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## Minnesota taxpayers spend \$4.3 million to remove billboard

*St. Paul, Minn.* – The Minnesota Department of Transportation has agreed to pay Clear Channel Outdoor more than \$4.3 million for the removal of a digital billboard as part of a bridge reconstruction project.

The billboard's removal was necessitated by a project currently underway to replace the Lafayette Bridge, which carries state highway 52 over the Mississippi River near downtown St. Paul. Documents reveal that the state agreed to pay the billboard's owner, Clear Channel Outdoor, \$4,321,000 for the condemnation and removal of a single digital billboard<sup>1</sup>.

Mary Tracy, president of Scenic America, said: "Sadly, this settlement represents an enormous taxpayer subsidy of the outdoor advertising industry at a time when highway construction budgets are stretched thin and so much transportation infrastructure is in need of repair."

Move MN, a new coalition of more than 130 Minnesota businesses, associations and organizations, describes the need for more funding to fix roads and bridges as "urgent"<sup>2</sup>. The group says the state needs to make more efficient use of current funding to meet the growing demands on Minnesota's transportation system

This is believed to be the first time in the U.S. that a road construction project has required condemnation of a digital billboard. When billboards are condemned for a highway project, Scenic America members note that it is common practice for billboard companies to request compensation for "lost future revenues" as far as five to seven years into the future, far beyond the costs of the billboard structure itself. As of 2010 it was reported that digital billboards cost approximately \$250,000 - \$300,000<sup>3</sup>.

Ultimately state law dictates how much billboard companies are compensated for condemned signs, and Tracy says this example illustrates the urgent need for the Minnesota legislature and department of transportation to consider legal reforms to address these unnecessary costs. "It's unfortunate the USDOT and the Federal Highway Administration did not assess these costs before allowing digital billboards along our federal highways in the first instance," she said.

An early environmental impact study identified five billboards which would need to be removed in the course of project<sup>4</sup>. In addition to the digital billboard, the bridge replacement required the removal of four static billboards, all owned by Clear Channel. It is believed that the state compensated the billboard company \$750,000 for each of the static billboards, meaning taxpayers spent more than \$7.3 million for the removal of five billboards.

"What has happened in Minnesota serves as an example for those states and cities that have already allowed or are considering allowing digital billboards along their highways," said

Tracy. “Should the time come for those signs to be removed, it could cost taxpayers dearly. If the federal government won’t help, the states must step in to protect the taxpayers from the burden of unnecessary highway costs.”

Scenic America is currently challenging a 2007 Federal Highway Administration ruling that opened the doors for a proliferation of digital billboard construction around the country. The group was granted standing for its lawsuit in federal court in October 2013<sup>5</sup>.

Photos of the billboard prior to its removal are available at these links:

<http://www.scenic.org/storage/images/saint%20paul%20board%20down%2001.jpg>

<http://www.scenic.org/storage/images/saint%20paul%20board%20down%2003%20.jpg>

<http://www.scenic.org/storage/images/saint%20paul%20board%20down%2006.jpg>

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*Scenic America is the only national 501(c)(3) nonprofit organization dedicated to preserving and enhancing the visual character of America's roadways, communities and countryside.*

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<sup>1</sup> <http://www.scenic.org/storage/PDFs/cc%20digital%20billboard%20settlement.pdf>

<sup>2</sup> <http://www.startribune.com/local/blogs/242427631.html>

<sup>3</sup> <http://www.nytimes.com/2010/03/02/technology/02billboard.html?pagewanted=all>

<sup>4</sup> <http://www.dot.state.mn.us/lafayettebridge/pdf/ea.pdf>

<sup>5</sup> <http://scenic.org/blog/184-lawsuit-over-digital-billboards-gets-green-light-to-proceed>