$4.3M paid to get rid of billboard? Yes, it's true

Article by: KEVIN DUCHSCHERE
Star Tribune
February 20, 2014 - 7:48 PM

Reporters see lots of news releases every week, with most getting only a cursory glance. But there was one I received the other day with a headline that caught my eye: “Minnesota taxpayers spend $4.3 million to remove billboard.”

Turns out it’s true. And more complicated than that.

The release came from Scenic America, a Washington, D.C.-based nonprofit that fights billboards. In recent years, much of that fight has centered around electronic billboards — the large flashing signs that typically show different advertisements every few seconds.

As part of the $130 million Lafayette Bridge replacement project in St. Paul, the Minnesota Department of Transportation condemned land along the old bridge owned by Clear Channel Outdoor that had an electronic billboard. A few standard billboards also came down.

The state negotiated a settlement with Clear Channel on the electronic billboard, based on the cost of the sign itself and the potential revenue that the company stands to lose in the next several years without it.

The final figure — $4.3 million — was approved last fall by Ramsey County District Court. “They asked for more than we provided,” MnDOT spokesman Kevin Gutknecht said.

Gutknecht said the Clear Channel billboard was the first electronic billboard in the country removed by condemnation.

That’s exactly the point, Scenic America spokesman Max Ashburn said: The more of them allowed by cities and states, the more difficult the fall will be for taxpayers when they come down.

“What kind of precedent is that setting … and what kind of liability do taxpayers want to be on the hook for?” Ashburn said.

It’s not that simple, said Susan Adams Loyd, president of Clear Channel’s Twin Cities division. She suggested the payout would have been lower had St. Paul’s strict billboard regulations allowed the sign to be erected elsewhere in the city.

“It is always our preference to have our signs relocated rather than condemned,” she said. If not, she added, “businesses like Clear Channel … are entitled to just compensation.”

Kevin Duchschere • 651-925-5035