



10.0 PURPOSE

The purpose of this chapter is to guide decision-making and describe procedures for relocating, realigning, appraising or acquiring off-premise signs affected by Wisconsin Department of Transportation (WisDOT) highway projects. This process will determine what compensation, if any, is owed by WisDOT to the parties of interest.

10.0.1 Introduction

Off-premise outdoor advertising signs (billboards) are regulated in Wisconsin under a variety of statutes, regulations, and case law at the federal, state and local levels. Some regulations include: the federal Highway Beautification and Bonus Acts; relocation laws under Wisconsin Statutes §32.19 - 32.195 and Wisconsin Administrative Code Ch. Adm 92; the eminent domain statute, Wisconsin Statutes §32.05; the state outdoor advertising control laws, Wisconsin Statutes §84.30; Wisconsin Administrative Code Ch. Trans 201; agreements between Wisconsin and the United States Department of Transportation (USDOT) from 1961 and 1972; the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended; local ordinances; and the state and federal constitutions. In addition, provisions of a lease, easement or contract related to a sign site may affect how WisDOT proceeds.

This chapter details the procedures for WisDOT RE staff to follow so that compensation can be fairly determined and provided to both the sign owner and sign site owner. This is a multi-step process; when a billboard is encountered on a highway project, there are multiple issues to consider, over and above the sign structure itself. The complex set of regulations and requirements means that a WisDOT Real Estate (RE) specialist must carefully analyze each billboard encountered on a highway project. This requires close coordination with the Bureau of Technical Services - Real Estate (BTS-RE) staff and the regional outdoor advertising sign coordinator. Complex acquisitions may also include coordination with WisDOT's Office of General Counsel (OGC).

There are two basic components to consider when WisDOT is acquiring, realigning or relocating a billboard under eminent domain. First, there is the physical sign structure itself. Second, there may be a real estate interest in the underlying land being acquired, known as the sign site. If compensable, the sign site will be appraised as part of the acquisition of the underlying fee interest in the real estate. The real estate interests include any leasehold or easement interests and permit-based interests.

WisDOT must follow one of two statutory programs that govern compensation for off-premise signs affected by a project, depending on whether the sign is conforming or nonconforming; either Wis. Stat. §84.30, which applies to nonconforming signs; or, Wis. Stat. §§32.05, 32.19, 32.195(4) and Adm 92.64, which apply to conforming signs. Valuation of billboards has been the subject of litigation in Wisconsin, in the contexts of both eminent domain and property tax assessment. In several key Wisconsin Supreme Court decisions, discussed further in REPM 10.2.1, the court established and clarified several points that have dictated the development of this chapter:

1. When valuing signs and sign sites, WisDOT only acquires real property interests. It does not acquire businesses or business value.
2. Sign-related real property interests are the underlying fee, any sign site leasehold or easement interests, and the right to have a sign at a location under state and local regulation, whether by permit or as a nonconforming or grandfathered use.
3. The sign structure, in most cases, is the personal property of a tenant sign owner.

See APPENDIX C: Definitions specific or pertinent to REPM/Chapter 10.