

**PLANNING COMMISSION SPECIAL MEETING
COUNCIL CHAMBERS, RICHMOND CITY HALL**
450 Civic Center Drive, Richmond, CA
September 4, 2014
6:30 p.m.

COMMISSION MEMBERS

Sheryl Lane, Chair	Eduardo Martinez
Roberto Reyes	Andrew Butt
Ben Choi	Marilyn Langlois
Melvin Willis	

The regular meeting was called to order by Chair Lane at 6:35 p.m.

Chair Lane led in the Pledge of Allegiance.

ROLL CALL

Present: Chair Lane; Vice Chair Choi; Secretary Langlois, Commissioners Martinez and Reyes

Absent: Commissioners Butt and Willis

INTRODUCTIONS

Staff Present: Planning staff: Lina Velasco, Kieron Slaughter, Richard Mitchell and Carlos Privat

MINUTES - None

AGENDA

Chair Lane provided an overview of meeting procedures for speaker registration, public comment and public hearing functions. She said items approved by the Commission may be appealed in writing to the City Clerk by Monday, September 15, 2014, by 5:00 p.m. and as needed, announced the appeal process after each affected item.

CONSENT CALENDAR - None

Public Forum – Brown Act

Cordell Hindler, Richmond, spoke about the Commission's approval at the last meeting of Kaleidoscope Coffee for a Type 41 alcohol permit which he felt was odd. He asked that more business be proposed in Richmond which would attract more people to come to the City.

HOLD OVER ITEM:

1. **PLN14-023: Sign Ordinance Amendments** - PUBLIC HEARING to consider a recommendation to the City Council regarding Zoning Text Amendments to Chapter 15.06 Signs of the Richmond Municipal Code (RMC) relating to definition and regulation of digital signs and digital advertising signs, and procedures for facilitating the removal of existing legal non-conforming billboard signs. Planner: Kieron Slaughter; Tentative Recommendation: Recommend Zoning Text Amendments to City Council.

Mr. Slaughter stated this item was continued from the July 17th meeting and is a sign ordinance text amendment to permit and regulate digital signs, digital advertising billboard signs, and to facilitate removal of existing legal non-conforming billboard signs. The matter has been under discussion and consideration since late 2007. At the previous Planning Commission meeting, the Commission discussed the matter, heard comments from the public and the Commission discussed possible limits to the total number of digital advertising billboard signs in the City and expressed a concern about the proliferation of such signs. The Commission and staff received comments at that hearing and the Commission voted to continue the item to allow more time for the public to analyze the proposed amendments and for staff to fine tune the ordinance.

The proposed text amendment would still regulate digital signs and digital advertising billboard signs based on zoning districts which has not changed. The only notable change to the ordinance proposal since the last meeting is that staff has added an overall cap to the total number of signs, total number of digital billboard advertising signs to five (5). Staff feels this is an appropriate number based on the amount of C-3 districts and regional shopping centers in Richmond.

Regarding outreach and public participation, staff continued to work with members of the Richmond Annex Neighborhood Council (RANC) and Marina Bay Neighborhood Council, received comments from both councils, and staff also received a comment letter from the Pt. Richmond Neighborhood Council which is before the Commission on their dais. Additional letters presented at the previous meeting were letters of support from the Hilltop District Homeowners and Stakeholders' Association, the Richmond Convention and Visitors Bureau (CVB), Hilltop Chrysler Jeep Dodge and Ram, Hilltop Ford Kia, MEI Real Estate Services who manages the Vista Del Mar Shopping Center, Jones Lang LaSalle America who manages Hilltop Mall, and from CBS Outdoor which are attached as Attachment 5. Staff recommends that the Planning Commission recommend approval of the zoning text amendment to the City Council.

Commissioner Reyes questioned and confirmed that the Stan from the Marina Bay Neighborhood Council did not submit a formal letter but commented that they are open-minded, had discussions with the RANC and thought that in certain cases the amendments were appropriate and could take place, given thorough design review.

Chair Lane opened the public comment period.

Public Comments:

Hanit Patel, General Manager, Courtyard Marriott at Hilltop, said he is in favor of this sign ordinance as written by City staff. He thinks it is a fair and reasonable alternative to what has been proposed in the past. He said it does regulate the total number of signs which is important. He is also a resident and long-time member of Richmond and its organizations, and regulating the total number of signs is very important to him. They heard from other residents that they do

not want Richmond to look like Las Vegas which he agrees, but digital signage would represent a chance for them to advertise local businesses at Hilltop Mall. Seasonal and temporary sales advertising would provide them one way of indicating to the public they are open for business. They have not grown as much as other businesses in the area like Pinole, El Cerrito and Emeryville, and they feel the current pylon sign at Hilltop is not adequate, is in disrepair, is blight to the City and currently represents that the City does not care about the area. They believe limiting signs in other districts is important and wants to preserve the scenic areas of Richmond along the Parkway and Marina and he feels the ordinance protects that. It also allows them to renovate the current sign which will improve Richmond, and he asked for approval of the ordinance.

Commissioner Reyes thanked Mr. Patel for his comments and discussed Mr. Patel's interest in digital signage which will truly help to improve the mall's and hotels' business.

Marsha Tomassi said she is a resident and business owner in Richmond and said Michael Piazoia, General Manager of the Hilltop Mall was specifically unable to attend tonight, but a letter from July was received which is in the packet. He makes some very key points and reiterated their importance. She is also the current president of the Richmond Convention and Visitors Bureau (RCVB) and one of their key missions is to attract visitors and guests to Richmond and to promote the City's attributes. This is a key component to being able to capture some visibility for Richmond which is desperately needed. She also pointed out that in February 2013 the Mayor was very supportive about her vision which is to revitalize Hilltop and make it what it should be. Therefore, the City is being proactive and with her and the Commission's efforts in approving the request tonight, they can get moving forward.

Beth Javens, Executive Director, RCVB, said she wants to reiterate their position in favor of the ordinance. One goal is to help influence travel and visitation to the City of Richmond which is challenging. They look for every advantage which results in more guests spending nights in their hotels, more money spending at restaurants and shopping, TOT collection and improvement to their Business Improvement District. There are many attractions that rely on visitation through signage. They view improvements as necessary to help promote events, businesses, hotels, signage, and this is a major gateway to Richmond and feel improvement to signage would be a huge boost to promote Richmond's pride and purpose.

Cesar Zepeda distributed copies of his email which was sent to the Commission. He also displayed the current Hilltop sign which is what 250,000 people see when driving through I-80 and he asked if the Commission would want to live or shop in Richmond based on the sign. If the sign is changed, it will invite people to come shop in the City. He referred to an article about first-time homebuyers and said Richmond ranks 300, which is lower than Oklahoma's statistics because they have no shopping, no good businesses, no promotion of events or businesses, and signage is needed to address this need at Hilltop. The mall is now owned by three banks and the City needs to allow the mall and the area around it to thrive, get services, and be able to shop in a fresh and a new grocery store. There are over 65 merchants in Hilltop and he hoped for more and supported adoption of the ordinance.

Rebecca Ross, Richmond resident, said she spent 7 years at the Courtyard by Marriott and spent time with City staff. Hilltop has done everything by following the rules, but when getting to a certain point in getting their sign approved nothing has and will not happen until the ordinance is adopted. She cited the need to attract people to shop in Richmond and allow Hilltop and its surrounding areas to thrive.

Steven Chauacci, Courtyard Marriott, said he thinks the evidence is overwhelming on this issue and the ordinance is a good start to getting something positive and is very much needed. He speaks to 50 people a week and one of the main reasons why people do not visit the hotel or come to the Hilltop area is because they say there is nothing to do. Instead businesses send people to Emeryville because there are things to do. He asked for something with a big bang that will help develop the area in a quality manner. He said the current sign is horrific and Richmond needs a sign that says they are ready to play and be a leader City instead of a follower City. He asked the Commission to seize the opportunity, make it right and make Richmond number one.

Cordell Hindler, Richmond, said he is against the sign ordinance because it attracts certain kinds of aspects for the City. He cited political signage and suggested better signage for the City. He asked to convince people that Richmond is prideful and shows true character. He asked to come together to bring more people to the City.

Mary Selva, President, RANC, thanked staff at the Planning Department for verifying what cities permit and not permit, which is accurate to what they submitted. In their previous letter of July 16th, they included section numbers and reiterated what was exactly in those sections, as well as provided phone numbers. In further studying the sign ordinance, she voiced concern with the C-2 and all commercial districts except residential for permitting or allowing digital signage on all businesses up and down the avenues, as well as all of the industrial districts, which would allow digital signs not to exceed 60 square feet per building or 33% of the tenant space building frontage, whichever is less. This is a lot of digital signage throughout the City and after further reviewing the ordinance they oppose it at this time. As defined, digital signs are not digital advertising billboard signs which are different. They are also concerned with digital signage for bus shelters which would be automatically approved. She also asked to make sure the entire Richmond shoreline is protected from digital signs in the Zone 4 light industrial areas there.

Commissioner Reyes asked if Ms. Selva has ideas for different signage in bus shelters. Ms. Selva said RANC opposes advertising on bus shelters. There is currently a bus shelter on San Pablo Avenue and MacDonald with a political sign and given this, there is the option to put anything on those signs and they just do not want digital signs everywhere throughout the entire City.

Secretary Langlois confirmed Ms. Selva was representing the RANC and said right now bus shelters do have advertising signs but simply do not change. What the ordinance would do would make it possible for every bus shelter to have an on-going slide show of advertisements with digital. Ms. Selva said this is correct, and she noted there are benches and not bus shelters in Richmond, so she was not sure this will be a new trend.

Garland Ellis, Vice President, RANC, said they have several problems with the ordinance. Many items need to be defined better and he suggested better standards can be found in the State code that deals with signage so as to match the City's ordinance. Digital is not only a sign type but also a technology and the City needs to differentiate between the two. The ordinance has many loopholes in it and areas for anybody to re-define what they want and he asked for these to be fixed. There is no square footage on the large display signs and no limit. They can go up to 55 feet and as wide as they can be built. There is no ratio set unless set within a framework standard. If it is a freestanding sign, it does not apply. He asked for a definition between what is called an on premise and off-premise sign according to the State code, advertising is partially

defined but better defined in the State ordinance, and he asked that all these things be considered. They also do not want changeable, large digital advertising signs on bus stops.

Jerry Yoshida, RANC, said he is speaking for himself and said he is disturbed about the sign program. The direction at the Council was that the majority of people did not want digital signs and all of a sudden the ordinance shows a proliferation of all kinds of digital and billboard signage. He said he thinks they need to reorient the sign program to address what is needed. Hilltop seriously needs advertising and an entire system overhaul. He would do a comprehensive review of directional signage for the site, identification signage, continuity of designs and images, and he suggested doing a planned development or sign program just for the Hilltop area. He also asked the Commission to look closely at how the sign program is going to work, as there are many loopholes in the ordinance. He said the two major concerns were the Pacific East Mall and Hilltop Mall, and he suggested a new pole sign and not necessarily digital for Hilltop as well as one for the auto dealership. Also, having billboard signs on bus stops is not appropriate.

Mr. Slaughter provided a summary, stating he reached out to the RANC a month ago and asked them for specific suggestions on the ordinance and he received their overall general recommendation and incorporated some of their suggestions. He thinks the definitions are adequate and has not heard anyone question them and therefore, he would not make modifications. Regarding the business identification signage, it is 60 square feet or 30% of business frontage, whichever is smallest. Staff has already seen one of the signs on Rheem and 23rd Street on a business across from the solar car wash and if done appropriately and tastefully, it can be well-received and can allow businesses to consolidate their advertisements on one sign instead of on their windows. Regarding bus stop advertising, the City does not regulate them and the City has never received complaints. They have heard that often advertisers will purchase shelters and install them in exchange for providing advertising, which is probably why Richmond has so few. Staff continues to recommend approval and he was available for questions or comments.

Commissioner Reyes asked and confirmed that both types of signs will have to go through the design review process.

The public hearing was closed.

Secretary Langlois thanked staff for their work on the ordinance and all speakers. Her comments will involve trying to identify the relationship between the problem they are trying to address and this particular ordinance. There are four points she expanded upon:

1. The issue of the I-580 corridor. This ordinance prohibits digital advertising signs between Central Avenue and Bayview but it would allow them between Bayview and the San Rafael Bridge. She said she has not heard any requests to allow them in that corridor. She has seen requests by neighborhood organizations to prohibit them throughout the entire corridor from Central Avenue to the San Rafael Bridge which is a scenic corridor. The RANC and Pt. Richmond Neighborhood Council and Marina Bay neighborhood is also concerned about this. It seems that if digital signs are approved, they should be prohibited throughout that corridor as there is no public benefit to allow them from Central Avenue to the San Rafael Bridge.
2. The issue of bus shelters. She has heard no one speak to advocate for allowing for digital advertising on bus shelters. She does not understand what possible public benefit

there is. She can see detracting and there are some locations that have static advertising. With digital there would be an ongoing slide show which could be distracting to drivers and a hazard. She suggested it be left out of the ordinance, as there is no public benefit from it. If there is, she asked that staff discuss it.

3. The on-site digital signs. She gathers that these would be allowed in all commercial districts where a business could have a digital sign restricted to information about the business. Again, she has heard no great advocacy from business owners saying they want this. She has heard from the RANC who is concerned about having this in all businesses. Currently businesses can put static signs up which they do all the time, but she hears from no business owners crying out that they want digital signs and does not see any public benefit for this.
4. The big issue has to do with digital advertising signage. These are signs that advertise all kinds of products—cars, airlines, beverages, etc. The whole motivation for supporting this revolves around the economic health of the Hilltop business community. She does not see where the connection is there and she suggested receiving more information about what the connection is and whether this is actually providing a public good. In her correspondence with Mr. Zapeda today, he mentioned that the mall was in receivership and the current owner is U.S. Bank and Morgan Stanley Capital. So it is currently owned by big banks and Mr. Zapeda also said the cost of putting up the type of stationary sign as well as the digital advertising sign would be \$1.4 million and apparently CBS Outdoor has offered to pay for that. He thinks there is no other way to pay for it unless the ordinance is approved. She is confused that if the mall is truly having problems and is in receivership, anyone who might be interested in purchasing it, this would be the perfect opportunity to get it at a good price and then make some investment to bring it up to speed. She does not see any need for the Commission to make it possible for improvements to happen that would then make it available for sale at a higher price so the banks could get more money in selling it. If a sign will, in fact, improve the mall, she suggested letting the new owner making that investment and erect a sign. Furthermore, if the new owner erects the sign, unlike the one there now, it could be well-designed that only has static names of the businesses which would attract drivers. Without the digital component it would cost less than \$1.4 million, so this would be a reasonable investment by the new owner. What is being presented now would be a nicely designed static sign with names of businesses but on top would be a huge digital display of constantly changing images of advertising, which would be counter-productive. Driver's eyes will be drawn directly to the digital advertisement and they will probably miss the names of the businesses at the mall.

Therefore, Secretary Langlois said clearly the biggest beneficiary here is CBS Outdoor and she does not see it as the role of the City to help them expand their profits. Somehow CBS Outdoor has convinced the business community that this will be the saving grace or start for revitalization, but she does not see this. Since the Commission's last meeting, they held a field trip to Oakland, Berkeley, and Emeryville. The Planning Director indicated there are many factors that cause malls to be successful and not, but she had some email exchange it would be nice to hold a study session on this. The Commission is being asked to make a recommendation to the City Council about this. In order to make an informed recommendation a study session is needed where staff could present information, evidence and data about what City policies can be implemented to move in the direction of helping a shopping mall be more successful and those policies could include changes in the sign ordinance and others, but this is the problem that needs to be fixed. Speakers have said the City needs to help Hilltop Mall thrive, that they are struggling, blight needs to be removed, evidence is overwhelming that the

mall needs something and that a sign ordinance is a good start, but if there is any correlation between the sign ordinance or perhaps other city policies that could help Hilltop, this is where the Council is coming from. Therefore, she would like this kind of study session before making a recommendation on this ordinance to the City Council.

Chair Lane said she wants to piggyback on Secretary Langlois' comment and said given that many of the speakers are talking specifically about Hilltop and the commercial district, whenever this was recommended for the Commission to review they are to look not just at that district but overall in terms of LED signage. She said she thought the Council wanted a recommendation overall in LED signage for the City. She hears there could be a discussion about economic development at Hilltop, but for this item, the Commission is being asked to provide a recommendation about LED signage.

Director Mitchell said the subject and ordinance has been one of the most difficult the City has had to tackle. Signage is a very difficult subject because of First Amendment rights, what people can read into signs, allowances and disallowances, and forward technology. Many items are being presented to the Commission tonight so staff can anticipate where the matter is going and it might make sense to dissect it down as Secretary Langlois recommended because some of the items might be acceptable and some not. He explained that when this issue was brought before the Council specifically related to Hilltop Mall, it was explained that the Council could not consider LED signs because the current ordinance prohibits them. In order to consider LED signs, various issues need to be considered based on large shopping centers, residential and commercial areas, and information on digital signage.

He stated bus shelters was added because in San Francisco there are now bus shelters with digital advertising which is changeable and this technology exists. The question is whether people want to have this in Richmond's main corridors if the sign company will install the bus shelter for free. The Commission is free to say they are not interested and then this is not considered.

If the Commission says they do not want to see these signs anywhere between Central Avenue and the San Rafael Bridge, this can be removed as well. He thinks the analysis is correct in that they get apples and oranges all mixed up when trying to get to the ultimate objective which is to get a better sign at Hilltop that features Hilltop and this has been difficult. The existing sign does not sit on the mall property but on property owned by the apartment complex next door.

In going back to attachments, there are sign examples staff thought might accomplish both goals; the hybrid approach signs that have both the shingles for the business and a digital opportunity, with the hope there would be an operator who might be willing to build that sign that would allow highlight of business at the mall and a changeable copy sign. They also created a chart that shows the different signs being recommended and what level of approval that would be required. He suggested the Commission might want to ask staff to bring the ordinance back modified and remove items of concern and agree with some of the language. The other would be to figure out how to carve out the Hilltop District and deal with that separately since this is where all of the real concern is which is how to get a better sign at Hilltop, and then let staff work on the rest of the signage. He said in looking at MacDonald Avenue in 1957 there were all kinds of signs which brought the avenue to life. This technology is gone and today's is digital. The question is whether or not the community is interested in looking at digital technology as a way to reinvigorate a corridor like MacDonald Avenue. They might want to focus on a zoning or something that deals specifically with the two or three malls on I-80 and then deal with signage

outside of that. This way some direction could be provided by the Commission to try to modify this with an idea towards how to put some kind of exception in place so the Council can consider applications for the Hilltop Mall.

Chair Lane thanked Mr. Mitchell and Secretary Langlois. She said if they were to carve out specific areas for digital billboard signs, she asked if a specific area could be cited as amenable to locate these types of signs. Mr. Mitchell said the Commission could direct staff to return for a discussion about signs on I-80 and come up with regulations specific to that corridor and staff could develop language that addresses that. If there is no interest in bus shelters or talking about MacDonald Avenue or commercial corridors at this time, then staff can take this off the table and review the ordinance with items that provide a regulatory underlying support for the Pacific East Mall sign and provide something for the Hilltop Mall sign and leaves an option open for the Target project. Staff can develop language and return with that quickly to address concerns by the community around Hilltop and give the Council something they can review.

Mr. Slaughter added that this is basically how the ordinance is proposed right now. He is proposing that C-3 districts be permitted to have these types of signs which are areas that have the large shopping districts. The City must deal with the one at Pacific East Mall one way or the other which is why it is included in the C-3 district. The other district has MacDonald/80 shopping center and staff anticipates at some time they may wish to update their sign so staff is trying to be proactive. Then there is the area at Hilltop where there is Hilltop Mall, Hilltop Plaza and the Auto Plaza. This is why staff put a cap on number 5 that can be 3 or 4 or whatever the Commission feels is appropriate which is the most legally defensible way to located, site, and regulate signs by a zoning district. It is very difficult to do by feet or proximity. Regarding I-580, one of the reasons staff included that small section, which can be shrunk or enlarged, but this portion of I-580 is not a scenic portion. Staff feels this is a change area in the General Plan, change is anticipated and they would like to be able to accommodate signage as was mentioned for the Craneway Pavilion which is not the best signage for civic and other events.

He pointed to the Marina Bay Parkway and the Canal, which can be shortened, but he is basically encompassing the area from LB&L stopping short of the bridge. This is an area with anticipated change and ferry service, large civic events which need way-finding signage and this is why staff permitted one sign along this corridor. For the Craneway Pavilion, it would also allow for the removal of other static billboards and if the Commission feels the bus shelter signs would be distracting, this can be removed, but it is the current technology and staff is simply trying to be proactive.

Commissioner Reyes asked where staff feels there may be risk relating to defensible signage. Mr. Slaughter said the City cannot regulate content unless it is on City property where they have entered into some sort of agreement with the sign company where they limit their content, such as no alcohol or offensive language. This is incorporated in other jurisdictions' provisions and can be utilized here. Currently, the Pacific East Mall sign is under review and staff wants to propose a legally defensible ordinance so it is set up by zoning district and not tilted so some business is not discriminated against.

Chair Lane said the proposal for the ordinance is a 10 to 1 ratio. Therefore, for every one digital advertising sign there would be the elimination of 10 static billboard signs. She confirmed with staff that this is only effective as it relates to digital advertising signs.

Commissioner Reyes said if the Commission were to specifically talk about the C-3 district and limit this to the C-3 district alone, he asked and confirmed this would prohibit signage along I-580 because there are no C-3 districts along I-580.

Secretary Langlois said in terms of the 10 to 1 ratio, she reminded everybody that since they have discussed this, she has been driving around Richmond and she has seen Clear Channel and CBS Outdoor billboards all over. Some are tucked away in areas, both small and large. She cautioned that if the Commission were to do this and have the relocation agreement, she is sure those companies would push hard to move the least visible of their billboards and keep the most visible and largest ones in place.

In terms of the scenic corridor, Secretary Langlois said the immediate sides of I-580 may not be all that scenic, but while driving along, you see Nickel Knob, the Bay and Mt. Tamalpais and that would need to be full kept free of digital signs. As it is now, if the Craneway Pavilion wants to attract people from the freeway, they would need to purchase space on one of the existing billboards or if they had an ordinance, put up its own. The copy of the billboard stays the same for a long time and sometimes it changes every couple of weeks, so she is surprised the Craneway does not purchase existing space on the freeway which they could do now.

In terms of the Pacific East Mall, she is hesitant to be stuck with the digital advertising sign and the City developing an ordinance around it to make it legal. She thinks the ordinance should serve the best public good and then look to see if the ordinance fits that mall sign or take it up as a different issue. She supports leaving out the bus shelters as she sees no demand for that, leave off the I-580 corridor, leave out the on-site digital signs for now, and then what they are down to is the digital advertising signs. What she hears from many Commissioners is to restrict them to the C-3 Districts. She does not see why there wouldn't need to be more than 2 or 3, but before going there, she asked what evidence there is shows by having a digital advertising sign would actually bring any benefit to the economic health of the Hilltop District. She agrees a more attractive stationary sign would definitely be better, but again, she does not see why whoever purchases it can't make that investment. She suggested providing some type of study or evidence to show how this would make a difference, she would appreciate it. Digital is not coming everywhere. While developed, media companies like it and are pushing it, but many cities do not want it and saying "no."

Mr. Mitchell said he thinks everyone can agree they would like to have a first class sign for the Hilltop Mall. Two types of signs are at all malls, and now there is a hybrid version shown in the attachment. This has a much better proportionality between the boards for each of the major businesses and digital display. Back when this was originally considered, the thought was the changeable copy screen was going to allow smaller businesses to get some advertising time while larger businesses would always have the fixed sign. At that time there were no national advertisers in the discussion. The thought was that a means would be found for the Hilltop Mall to have a sign that had fixed advertising for the anchors and a constantly flipping advertising for businesses within that. This has not come to pass because the City, the mall or the business associations around the mall do not have the resources to build the sign and the rescuer is the national advertiser. Should the Commission go this way, the real back and forth would be whether CBS Outdoors or another company be willing to build according to the format proposed or would they insist on having their big T-shaped sign, where someone's eyes will go straight for that top sign.

Regarding whether signs help malls, they probably help but in and of itself will not save it if the tenant mix is not right, if people's perception of the mall is negative, or other factors. Having a nicer sign will help a mall, and like Richmond, the Mall needs to go through a face lift. Because the sign does not belong to the City, they are not in a position to take the action they think would make it really pop and be a success and must work through the process with the current mall owners to encourage an outcome with City participation. It is clear that the community would like to see a new sign, but they do not yet know what the response from the national advertiser would be. They would be speculating as to how any of these policies would impact the mall so staff is trying to figure it out from a land use standpoint.

Mr. Slaughter added that staff is not requesting approval of a sign tonight, but simply a recommendation to the City Council who will ultimately determine whether the City can consider these applications and go through design review and public noticing to be considered for construction.

Chair Lane said in following up in Secretary Langlois' comments in seeing all the different sizes of the signs in the City, she asked if there would be an opportunity to restrict the digital advertising sign to a certain dimension. Mr. Slaughter said there are three typical sizes. Staff is recommending there be a 2 to 1 ratio with static to digital, it would have to be exceptional architecture which is in the planned area ordinance, and the DRB would review it and make good recommendations. The Commission could restrict it to a certain format or they can keep it as proposed where it must have at least a 2 to 1 ratio with static to digital.

Chair Lane said she thinks Secretary Langlois' point is that the billboard companies would choose their smaller versus larger signs for removal. If the ratio was in place, she asked if the City could mandate any signs larger in order to qualify for a digital sign. Mr. Slaughter said this is correct; with the relocation agreement the City holds the discretionary permit and could remove the most prominent signs.

Chair Lane asked if there was language in place where these are the types of signs in order to qualify for digital advertising signs. Mr. Slaughter said they could choose signs for removal by dimension, by type, by square footage, and he left some flexibility for smaller signs and this language can be entertained.

Secretary Langlois said in terms of the relocation agreement, it is a negotiation and it depends to the extent the City Manager and Councilmembers can negotiate with companies like CBS Outdoor who will be pushing to remove as little as possible. So unless the City had something like 10 times the square footage, if it is just 10 signs to 1, they would push very hard and this is a grey area that needs to be looked at.

Regarding her other question about the mall and the sign, the mall is in receivership, it is owned by a couple of banks and it is not like there is a regular owner in the business of running malls. So presumably it is available for sale to somebody who would actually run it and is in the business. If CBS Outdoors offered to put in a static sign for free that they can use for advertising, if this would increase the value of the mall that would benefit the banks. And, if this is true it seems obvious that it is like a fixer upper tactic and she questioned why the City was messing around with the free sign from CBS Outdoor when a new buyer can purchase the mall as a fixer upper and put in a classy static sign.

Mr. Mitchell said the subject is a shopping mall that has been there for a long time that people like. From a policy standpoint, the City wants to do whatever it can to help the mall be successful regardless of who owns it or under what condition it changes hands. Anything that can be done to make it a better place is better for the City and community and not to worry about who owns it, what they will get, or what transaction they will be involved in because there is no way for them to know. He thinks from a Planning Commission standpoint, the easiest way to approach it is their priority is to keep the mall healthy, vibrant and growing facility and what can be done from a land regulatory standpoint to help make that happen. In this instance, currently if someone proposed to put up a lovely backlit sign there that has all of the businesses on it it could actually be approved through existing regulations. The only thing that the Commission is being looked at is whether this device of some national operator, if an arrangement could be made where an operator was willing to build a sign that the DRB felt was satisfactory, the idea would be to figure out what they need to modify in the current code that would allow them to do that. Maybe if staff comes back with language that does just that, then he would recommend doing this because this is what the Council asked them to do—to return with a modification that would allow some kind of new sign relationship to be developed for the Hilltop Mall sign, and the Pacific East Mall sign tagged along with that. Therefore, they need to just go back and shrink down the recommendation to those two things. Rather than trying to address the entirety of the subject tonight, the Commission just figure out this small piece and staff can return to address the larger approach.

Commissioner Martinez said he thinks the City is running on an assumption for which there is no evidence and that is digital signs bring business. He was an elementary school teacher and at the schools they needed computers because they are new technology. They signed up for this program that gave them computers. But it turned out there were many other strings attached that made it not good for the school or community, and this is what they feel they have here. They want to put in the digital sign which allows off-site advertising which is what exists at the Pacific East Mall. He would be willing to bet that 80% of the time, the advertising is off-site advertising. Very seldom does he see any businesses inside the mall advertised. Therefore, he asked what guarantee the City has to make sure the same thing does not happen at Hilltop Mall.

Mr. Mitchell said in terms of content on the sign of the digital piece, the City does not really have much to guarantee because it is an advertising facing available for renting of space by anyone willing to pay for it. The main benefit received is if the sign is properly designed, they get the backlit highlighted sign boards for each of the major mall and surrounding businesses. In terms of staff's ability to control more than the brightness and frequency of ads, they could not restrict it.

Commissioner Martinez said considering the City is allowing the advertising of outside products for minimal return, he does not understand or see the need that it is a good thing. He does agree a new sign is needed and apparently a large portion of the Hilltop community would like a new sign and have been sold on the digital sign, but this corridor is more than Hilltop and the City of Richmond which should be considered. He said he thinks the City still needs to investigate how the sign at Pacific East Mall came to be and came to be left there before moving forward on digital signs.

Commissioner Reyes said he listened to all comments and appreciates Mr. Mitchell's clarification because he has been fundamentally opposed to this from the beginning. He was here during the battle of the static billboards and he does not see his charge as having to do this

again. He is opposed to that and the bus shelters. After hearing clarification from Mr. Mitchell, he feels better about it and is now only fundamentally opposed to companies that take advantage of struggling malls by promising false hopes. More than ever, he wishes they could talk about content but they cannot. He would rather see local stores and businesses on the billboards selling their products and not what is corrupt and political advertising. He said he also supported a study session and be able to meet someone from CBS Outdoor or Clear Channel who develops these digital signs and can explain about selling to the highest bidder, and while he is not demonizing them, he does not see them here tonight, as well as the Chamber of Commerce. He would be more inclined to see these things placed on community or public property where the City could make some money, but more than ever, Hilltop needs help. They have to construct a way to do that.

Chair Lane stated in listening to public comment and reading various letters received, she has not heard anyone in support of bus shelters, and she was sort of neutral on it and would be fine with omitting it from the ordinance. In terms of static digital signs on all commercial areas, this would be something not to include as well. It would be great to see how that would visually look in the City's commercial corridors especially at 23rd and Macdonald, and while there is new technology, there are other ways to enliven an area without signage. In terms of the I-580 corridor, when looking at the various letters, each association gave boundaries, but it is the entire corridor and she asked to exclude this as well. What she is not in opposition to is the digital signage. The meeting in the spring she felt the issue at Hilltop Mall and revitalizing the area through signage is not the panacea. There are many things that need to be done to revitalize that area; however, she is not against a well-designed digital advertising sign. She knows there are concerns as to who will benefit, but it is just one piece of the puzzle as far as needs by the mall, but at the end of the day, they will see who is advertising on it along with the businesses there. She frankly does not see advertisements except when they advertise concerts so she would not be opposed to limiting it to the C-3 corridors, limiting it to 3-4 signs, regulations on dimensions where the DRB can address this, and regarding the ratio program, the City probably does not have the power to go against those businesses in the negotiation process, but if there were opportunities to put some kind of language knowing there must be some flexibility around what could be viewed as part of the exchange, she would want to see this. In terms of the digital program she would limit it to the C-3 corridors excluding I-580 corridor and limiting it to 3 to 4 digital advertising signs.

Vice Chair Choi said he thinks these are good restrictions. He said it is evident that CBS Outdoors will benefit from this and they would not be doing this if they were not. He pointed out that the reason people are willing to build million dollar signs is not just because of the sign in that location and the money that it will bring in, but also about the future of their industry. He said what makes him circumspect is how indelible are the choices the Commission is making now. If they let in digital advertising, he questioned what recourse they have later if it is not working out. There might be liability on the City's part, and if they proceed tonight, the true issue is that there will be a new sign at the mall that the City cannot afford to build itself. Legally speaking, he asked the City Attorney if this would open up a can of worms in terms of not being able to re-open the ordinance.

Assistant City Attorney Privat said once a sign is erected, unless there is some grounds for revocation, the sign stays up and the City cannot regulate content. Once the City opens the door for this, it cannot go back. However, the City can regulate it and this is what staff has tried to do to limit impacts and identify where signs go and how many or how big they can be.

Vice Chair Choi said his point is that this is today's technology, but in tomorrow's technology, the sign could read a device and specifically advertise to those holding phones, iPad's, etc. He suggested that if the City moves forward with this, he suggested making it as an isolated change in the ordinance.

Commissioner Martinez said the reason the City is here is because of Hilltop and they need more than a sign. He thinks instead of discussing digital sign ordinance, they need to discuss how to help Hilltop become a better mall. He would propose that the Commission table the ordinance and call a study session on Hilltop Mall and did not think solutions should be piece-mealed.

Secretary Langlois said what Commissioner Martinez stated makes a lot of sense. She suggested building on the constructive session tonight, and thanked Vice Chair Choi for his comments about opening the door and not being able to close it again. She made a motion to direct staff to bring back the ordinance with the following modifications and depending on findings, she may support it and she may not. She proposed bringing back an ordinance with the following changes:

1. Eliminate the bus shelter digital advertising signs;
2. Eliminate the on-site digital signs;
3. Keep the entire I-580 corridor free of digital advertising signs;
4. Limit digital advertising signs to C-3 zone districts;
5. Limit a maximum of 3 digital signs;
6. For the relocation agreement, rather than 10 stationary billboards to one digital advertising sign, change it to 10 times the square footage. Therefore, if a company were to put up a digital advertising sign of 60 square feet, they would have to remove 600 square feet of stationary billboards and the locations could be negotiated by the City Council;
7. Direct staff to return with findings that would demonstrate the public benefit derived from allowing three digital advertising signs in C-3 districts in Richmond.

Commissioner Reyes seconded the motion and said he did not have so much of a problem with the bus shelters especially since this is a situation where there will not be bus shelters unless there is advertising. He said the City needs trees but there will not be a proliferation of them, but he would like to see more bus shelters, and asked for a friendly amendment to remove it from the list.

Secretary Langlois said she would like to keep bus shelters eliminated for now because Clear Channel has constructed several bus shelters in Richmond with stationary advertising signs and they may do more because they sell advertising which is stationary. She does not think there is any evidence more will be built if this is included. She asked what would happen if they took existing bus shelters and turned them into advertising slide shows. Therefore, in the interest of moving slowly, she asked to keep out the bus shelters for now and after more study, they can determine if they might build more.

Commissioner Reyes said revenue streams are multiplied by digital billboards and this is one of the reasons this is before the Commission. He understands her reasoning and can add it into the future.

Mr. Slaughter said currently the City does not regulate the bus shelters and they could put up digital billboards in them now. Also to consider, the Commission may want to fine-tune the on premise signage because if the Commission does not allow on-site digital signage, this would not allow Pacific East Mall to advertise themselves and they do this now and have a specific amount of flips on site.

Mr. Mitchell suggested trying to bring back the details in a revised version. Secretary Langlois said she meant restricting this in the C-2 and C-1 commercial areas and provided an explanation. Commissioner Martinez said the problem is that they are including a wide array of signs and discussing them under one category. He clarified with Mr. Slaughter the discussion is any type of sign that has digital technology which could be a monument, pole, pylon or window signage. It is simply the technology of backlighting it instead of front-lighting it. Secretary Langlois said she would like to see findings that support why digital advertising signage (like the one proposed for the Hilltop sign and what residents support), would have a public benefit and if they cannot support the public benefit, she would not vote for it.

Commissioner Reyes added that Commissioner Butt has been a supporter of the need to review vinyl signs and their proliferation. He suggested this also be captured, especially on 23rd Street.

Chair Lane confirmed with staff that the Commission is providing its recommendations in terms of the revised ordinance which should return to the Planning Commission and then be referred to the City Council.

ACTION: It was M/S/C (Langlois/Reyes) to direct staff to modify the ordinance and continue the item to October 9, 2014 with modifications as follows: 1) Eliminate the bus shelter digital advertising signs; 2) Eliminate the on-site digital signs; 3) Keep the entire I-580 corridor free of digital advertising signs; 4) Limit digital advertising signs to C-3 zone districts; 5) Limit a maximum of 3 digital signs; 6) For the relocation agreement, rather than 10 stationary billboards to one digital advertising sign, change it to 10 times the square footage. Therefore, if a company were to put up a digital advertising sign of 60 square feet, they would have to remove 600 square feet of stationary billboards and the locations could be negotiated by the City Council; and 7) Direct staff to return with findings that would demonstrate the public benefit derived from allowing up to three digital advertising billboard signs in C-3 districts, which carried unanimously by the following vote: 5-0-2 (Ayes: Choi, Langlois, Martinez, Reyes and Lane; Noes: None; Absent: Butt and Willis).

Commissioner Martinez said he was still somewhat confused about digital signs and digital advertising billboard signs. The digital sign states, "At the lot or parcel where the sign is located". This would not include the sign at Pacific East Mall because this sign is at the site. Mr. Slaughter noted they are advertising items not on the site. Commissioner Martinez said this does not fit the definition.

Mr. Slaughter clarified that Secretary Langlois said they were not going to remove that requirement on C-3 so they could advertise businesses on-site. Secretary Langlois said what she wants to do is to proceed slowly and not include digital signs in C-1 and C-3 districts and in the C-3. For digital advertising billboard which there is for certain people who are asking that be allowed at Hilltop, that she wants the ordinance to reflect it is allowed for those digital advertising billboards to include advertising of the on-site businesses in those C-3 districts, and then for the Commissioner to take up the matter depending on what the findings look like.

COMMISSION BUSINESS

2. Election of Officers

- A. Vote to suspend Section 6.2 of the Procedural Rules of the Commission providing for the election of officers at the regular meeting of the Commission in July of each year, b) vote to hold the election of officers on September 4, 2014, and c) hold election of officers.

ACTION: It was M/S/C (Martinez/Choi) to suspend Section 6.2 of the Procedural Rules of the Commission providing for the election of officers at the regular meeting in July of each year; which carried unanimously by the following vote: 5-0-2 (Ayes: Choi, Langlois, Martinez Reyes and Lane; Noes: None; Absent: Butt and Willis).

Commissioner Reyes said the nominating committee recommends Chair Lane, Vice Chair Choi and Secretary Langlois.

Chair Lane asked for other nominations, and there were none.

ACTION: It was M/S/C (Martinez/Choi) to nominate and elect Sheryl Lane as Chair and Ben Choi as Vice Chair and Marilyn Langlois as Secretary of the Planning Commission, which carried unanimously by the following vote: 5-0-2 (Ayes: Choi, Langlois, Martinez Reyes and Lane; Noes: None; Absent: Butt and Willis).

3. Reports of Officers, Commissioners and Staff

Ms. Velasco reminded the Commission and the public that the next meeting will be held October 9, 2014 in the Council Chambers and staff will send out an email notification.

Commissioners had no reports.

- 4. Adjournment** - The meeting was adjourned at 8:50 p.m. to the next regular meeting on October 9, 2014.