GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2019

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HOUSE BILL 645 PROPOSED COMMITTEE SUBSTITUTE H645-PCS30435-BG-41

Short Title:	Revisions to Outdoor Advertising Laws.	(Public)
Sponsors:		
Referred to:		

April 10, 2019

A BILL TO BE ENTITLED

AN ACT TO REVISE THE OUTDOOR ADVERTISING LAWS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 136-127 reads as rewritten:

"§ 136-127. Declaration of policy.

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The General Assembly hereby finds and declares that outdoor advertising is a legitimate commercial use of private property adjacent to roads and highways but highways. The General Assembly also finds and declares that outdoor advertising is an important and distinct medium of communication for effectively displaying commercial and noncommercial messages and is an established segment of the national economy that serves to promote and protect investments in commerce and industry. The General Assembly further finds that the erection and maintenance of outdoor advertising signs and devices in areas in the vicinity of the right-of-way of the interstate and primary highway systems within the State should be controlled and regulated regulated, as provided in this Article, in order to promote the safety, health, welfare and convenience and enjoyment of travel on and protection of the public investment in highways within the State, to prevent unreasonable distraction of operators of motor vehicles and to prevent interference with the effectiveness of traffic regulations and to promote safety on the highways, to attract tourists and promote the prosperity, economic well-being and general welfare of the State, and to preserve and enhance the natural scenic beauty of the highways and areas in the vicinity of the State highways and to promote the reasonable, orderly and effective display of such signs, displays and devices, and to secure the right of validly permitted outdoor advertising to be clearly viewed by the traveling public. The General Assembly declares it to be in the public interest that outdoor advertising signs be erected, maintained, and clearly visible along the highways in this State in order to provide important public service announcements and information regarding places offering lodging, food, motor vehicle fuels and lubricants, motor service and repairs, and other services or products available to the general public. The General Assembly also recognizes that the needs of the outdoor advertisers must be balanced against the beautification of the State. It is the intention of the General Assembly to provide and declare herein a public policy and statutory basis for the regulation and control of outdoor advertising."

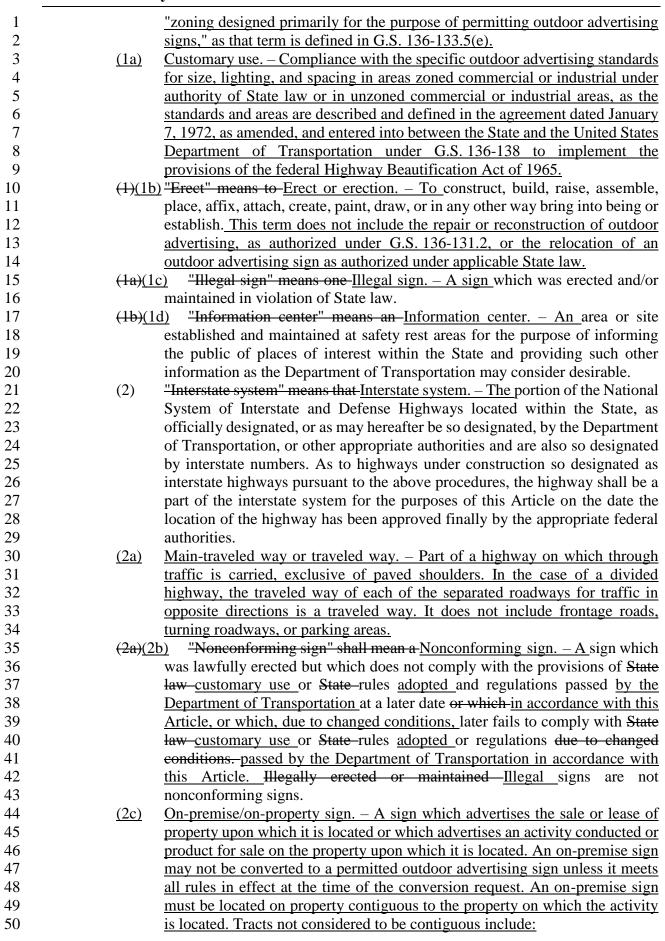
SECTION 2. G.S. 136-128 reads as rewritten:

"§ 136-128. Definitions.

As used in this Article:

(1) Area zoned commercial or industrial. — An area which is zoned for business, industry, commerce, or trade pursuant to a State law or local zoning ordinance or regulation, regardless of how labeled, where uses associated with business, industry, commerce, or trade are permitted. This term does not include





1 Tracts of land separated by a federal, State, city, or public access a. 2 maintained road. 3 Tracts of land not under common ownership. <u>b.</u> 4 Tracts of land held in different estates or interests. 5 "Outdoor advertising" means any Outdoor advertising. - Any outdoor sign, (3) display, light, device, figure, painting, drawing, message, plaque, poster, 6 7 billboard, or any other thing which is designed, intended or used to advertise 8 or inform, any part of the advertising or information contents of which is 9 visible from any place on the main-traveled way of the interstate or primary 10 system, whether the same be permanent or portable installation. 11 (4) Primary system. – The federal-aid primary system in existence on June 1, 1991, and any highway which is not on that system but which is on the 12 13 National Highway System. As to highways under construction so designated 14 as primary highways pursuant to the above procedures, the highway shall be a part of the primary system for purposes of this Article on the date the 15 location of the highway has been approved finally by the appropriate federal 16 17 or State authorities. 18 (5) "Safety rest area" means an Safety rest area. – An area or site established and maintained within or adjacent to the highway right-of-way by or under public 19 20 supervision or control, for the convenience of the traveling public. 21 Sign location or site. – The location or site of an outdoor advertising sign (5a)22 measured to the closest 1/100th of a mile, in conformance with the Department 23 of Transportation methods of measurement for all State roads. 24 (6) "State law" means a State law. – A State constitutional provision or statute, or 25 an ordinance, rule or regulation enacted or adopted by a State agency or 26 political subdivision of a State pursuant to a State Constitution or 27 statute.agency. 28 (7) "Unzoned area" shall mean an Unzoned commercial or industrial area. – An 29 area where there is no zoning in effect.effect that is within 660 feet of the 30 nearest edge of the right-of-way of the interstate or primary system, in which there is at least one commercial or industrial activity that meets the criteria set 31 32 forth in G.S. 136-130.1. 33 (8) "Urban area" shall mean an Urban area. – An area within the boundaries or 34 limits of any incorporated municipality having a population of five thousand 35 or more as determined by the latest available federal census. "Visible" means capable Visible. - Capable of being seen (whether or not 36 (9) 37 legible) without visual aid by a person of normal visual acuity." 38 **SECTION 3.** Article 11 of Chapter 136 of the General Statutes is amended by adding 39 a new section to read: 40 "§ 136-130.1. Unzoned commercial or industrial area criteria for outdoor advertising signs. Criteria. – To qualify an area unzoned commercial or industrial for purposes of this 41 42 Article, one or more commercial or industrial activities shall meet all of the following criteria prior to submitting an outdoor advertising permit application to the Department of 43 44 Transportation: 45 The activity shall maintain all necessary business licenses as may be required <u>(1)</u> 46 by applicable State law. 47 The property used for the activity shall be listed for ad valorem taxes with the (2) 48 county and municipal taxing authorities as required by law.

<u>(3)</u>

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water, and sewer or septic service.

The activity shall have all basic utilities, including electricity, telephone,

- including temporary wayside fresh produce stands.
- <u>(4)</u> Transient or temporary activities.

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- Activities not visible and recognizable as commercial or industrial from the **(5)** traffic lanes of the main-traveled way.
- Activities more than 660 feet from the nearest edge of the right-of-way. (6)
- Activities conducted in a building principally used as a residence. (7)

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- 1 (8) Railroad tracks and minor sidings.
 - (9) Any outdoor advertising activity or any other business or commercial activity carried on in connection with an outdoor advertising activity.
 - (10) <u>Illegal junkyards</u>, as defined in G.S. 136-146, and nonconforming junkyards, as described in G.S. 136-147."

SECTION 4.(a) G.S. 136-131 reads as rewritten:

"§ 136-131. Removal of existing nonconforming outdoor advertising.

- (a) The Department of Transportation is authorized to acquire by purchase, gift, or condemnation all outdoor advertising and all property rights pertaining thereto which are prohibited under the provisions of G.S. 136-129, 136-129.1 or 136-129.2, provided such to outdoor advertising is in lawful existence on the effective date of this Article as determined by G.S. 136-140, or provided that it is lawfully erected after the effective date of this Article as determined by G.S. 136-140. This section shall apply to all acquisitions, purchases, condemnations, or takings by the Department of Transportation that cause the removal of any lawfully erected outdoor advertising, regardless of the location and proximity of the outdoor advertising to the interstate or primary system.
- (b) In any acquisition, purchase or condemnation, purchase, condemnation, or taking, just compensation to the owner of the outdoor advertising, where the owner of the outdoor advertising does not own the fee, shall be limited to the fair market value at the time of the taking of the outdoor advertising owner's interest in the real property on which the outdoor advertising is located and such value shall include the value of the outdoor advertising.
- (c) In any acquisition, purchase or condemnation, purchase, condemnation, or taking, just compensation to the owner of the fee or other interest in the real property upon which the outdoor advertising is located where said owner does not own the outdoor advertising located thereon shall be limited to the difference in the fair market value of the entire tract immediately before and immediately after the taking by the Department of Transportation of the right to maintain such outdoor advertising thereon and in arriving at the fair market value after the taking, any special or general benefits accruing to the property by reason of the acquisition shall be taken into consideration.
- (d) In any acquisition, purchase or condemnation, purchase, condemnation, or taking, just compensation to the owner of the fee in the real property upon which the outdoor advertising is located, where said owner also owns the outdoor advertising located thereon, shall be limited to the fair market value of the outdoor advertising plus the difference in the fair market value of the entire tract immediately before and immediately after the taking by the Department of Transportation of the right to maintain such outdoor advertising thereon and in arriving at the fair market value after the taking, any special or general benefits accruing to the property by reason of the acquisition shall be taken into consideration.
- (e) The following factors shall be used in determining just compensation under this section:
 - (1) The sales price of similar outdoor advertising.
 - (2) The physical condition of the outdoor advertising sign, including its useful life.
 - (3) The income generated by the rental of advertising space on the outdoor advertising sign.
 - (4) The effects of zoning or other land-use restrictions.
 - (5) The value of possessing an outdoor advertising permit issued by an appropriate governing body.
 - (6) The ability or inability to relocate and reconstruct the outdoor advertising to a site reasonably comparable to or better than the condemned location within the same zoning jurisdiction or, if unzoned, within the same city or county territorial jurisdiction, taking into account the similarity of advantages arising

from lease terms, visibility, traffic flow, and other criteria that affect the value of outdoor advertising. The factor in this subdivision shall not be considered if the applicable governmental jurisdiction allows for numerical increases in outdoor advertising signs.

- (7) The advantages arising from leasehold or other property interests, including length or term of property interest, renewal rights, options to purchase, or rights of first refusal.

(f)

(8) Any other factor that may affect the value of the property rights affected by the condemnation.

Prior to any acquisition or taking by the Department of Transportation under this

section, the Department of Transportation shall undertake the project necessitating the acquisition or taking in accordance with G.S. 133-11 to minimize adverse impacts to the displaced outdoor advertiser and to reduce the costs of acquiring the outdoor advertising and all related property rights, including allowing the outdoor advertising to remain until actual construction or other physical site work is commenced on the project and within 100 feet of the outdoor advertising sign.

(g) This section shall not in any way affect relocation assistance funding, as provided by federal or State law, which funding is in addition to, and not in lieu of, just compensation in accordance with this section."

SECTION 4.(b) G.S. 136-131.1 reads as rewritten:

"§ 136-131.1. Just compensation required for the removal of billboards on federal aid primary highways by local authorities.

No municipality, county, local or regional zoning authority, or other political subdivision, shall, without the payment of just compensation in accordance with the provisions that are applicable to the Department of Transportation as provided in paragraphs 2, 3, and 4 of G.S. 136 131, G.S. 136-131, remove or cause to be removed any outdoor advertising adjacent to a highway on the National System of Interstate and Defense Highways or a highway on the Federal aid Primary Highway System for which there is in effect a valid permit issued by the Department of Transportation pursuant to the provisions of Article 11 of Chapter 136 of the General Statutes and regulations promulgated pursuant thereto.to this Article."

SECTION 5. Article 11 of Chapter 136 of the General Statutes is amended by adding a new section to read:

"§ 136-131.3. Relocation of lawfully existing outdoor advertising sign.

(a) Relocation as a Result of the Use of Eminent Domain. – In order to minimize the amount of just compensation due whenever property on which an outdoor advertising sign is located, is acquired by State or local government agencies or others possessing eminent domain authority, any legally erected outdoor advertising that is caused to be moved is permitted to be relocated and reconstructed subject to all of the following requirements:

(1) The new site for relocation is permitted to be any area within 660 feet of the nearest edge of the right-of-way of a highway on the National System of Interstate and Defense Highways or the federal aid primary highway system within the same zoning jurisdiction or within the same city or county territorial limits if the initial outdoor advertising sign was located in an unzoned area prior to the relocation.

Except as provided in subsection (c) of this section, the outdoor advertising sign at the relocated site shall conform with customary use in areas zoned commercial or industrial under authority of State law or if the relocated site is unzoned, in unzoned commercial or industrial areas. The new site for relocation shall not be within an historic district lawfully established by a city or county pursuant to Part 3C of Article 19 of Chapter 160A of the General

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- Statutes, unless consented to by a resolution adopted by the applicable local governing board.
 - (3) The construction work related to the relocation of the outdoor advertising sign shall commence within one year after the later of the date of removal or the effective date of this Article.
 - (4) Subject to subsection (c) of this section, any outdoor advertising that is caused to be moved, as provided in this section, may be reconstructed as provided in G.S. 136-131.2 so long as the square footage of its advertising surface area is not increased. In addition to other sign characteristic changes or alterations resulting from the relocation, the height of the sign may be increased not to exceed 50 feet measured from the adjoining road grade or base of the sign, whichever allows for the greatest visibility.
 - (5) The express allowances of relocation and reconstruction in this section shall apply to any legally erected outdoor advertising sign anywhere within this State that is caused to be moved as a result of action taken by those possessing the power of eminent domain, including such signs that are not subject to the jurisdiction of the Department of Transportation.
 - (6) The express allowances of relocation and reconstruction in this section shall apply whenever a lawfully erected outdoor advertising sign is affected by the construction of a sound wall. In lieu of relocation, a lawfully erected outdoor advertising sign that is affected by the construction of a sound wall may raise the height of the sign not to exceed 50 feet above the top of the wall.
 - (b) General Relocation. Any outdoor advertising sign that does not otherwise qualify for relocation as provided in subsection (a) of this section and for which there is in effect a valid permit issued by the Department of Transportation pursuant to this Article is permitted to be authorized to be relocated and reconstructed subject to all of the requirements listed in subdivisions (1) through (6) of subsection (a) of this section, except that the sign shall not be relocated a distance greater than 250 feet from the original lot boundaries on which the sign was previously erected.
 - (c) <u>Customary Use Exception. Any outdoor advertising sign that is legally existing but would not be conforming to customary use if relocated on the same sign location or site is permitted to be relocated on the same sign location or site, subject to the following requirements:</u>
 - (1) The structural members of the sign at the relocated site are of like material.
 - (2) The size of the sign face or faces is not increased.
 - (3) The height of the sign at the relocated site does not exceed 50 feet measured from the adjoining road grade or base of the sign, whichever allows for the greatest visibility, except that a sign may be 50 feet above the top of a sound wall or noise barrier constructed between the sign and the main-traveled way.
 - (4) The relocation on the same sign location or site is not denied by the Federal Highway Administrator or such other federal official delegated the responsibility for enforcing the federal State agreement referenced in the definition of customary use in G.S. 136-128.
 - (d) Vegetation Removal. A new site for relocation shall not be denied by the Department of Transportation due to the presence of vegetation obstructing the visibility of the outdoor advertising sign from the viewing zone. The owner or operator of the off-premises outdoor advertising sign shall be permitted to improve the visibility of the sign by removing any vegetation on private property upon receiving written consent of the landowner and on the right-of-way of the interstate and primary systems of the State pursuant to a selective vegetation removal permit issued under this Article. A city or county shall not enforce any ordinance or regulation in conflict with the rights set forth in this subsection or to otherwise cause the withholding of consent by the landowner."

SECTION 6. G.S. 136-133.1 reads as rewritten:

"§ 136-133.1. Outdoor advertising vegetation cutting or removal.

- (a) The owner of an outdoor advertising sign permitted under G.S. 136-129(a)(4) [G.S. 136-129(4)] or G.S. 136-129(a)(5) [G.S. 136-129(5)] who obtains a selective vegetation removal permit, and the owner's designees, may cut, thin, prune, or remove vegetation in accordance with this section, G.S. 136-93(b), 136-133.2, and 136-133.4. The maximum cut or removal zone for each sign face for the direction of travel for which the sign face is oriented shall be an area not to exceed a continuous 500 feet horizontal distance parallel to a State right-of-way and measured from a point on the main-traveled way of the highway nearest the sign face. for vegetation for each sign face shall be determined as follows:
 - (1) The point located on the edge of the right of way that is the closest point to the centerline of the sign face shall be point A.
 - (2) The point located 200 feet down the right-of-way line in the direction of the sign viewing zone shall be point B.
 - (3) The point on the edge of the pavement of the travel way, including acceleration and deceleration ramps, that is the closest to the centerline of the sign shall be point C.
 - (4) The point 50 feet down the edge of the pavement in the direction of the sign viewing zone from point C shall be point D.
 - (5) The point 380 feet down the edge of the pavement in the direction of the sign viewing zone from point C shall be point E; provided, however, the following shall apply within the corporal limits and territorial jurisdiction of any city, as defined in Chapter 160A of the General Statutes:
 - a. On interstates or other routes with fully controlled access, the point 340 feet down the edge of the pavement in the direction of the sign viewing zone from point C shall be point E.
 - b. On highways other than interstates and other routes with fully controlled access, the point 250 feet down the edge of the pavement in the direction of the sign viewing zone from point C shall be point E.
 - (6) Lines drawn from point A to point D and from point B to point E shall define the limits of the vegetation cut or removal area.
- (a1) Notwithstanding any law to the contrary, in order to promote the outdoor advertiser's right to be clearly viewed as set forth in G.S. 136-127, the Department of Transportation, at the request of a selective vegetation removal permittee, <u>may shall</u> approve plans for the cutting, thinning, pruning, or removal of vegetation outside of the cut or removal zone defined in subsection (a) of this section along acceleration or deceleration ramps so long as the view to the outdoor advertising sign will be improved and the total aggregate area of cutting or removal does not exceed the maximum allowed in subsection (a) of this section.
- (a2) In order to promote the outdoor advertiser's right to be clearly viewed as set forth in G.S. 136-127, the Department of Transportation, at the request of an owner of an outdoor advertising sign permitted under G.S. 136-129(4) or G.S. 136-129(5), shall approve plans for the cutting, thinning, pruning, or removal of vegetation along or within medians of the interstate or federal aid primary highway system so long as the view to the cross read face of the outdoor advertising sign will be improved and the sign owner replants the disturbed median area with low growth hardy shrubs at the sign owner's expense.
- (b) Vegetation permitted to be cut, thinned, pruned, or removed shall be defined as any tree, shrub, or underbrush within the zone created by points A, B, D, and E. pursuant to this section. Any existing tree that was in existence at the time that an outdoor advertising structure was erected shall only be eligible for removal in accordance with subsections (c), (d), and (e) of this section. Native—To the extent possible, native—dogwoods and native redbuds shall be preserved. A selective vegetation removal permittee may relocate and replace, if necessary, any

native dogwoods or native redbuds existing within the cut or removal zone established in subsection (a) of this section to a location within 2,500 feet on either side of the outdoor advertising structure, as measured along the edge of the pavement of the main-traveled way of the nearest controlled route. If a native dogwood or native redbud cannot be preserved during relocation, a selective vegetation removal permittee shall replace the native dogwood or native redbud with the same species of any quantity that total the same caliper inches. For the purposes of this section, an existing tree is defined as a tree that had a diameter of four inches or greater as measured six inches from the ground at the time that the outdoor advertising structure was erected. An outdoor advertising sign is considered erected when the sign is completely constructed with a sign face.

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SECTION 7. G.S. 136-133.2 reads as rewritten:

"§ 136-133.2. Issuance or denial of a selective vegetation removal permit.

- (a) Except as provided in <u>subsection (b) of this section and G.S. 136-133.1(g)</u>, permits to remove vegetation may be granted for outdoor advertising locations that have been permitted for at least <u>two years one year</u> prior to the date of application. The Department shall approve or deny an application submitted pursuant to this section, including the fee required by G.S. 136-18.7 and all required documentation, within 30 days of the receipt of an application for a selective vegetation removal permit. If written notice of approval or denial is not given to the applicant within the 30-day period, then the application shall be deemed approved. If the application is denied, the Department shall advise the applicant, in writing, by registered or certified mail, return receipt requested, addressed to the party to be noticed, and delivering to the addressee, the reasons for the denial.
- (b) Notwithstanding the one-year period required in subsection (a) of this section, permits to remove vegetation may be granted for outdoor advertising locations, if the outdoor advertising has been relocated, as allowed by law, and the outdoor advertising otherwise complies with the requirements of this section and rules adopted by the Department in accordance with this section."

SECTION 8. G.S. 136-133.5(d) reads as rewritten:

- "(d) The Except for relocations authorized under G.S. 136-131.3, the Department shall not issue permits for new outdoor advertising signs at a sign location where existing trees, if they were to reach the average mature size for that species, would make the proposed sign faces, when erected, not completely visible from the viewing zone. "Existing trees" are those trees that at the time of the permit application are four inches or greater in diameter as measured six inches from the ground. "Viewing zone" means the area which is 500 feet as measured along the edge of the main travel way of the controlled route on each side of the proposed sign structure which will have a sign face."
- **SECTION 9.** If any provision of this act or its application is held invalid, the invalidity does not affect other provisions or applications of this act that can be given effect without the invalid provisions or application, and, to this end, the provisions of this act are severable.
- **SECTION 10.** This act is effective when it becomes law. Section 4 of this act applies to determinations of just compensation on or after the effective date. Section 5 of this act applies to outdoor advertising signs removed on or after January 1, 2014. Section 8 of this act applies to outdoor advertising signs relocated on or after the effective date.