

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and Commissioners

DATE: August 7, 2018

FROM: Douglas R. Gonzales
City Attorney

SUBJECT: Proposed Billboard Agreement with Blue Rooster Media, LLC for the removal and replacement of the existing billboard with a two-sided Light Emitting Diode (LED) technology billboard located at 2930 Hollywood Boulevard

I have reviewed the above captioned agreement for form and legality. The general business terms and other significant provisions are as follows:

- 1) Department/Division involved – Dept. of Development Services
- 2) Type of Agreement - Billboard Agreement
- 3) Method of Procurement (RFP, bid, etc.) - n/a
- 4) Term of Contract
 - a) initial -40 years consistent with the Charitable Contribution agreement.
 - b) renewals (if any) - n/a
 - c) who exercises option to renew - n/a
- 5) Contract Amount - Blue Rooster Media, LLC. (“BRM”) shall make Annual Charitable Contributions to the Hollywood Jaycees Foundation, Inc. (“Jaycees”) pursuant to the Agreement (See Paragraph 5) and if the Annual Contribution exceeds the \$25,000.00 minimum, the excess revenue shall be paid to the City to be distributed to another non-profit organization designated by the City Commission.
- 6) Termination rights – (a) In the event that BRM fails to perform any of its obligations under the Agreement (other than payment) and fails to cure any violation 90 days from written notice by the City, then the Billboard Agreement will automatically terminate and any permits issued for the LED Billboard will be revoked; (b) In the event that BRM fails to pay its Annual Contribution to the Jaycees or the City and does not cure this violation within 90 days, then this Agreement will automatically terminate and the billboard must be removed within 30 days; and (c) BRM may terminate this Agreement upon removal of the Billboard from the property after providing 30 days prior written notice to the City and Jaycees advising that BRM no longer intends to maintain or use the Billboard at the designated site.
- 7) Indemnity/Insurance Requirements – BRM indemnifies and provides insurance.

TERM SHEET BLUE ROOSTER MEDIA, LLC./JAYCEES BILLBOARD

8) Scope of Services – BRM shall make contributions to the Jaycees. The Annual Contribution shall mean 5% of BRM’s gross revenue per calendar year, solely related to the Billboard for the 40 year term of this Agreement, or \$25,000.00 per year, whichever is greater. The Annual Contribution shall be made as follows: (a) should the Annual Contribution be made at the \$25,000.00 cap then 100% of the Annual Contribution will be paid by BRM to the Jaycees; or (b) should the Annual Contribution exceed the \$25,000.00 minimum, the excess revenue shall be paid by HHI to Hollywood to be distributed to another non-profit organization designated by the City Commission. The Annual Contribution will be made on a quarterly basis on the last day of the each third month commencing on the first payment date after the date that the LED sign faces are erected and in use pursuant to the permits. **NOTE:** The Start Date shall be no later than 24 months following the date of execution of this Agreement by all parties. Also, to the extent that permits do not entitle BRM to conduct its Billboard advertising for a complete quarter following the Start Date or any anniversary thereof, the quarterly contributions of any such partial quarter shall be prorated and reduced accordingly.

NOTE: In the event that BRM terminates the Charitable Contribution Agreement entered into with the Jaycees for convenience, BRM shall within thirty (30) days enter into another Charitable Contribution Agreement with another non-profit organization. BRM shall notify the City of its decision to terminate and shall continue to pay the required charitable contribution set forth herein to the City until such time as BRM has executed the new Charitable Contribution Agreement.

9) City’s prior experience with Vendor (if any) –no

10) Other significant provisions – a) The Agreement allows for Advertising by the City based upon certain parameters (See Paragraph 10 of the Agreement); b) The Agreement provides for Emergency Notifications on the Billboard (See Paragraph 12); c) BRM shall not include advertising any tobacco product, adult retail, performance, entertainment establishment or service, or any advertising messages that may be reasonably construed as “hate speech”; d) BRM shall submit to the City by March 1st of each year a sworn statement prepared by a Certified Public Accountant licensed by the State of Florida, certifying that the appropriate Annual Contributions have been made to the Jaycees and/or City for revenues collected during the preceding calendar year. In the event that Hollywood decides to audit the Annual Contribution of BRM, BRM shall only bear the expense of such audit.

cc: Wazir A. Ishmael, Ph.D., City Manager