

From: Rooney, John
Sent: Tuesday, March 10, 2015 8:11 AM
To: Payne, Nancy
Subject: FW: Billboard Parcel

John C. Rooney, P.E.
City Engineer
Asst. Commissioner of Public Works
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From: Rooney, John
Sent: Friday, March 06, 2015 1:51 PM
To: _CH_ALD
Cc: Friedel, Thomas; Dickert, John; Weber, Robert
Subject: FW: Billboard Parcel

Aldermen:

See email trail below. I've been in communication with a billboard specialist at WisDOT in the NE Region for the past week. After review of traffic counts, billboard photos and billboard details the estimate for the land and billboard relocation costs are estimated at \$60~70,000, which is a little higher than the consultant's estimate. Just for clarification, the "landowner interest in the sign site and also the sign company interest" are one in the same in this case since Adams owns the small parcel on which their billboard resides.

It appears that in state statutes that WisDOT uses for state highway acquisition, it states only real estate interests are compensable and business value is not. However, the city may have to pay lost business value as this is not state highway, but connecting highway in which the local unit of government is the permitting and maintaining authority. For estimating purposes based on data they have seen, WisDOT thought the actual yearly advertising revenue times a multiplier of 6 may be a place to start. WisDOT's estimate is \$75,000. This is based on the sign company having no other relocation options in a nearby location. In essence, the estimate is \$60~70,000 on the low end with no compensation for lost business value, and up to \$135~145,000 on the high end with lost business value included.

This will be distributed at the 3/10/15 PW&SC for discussion under Item 15-00200. If you have any questions or comments, feel free to contact me.

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From: Borree, Ronald - DOT [mailto:Ronald.Borree@dot.wi.gov]
Sent: Wednesday, March 04, 2015 11:12 AM
To: Rooney, John
Cc: McClung, Teresa - DOT
Subject: RE: Billboard Parcel

Well, the statutes we use in highway acquisitions say we are only to pay for real estate interests and business value is non-compensable.... So therein lies the situation for the municipality ... Legal counsel may want to weigh in on this.... the city attorney could talk to the DOT general counsel as appropriate. One billboard is only a small slice out of the total business of Adams Advertising.... Note that the \$60,000-\$70,000 I made an initial estimate on includes both the landowner interest in the sign site and also the sign company interest.

We have some data that shows their competitor Lamar has paid in 2013 for buying other outdoor advertising companies an approximate 6 times actual yearly advertising revenue for the total outdoor advertising business that includes EVERYTHING the business has.... In this case a 6x multiple may be in the area of \$75,000 and that would not include the landowner interest that may be another 30,000 to \$35,000....

Ron

From: Rooney, John [mailto:John.Rooney@cityofracine.org]
Sent: Wednesday, March 04, 2015 10:02 AM
To: Borree, Ronald - DOT
Cc: McClung, Teresa - DOT
Subject: RE: Billboard Parcel

If there is no nearby location to offer, is there a rule of thumb to estimate what the "compensation for loss business value" might be? Is this a one-time payment that represents a certain period for the loss?

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From: Borree, Ronald - DOT [mailto:Ronald.Borree@dot.wi.gov]
Sent: Wednesday, March 04, 2015 9:52 AM
To: Rooney, John
Cc: McClung, Teresa - DOT
Subject: RE: Billboard Parcel

John.... I looked over the aerials and traffic counts along with the signs and made an initial "rough estimate" for the sign site and structures of the combined 3 panel billboard of about \$60,000-\$70,000. This is based on a very rough guestimate of the value of the location for outdoor advertising. Note the sign company may argue for compensation for lost business value in addition to the loss of a structure and sign site as real estate interests.

I would guess the sign company would be open to having their sign moved to another nearby location or some sort of horse trading for something in the interests of both parties.

Note our appraisal process is based on the unit rule valuation of real estate interests only where parties of interests including the landowner and the sign company need to divide monetary interests based on their contractual arrangements. Acquiring properties with billboards can get tricky.... Feel free to contact me with questions...

Ron

From: Rooney, John [<mailto:John.Rooney@cityofracine.org>]
Sent: Wednesday, March 04, 2015 8:24 AM
To: Borree, Ronald - DOT
Subject: RE: Billboard Parcel

Is it possible to get an estimate for this billboard based on this data/info by next Monday?

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From: Borree, Ronald - DOT [<mailto:Ronald.Borree@dot.wi.gov>]
Sent: Monday, March 02, 2015 12:13 PM
To: Rooney, John
Subject: RE: Billboard Parcel

Ok.. thanks Ron

From: Rooney, John [<mailto:John.Rooney@cityofracine.org>]
Sent: Monday, March 02, 2015 11:39 AM
To: Borree, Ronald - DOT; McClung, Teresa - DOT
Subject: RE: Billboard Parcel

Two-way traffic counts.

John C. Rooney, P.E.
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From: Borree, Ronald - DOT [<mailto:Ronald.Borree@dot.wi.gov>]
Sent: Monday, March 02, 2015 10:45 AM
To: McClung, Teresa - DOT
Cc: Rooney, John
Subject: RE: Billboard Parcel

Are the AADT counts for one way or two way traffic as stated below?

Hi John,

Here are the AADT for the four intersection quadrants at Hamilton Street and Douglas Avenue. These counts are WisDOT July 2014 counts. Please note, I broke this out into quadrants because one sign can be viewed while you are heading north on Douglas Avenue and two signs can be seen when you are heading either south on Douglas Avenue or heading east or west on Hamilton Street.

Average Annual Daily Traffic (AADT)

Heading north on Douglas Avenue: 3,800

Heading south on Douglas Avenue plus Heading east and west on Hamilton Street: 5,500

Please let me know if you have any other questions.

Bob

Robert L. Warren, P.E.

Associate



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robert.warren@graef-usa.com

From: McClung, Teresa - DOT
Sent: Friday, February 27, 2015 1:29 PM
To: Borree, Ronald - DOT
Subject: FW: Billboard Parcel

Your help is appreciated. Thank you.

Teresa McClung

Real Estate Local Program Coordinator
WisDOT Northeast & Southeast Region
920-492-5636

From: Rooney, John [<mailto:John.Rooney@cityofracine.org>]
Sent: Friday, February 27, 2015 1:01 PM
To: McClung, Teresa - DOT
Subject: RE: Billboard Parcel

Teresa,

Attached is the traffic count from GRAEF and some billboard pictures from the north & south approaches of Douglas Avenue where it intersects with Hamilton Street. Could you see if Ron Borree could generate an estimate with this info?

John C. Rooney, P.E.

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From: McClung, Teresa - DOT [<mailto:Teresa.McClung@dot.wi.gov>]
Sent: Thursday, February 26, 2015 4:50 PM
To: Rooney, John
Cc: Wilfert, Mark J - DOT; Brown, Joel R - DOT; Shahin, Reem - DOT; Paruleski, Kerry - DOT
Subject: Billboard Parcel

Here is some information regarding billboard acquisition.

If you send me a picture of the billboard and the traffic count for that intersection, Ron Borree at WisDOT will be able to give you a rough estimate of how much it will cost to acquire the sign site and billboard.

If you have any questions, please contact Kerry Paruleski. She will be taking over my duties until my position is filled. Once you get to the point of hiring a real estate acquisition consultant for the billboard parcel, Kerry can give you a list of people who are knowledgeable in billboard acquisitions.

Kerry.paruleski@dot.wi.gov
Desk phone -414-220-5461
Cell – 414-915-6558

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