

Bond Case Briefs

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BILLBOARDS - SOUTH DAKOTA

Lamar Advertising of South Dakota, L.L.C. v. City of Rapid City

Supreme Court of South Dakota - June 3, 2020 - N.W.2d - 2020 WL 2959720 - 2020 S.D. 30

Competitor filed declaratory judgment action against city and billboard company, requesting that settlement between them regarding company's signs be declared invalid. Billboard company filed counterclaim for tortious interference with contractual relations and sought declaration that similarly agreement between competitor and city was invalid.

The Circuit Court denied competitor's motion for summary judgment on its request for declaratory judgment, denied company's motion for summary judgment requesting that the court declare competitor's agreement with city void, and granted competitor's motion for summary judgment on counterclaim for tortious interference with contractual relations. Competitor appealed, and, by notice of review, company challenged denial of its summary judgment motion.

The Supreme Court held that:

- Settlement agreement between billboard company and city was a lawful conditional agreement which did not result in city contracting away its police powers;
- City did not act unreasonably and arbitrarily when it amended sign code as contemplated by settlement agreement;
- Permits issued to company were not void ab initio;
- Failure to exhaust administrative remedies by administratively appealing city's decision to issue sign permits precluded court challenge to permits; and
- Case did not present an extraordinary factual situation warranting review.