new legislation (from Task Force) if not used within 180 days on day 181 goes into pool available to all.

Open discussion

- Rich Gaston-6 months from new legislation does it then becomes marketable asset? (No response)
- Terry Sandblast-are you saying this is a taking? (Chris-No)
- Terry Sandblast-how does it become a state property? (Chris- no condemnation related to relocation-credits)
- Chris Zukin-At one time these were assets that belonged to a sign company, they were removed and a credit was given.
- Rep Read- Is this a taking issue?(Chris Daugherty-No)
- Rep Read- Reducing inventory-what is the value (Chris Daugherty-value only because it is controlling the market, not an asset.)
- Phil Schradle-Legal arguments can be made for both sides of the asset issue.
- Chris Daugherty- felt rules and regulations created the situation of credits being valued felt there should be regulations created to fix this
- Phil Schradle-Seems to be more of an anti-trust issue then government program issue
- Chris Daugherty presented a letter from Portland landowner to include in the record. (Attached)

3. Chris Zukin-Meadow

- For aggregation
- Would like the 100 mile relocation rule amended to allow credits to be used. Credits are an asset owned by private party
- Increase penalties to \$1000.00 per day to sign and land owner
- New class of signs

Open discussion

- Corey Shumway- How many cancelled permits are there?
- Terry Sandblast-Ask to get a count of cancelled permits (Amy Joyce-We(ODOT) can provide that information)
- Terry Sandblast-What is meant by new class of signs?(Chris Zukin-New technology-LED)
- Senator Metsger- New set of rules for new technology or use existing rules?
- Chris Daugherty-agrees with increase in fees-believes credits should be made available to the open market if not used within a set amount of time
- Chris Zukin-credits may not be usable now but rules and programs change and they may be used in the future

4. Corey Shumway

- Need to find a win-win solution
- Raising the cap is a short-term solution: what happens in 5-10 years?
- If 100 mile rule was expanded would it then make credits more valuable or cause a flood of new signs, or would they be controlled by city county codes?
- Tri-Vision should be one sign/one credit to relocate
- Supports increase in penalties
- Likes the idea of any cancelled permits being available for use

Open discussion

- Rich Gaston-Municipalities would regulate signs if cap was raised
- Chris Daugherty-No objections to Corey's
- Question was asked if cap system was a Federal requirement (Amy Joyce-no)

5. Rich Gaston

- Supports change of 100 mile relocation rule
- Supports aggregation
- Supports increase in penalties
- Supports making canceled permits available-not banked relocation credits

6. Dale Clark

- Scenic Byways -Would like to see segmenting in commercial zones within city limits to allow signs
- Supports the idea of being able to purchase credits that are not used
- 100 mile relocation rule changed to 200-250 miles.

Open discussion

- Dale Clark asked if signs on Scenic Byways could be relocated. (Amy Joyce-Federal regulation, no new signs-will investigate on what is a reconstruction according to the federal regulations. We run the risk of losing 10% of the federal budget for highway funds if not conforming to federal regulations on Scenic Byways. This is millions of dollars.
- Senator Metsger-How many signs are there on the Scenic Byways? What if retiring a sign on a Scenic Byway, could you get a permit to relocate somewhere else? (Amy Joyce-we will get that information)

7. Kevin Howard

- No proposal, everything has been well stated

8. Pete Frost

- Attended via phone and connection was lost.

General discussion

- It was suggested that a study of other states be done in terms of miles of highway and permitted signs. This raised the possibility of raising the cap if study shows we have less permitted signs than the average in other states.
- Phil Schradle questioned using a national average as this could cause the cap to be reduced if we had more permitted signs than the average. It not solve the problem just raise it to a higher or lower level.
- Corey Shumway also brought up the fact that other states do not have the freedom of speech provision that Oregon does.
- Terry Sandblast asked about what happens to permitted signs under the old code if no permit is required now? Were these cancelled or do these become banked credits?
- Dale Clark-what happens if they now require permits?
- Amy Joyce. In the repermitting process some OAS permits were cancelled, none of these met the criteria to qualify for relocation credits. Resurrecting those would be a policy decision and require legislative change.

Senator Metsger asked Amy Joyce to draft a rough statute change on aggregation

Representative Read requested the number of signs that would be affected.

Senator Metsger

Next Meeting is on LED signs. Requested all members prepare a proposal and submit to the task force staff.

- Representative Read asked the members to keep in mind policy and politics are not the same and to prepare a viable proposal.

Senator Metsger asked for public comment:

The question was asked that there was a lot of discussion regarding value of the banked credits and if these assets would show up on a balance sheet.

Senator Metsger asked for any additional comments from the members.

- Corey Shumway asked the question “What happens with the information brought up by the task force?”
- Senator Metsger-Representative Read and myself will review and come up with a merged proposal-then draft a legislative package to be presented to the legislature on each of the categories we have identified
- Phil Schradle will work on policy
- Amy Joyce will prepare draft language on penalties

* Due to scheduling conflicts the meeting date is January 18th, 1:00-3:00 at the same location.

Meeting adjourned 3:35 p.m.