


REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: September 27, 2018

TO: Honorable Members of the City Council

FROM: Sharon M. Tso 
Chief Legislative Analyst

Council File No.: 00-1073-S1
Assignment No.: 18-09-0876

City's Coordinated Street Furniture Program

SUMMARY

On January 19, 2018, the City Council adopted recommendations relative to the Year Six Review of the City's Coordinated Street Furniture Program (Program). Council instructed the Bureau of Street Services (BSS) and the Chief Legislative Analyst (CLA), with the assistance of the City Attorney, to complete negotiations with Outfront JCDecaux, LCC (OFJCD) in 120 days to extend the term of the 20-year Agreement for Coordinated Street Furniture (Agreement) and provide enhanced services and City revenues. BSS was instructed to report with the amended contract upon completion of negotiations. Assuming negotiations did not conclude within 120 days or otherwise did not result in an extension of the Program, BSS was instructed to prepare a Request for Proposal (RFP) for a successor Program.

In response to Council's instruction, staff commenced negotiations with OFJCD on February 8, 2018. Negotiations concluded on June 28, 2018, with OFJCD making its best and final offer for a First Amended Agreement for the Coordinated Street Furniture Program (Amendment). BSS did not concur with the proposed terms and on August 31, 2018 transmitted a report recommending that Council instruct BSS, with the assistance of the City Attorney and the CLA, to report in 120 days with a draft Request for Proposal (RFP) for a successor Program.

While BSS did not concur, staff made substantial progress during negotiations and OFJCD's best and final offer included most of the terms requested by Council. This report outlines the terms of OFJCD's June 28, 2018 offer and sets forth two options for Council consideration. Council may choose to proceed with the RFP process recommended by BSS or accept the terms of OFJCD's offer and instruct staff to proceed with the preparation of a 10-year term Amendment for Council consideration.

RECOMMENDATIONS:

1. That the City Council adopt one of the following options:
 - a. Option 1: Instruct the Bureau of Street Services, with the assistance of the Chief Legislative Analyst and the City Attorney, to report in 120 days with a draft Request for Proposal for a successor to the City's Coordinated Street Furniture Program.
 - b. Option 2: Adopt the terms set forth in the term sheet attached to this report (Attachment 1) and instruct the Bureau of Street Services, with the assistance of

the Chief Legislative Analyst and the City Attorney, to draft a First Amended Agreement with Outfront JC Decaux, LLC for the Coordinated Street Furniture Program, reflecting those terms.

DISCUSSION

The current 20-year Agreement for Coordinated Street Furniture (Agreement) was executed by the City and Viacom Decaux LLC, now known as Outfront JCDecaux, LLC (OFJCD) on December 21, 2001. The Agreement established the City's Coordinated Street Furniture Program (Program). The Program requires OFJCD to design, manufacture, and install transit shelters, automated public toilets, public amenity kiosks, and newsstand vending kiosks (collectively referred to as "street furniture"). As part of the Program, OFJCD also operates an outdoor advertising program within the City's public right-of-way. The Program is self-funded in that revenue generated from the advertising component of the Program funds the capital, operational, and service costs of the Program. The Program also generates revenue for the City.

The Agreement expires on December 21, 2021 but permits the City and OFJCD to make mutually agreed upon adjustments to the Program if warranted by the findings of the Year Six Review. Specifically, the Agreement permits the City and OFJCD to make mutually agreeable adjustments and modifications to the Program, if appropriate, to achieve the service and revenue goals contemplated by the Agreement.

On January 19, 2018, after consideration of the Year Six Review, the City Council instructed BSS and the CLA, with the assistance of the City Attorney to complete negotiations with OFJCD to achieve the following:

- Extend the Program term by ten years;
- Adjust the Minimum Annual Fee (MAF) to reflect the current status of the 20-year agreement;
- Clarify past and future Possessory Interest Tax payments;
- Amend the Agreement's site approval process to help facilitate future street furniture installations moving forward in a timely manner;
- Pursue the installation of transit-related street furniture structures that reflects the types and quantities originally contemplated by the Agreement, including some upgraded services and technologies;
- Expand the use of shade shields at bus stops;
- Expand the use of Wi-Fi at bus stops;
- Add power washing and additional trash pickups to frequently used bus stops;
- Include the placement of refuse bins at the same locations as any street furniture, including a competitive solicitation to add solar powered trash compactor type waste bins; and
- Add full-time attendants to monitor certain public restrooms.

Council also instructed staff to provide further analysis of the Motion (Buscaino-Bonin) requesting that any negotiated contract extension with OFJCD exclude digital interactive media kiosks which display sponsored content while in passive mode, and provide directory

applications to draw residents and visitors to nearby restaurants, hotels, shopping, events and civic resources.

In response to these instructions, staff engaged in negotiations with OFJCD. Negotiations concluded with OFJCD making its best and final offer on June 28, 2018. BSS did not concur with the proposed terms and on August 31, 2018 transmitted a report recommending that Council instruct BSS, with the assistance of the City Attorney and the CLA, to report in 120 days with a draft RFP for a successor program.

Below, two options are presented for Council's consideration relative to the outcome of those negotiations. While BSS did not concur, staff made considerable progress during negotiations and this Office now transmits OFJCD's best and final offer for Council's consideration. Although not discussed in this report, the City Council may put forth its own best and final offer for consideration by OFJCD.

Option 1 – Proceed with the RFP Process Recommended by BSS

The August 31, 2018 BSS report recommends that Council instruct BSS, with the assistance of the City Attorney and the CLA, to report in 120 days with a draft RFP for a successor program. Although the report states that pursuing an RFP will allow the City to “perform due diligence, modernize the Program, and explore street furniture options,” BSS has not proposed any parameters for the recommended RFP. Prior to preparing a draft RFP for Council's consideration, direction is required concerning the policy objectives to be addressed through a successor program. The following issues should be taken into consideration when determining the scope of a successor program:

- Automated Public Toilets (APTs): Through the Program, OFJCD has installed and maintains 15 APTs. The Agreement calls for the installation, operation, and maintenance of 150 APTs. The advertising revenue generated by the Program funds the installation, operation, and maintenance costs associated with this furniture. The Agreement regards APTs as proprietary and stipulates their removal at the end of the contract. The proposed OFJCD Amendment includes the installation of 15 additional APTs to increase the Program total to 30. The timeline for installation of the 15 APTs is detailed in Attachment 2.

In 2017, three of the Program's APTs, located in Council Districts 13 and 14, were selected as sites for the Mobile Pit Stop Pilot Program. Attendants were placed at those APTs and resulted in a 106 percent increase in daily use over a period of four months. On August 10, 2018, Council approved an extension of the Mobile Pit Stop Program, including the addition of attendants at three additional APTs located in Council District 14. If Council wishes to continue utilizing APTs in the Mobile Pit Stop Program beyond the 2021 expiration of the current street furniture Program, the City must pursue a successor program which incorporates APTs or initiate a separate APT program.

- Other Types of Street Furniture: In addition to transit shelters and APTs, the current Agreement requires OFJCD to design, manufacture, and install public amenity kiosks (PAKs), pillars, and newsstand vending kiosks (VKs). To date, OFJCD has installed 197 PAKs and six VKs. Both PAKs and VKs are revenue generating street furniture. This

furniture contributes to overall Program receipts, thereby supporting the services provided by OFJCD including the installation and maintenance of transit shelters and APTs.

In developing a successor program, Council may wish to select specific policy objectives to be serviced by the successor program. For example, a successor program may focus solely on transit shelters, excluding other types of street furniture.

- Advertising Exclusivity: Staff was also directed to provide an analysis of a Motion (Buscaino-Bonin) concerning digital interactive media kiosks. The Motion instructed staff to negotiate a contract extension that excludes digital interactive media kiosks which display sponsored content while in passive mode, and provide directory applications to draw residents and visitors to nearby restaurants, hotels, shopping, events and civic resources. The Motion also instructed staff to negotiate a revised definition of “public amenity kiosk” (PAK) to exclude digital interactive media kiosks.

During the course of negotiations, staff became aware of a contract between the Los Angeles Department of Convention & Tourism Development (CTD) and the Los Angeles Tourism and Convention Board (LATCB). One of the objectives outlined in the contract requires LATCB to facilitate and track engagement with those visiting Los Angeles for both conventions and leisure travel to enhance the visitor experience with the intent of encouraging repeat visitation and longer stays. One of the deliverables is to enhance the visitor experience through several means, including the installation of digital kiosks.

Staff was also informed of a proposal by IKE Smart City, LLC to fabricate and place digital interactive kiosks in the public right-of-way at numerous locations across the City. Locations have not yet been selected. This proposal was discussed with OFJCD, with City staff expressly asking if OFJCD would accept a carve-out for these kiosks installed in the public right-of-way.

OFJCD’s June 28, 2018 offer does not provide a carve-out for advertising based kiosks such as those contemplated by LATCB in the public right-of-way. Under the existing Agreement, OFJCD has the exclusive right to display outdoor advertising in the public right-of-way in a format between 15 and 55 square feet. The City has retained all advertising rights not expressly granted to OFJCD. The City, however, also agreed that it will not permit any party other than OFJCD to sell or display commercial advertising in the public right-of-way.

OFJCD is not opposed to the installation of non-advertising digital kiosks displaying public information and services in the public right-of-way. OFJCD proposed allowing a third party vendor to install up to 50 non-advertising digital interactive panels at transit shelters in key locations across the City. Any such arrangement would require separate negotiations between OFJCD and the third party vendor to select locations and define maintenance obligations.

During negotiations, staff was also made aware of the need to negotiate carve-outs to allow advertising in the public right-of-way during global special events such as the 2028 Summer Olympic Games and World Cup 2026 and by the Metro Bike Share Program.

Metro Bike Share Advertising: In May 2018, Metro's Board adopted the new Bike Share Business Plan for the Metro Bike Share Program. The Bike Share Business Plan includes three sponsorship options – title sponsorship, advertising on station ad-panels, and non-title sponsorship. Metro continues to pursue a system wide title sponsor for the Bike Share Program. A title sponsor would be entitled to naming rights or prominent recognition across all Bike Share equipment.

Metro has reserved the right to sell advertising rights to sponsors. Any revenue generated from the sale of sponsorship rights would first be applied to Metro's funding commitment. Jurisdictions participating in the Bike Share Program have the right to sell advertising on station ad-panels. Revenue generated from the sale of advertising on station ad-panels would be used to offset the local share of Bike Share capital and operating expenses.

Under the current Agreement, the City and Metro may not sell advertising on bike share station ad-panels. Staff expressly asked OFJCD if they would agree to provide a carve-out for the Bike Share Program. OFJCD agreed to provide a carve-out to allow Metro to obtain a title sponsor. This carve-out would permit advertising, by the title sponsor, on bike share assets, including station ad-panels. Additionally, OFJCD agreed to a carve-out for non-title sponsorship which would include commercial displays on essential areas of the bicycles such as the skirt guard, basket and/or handlebar decals.

OFJCD did not agree to a carve-out allowing a third party or Metro to sell and display non-title sponsor commercial advertisements on station ad-panels. Instead, OFJCD stated that they are willing to administer, manage, and perform commercial advertising on station ad-panels. OFJCD would then separately track and manage bike share revenues. Those revenues would then be remitted to the City and/or Metro to offset operational costs.

Advertising for Global Special Events: Staff also negotiated advertising allowances for global special events. OFJCD agreed to reserve media panels at areas surrounding venues or areas selected by the City's Olympic Organizing Committee. Those panels would be available for exclusive use by the Organizing Committee prior to and during the 2028 Summer Olympic Games. OFJCD also agreed to provide a similar allowance for other global special events. Panel locations and the total number available will be determined through future discussions between OFJCD, the City, and the event organizing entity.

Throughout negotiations, OFJCD maintained that the amended agreement must retain the exclusivity provisions to preserve the Agreement's advertising value, which is necessary to sustain and deliver services equitably throughout the City. Since the execution of the Agreement, the number of possible avenues for advertising both in the public right-of-way and outdoors generally, has increased. Aside from outdoor advertising covered by the Agreement, outdoor advertising in the City includes, among other things, advertising on bus benches, buses, rail lines, construction barricades, trash cans, and billboards.

A May 2018 outlook prepared by the Outdoor Advertising Association of America reported that out-of-home or outdoor advertising (OOH) represented 4.2 percent of the overall American share of advertising spending (ad spend) in 2017. OOH advertising is comprised of four major categories: billboards, transit, place-based (e.g. restaurants, health clubs, and college campuses), and street furniture. In 2017, Street Furniture, defined as bus shelters, bus benches, newsracks, newsstands, phone kiosks, and digital furniture constituted only 5.5 percent of the OOH market in the United States. Nationwide, the total ad spend on Street Furniture was \$424.5 million. By comparison, in 2017 digital advertising (mobile/desktop) represented 45.8 percent (\$85.2 billion) of the overall American share of advertising spending in 2017.

Considering the growth in digital advertising, it is unclear whether providing an avenue for additional advertising in the public right-of-way would necessarily result in substantially greater revenues. Additional analysis would be required to determine the full potential of the outdoor advertising market in Los Angeles, with emphasis on the value of advertising occurring within the public right-of-way.

- Contractual Ownership Provisions: If Council proceeds with an RFP process, the City must prepare for the expiration of the current Agreement. All street furniture “shall become the property of the City upon installation,” subject to the “rights of the parties” as detailed in the Agreement. The Agreement provides the following three options for addressing the Program street furniture at the 2021 expiration of the Agreement. Regardless of the option chosen, APTs are regarded as “technical and proprietary” and will be removed by OFJCD.

1. The City may direct OFJCD to remove all Program street furniture and restore sidewalk areas to their original condition at OFJCD’s expense. A new contractor would then be required to provide new street furniture at more than 2,000 locations across the City.

Since 2001, OFJCD has installed 657 new transit shelters, 197 PAKs, 53 replacement transit shelters, 15 APTs, and six VKs. Pursuant to the Agreement, OFJCD also maintains 1,210 transit shelters installed prior to 2001, over 35 community transit shelters, 50 Rapid Bus Stations, and over 1,850 litter bins.

2. The City may direct OFJCD not to remove all non-APT Program street furniture. The City may then choose to operate its own non-advertising/non-revenue generating program utilizing Program furniture.

In doing so, the City would also assume responsibility for obtaining the equipment, parts, personnel, vehicles, and funding necessary to maintain the existing street furniture. BSS estimates the City’s costs to successfully maintain and operate the more than 2,000 existing street furniture sites (excluding APTs) to current contract standards will be at least \$4.95 million dollars annually at 2018 salary rates. This figure does not account for the cost of any replacement parts the City would be required to procure in its maintenance of street furniture.

Under the current Agreement, OFJCD is contractually obligated to maintain, service, and operate all street furniture and would continue to do so under the proposed Amendment. The City is not required to provide resources for those responsibilities.

3. The City may direct OFJCD not to remove all non-APT Program street furniture. The City may then award a contract to designate a new contractor to operate an advertising based/revenue generating successor program.

However, the new contractor would be required to pay OFJCD the “fair market value” of the Program street furniture at the time the City awards a contract for the successor program. The value of street furniture installed during the Program is estimated to be \$22 million. The Agreement does not provide a method for determining the “fair market value” of the installed furniture. This issue would require negotiations with OFJCD and disclosure in an RFP for a successor program.

Option 2 – Accept OFJCD’s June 28, 2018 Best and Final Offer

Negotiations with OFJCD focused on the recommendations adopted by Council and as discussed above, also included consideration of additional issues brought to staffs’ attention during the course of negotiations. These additional items include advertising allowances for global special events such as the 2028 Summer Olympic Games and World Cup 2026 and the Metro Bike Share Program.

Negotiations concluded on June 28, 2018, with OFJCD putting forth its best and final offer for a 10-year extension of the Program, with all terms effective upon adoption of the proposed amendment. The offer addressed many of the issues identified by the Controller’s 2012 audit, the Year Six Review, the City Council, and the Mayor. OFJCD’s June 28, 2018 offer is detailed in Attachment 1.

Broadly, the offer includes a revised site approval process to facilitate the timely installation of 630 new transit shelters, 900 replacement shelters, 100 PAKs, and 15 APTs in accordance with the rollout schedule detailed in Attachment 2. The offer also provides an option allowing the City to utilize 160 of the 900 replacement shelters to accommodate new transit shelter requests. At the conclusion of the proposed rollout period, the City would have over 2,500 transit shelters, 297 PAKs, and 30 APTs.

The offer also includes a list of improvements for new and/or existing transit shelters such as technological upgrades, LED lighting, increased trash pickup and power washing services, and the incorporation of 200 digital media panels in select locations.

New transit shelter locations would be selected based on an analysis of Metro ridership data to provide each Council District with new shelters at their most frequently used Metro bus stops which currently lack and can accommodate shelters. Attachment 3 provides the results of this analysis for each Council District. OFJCD provided 15 maps identifying newly proposed bus shelter locations for each Council District. The newly proposed locations were selected by BSS, starting with a universe of bus stops with the top 20 percent boardings in each district. That pool

of bus stops was narrowed to those which do not currently have a bus shelter and have the sidewalk width necessary to accommodate a shelter.

OFJCD's offer also increases the potential revenue to be realized through the Program. The offer adjusts the minimum annual fee, guaranteeing the City \$130,530,300 over 13 years (the remaining three years of the current contract term, plus the 10 year extension). OFJCD also agreed to a new two tiered percentage fee structure. The proposal increases the City's baseline revenue share percentage from 20 to 25 percent of gross cash receipts and creates a second 50 percent revenue sharing tier. Based on OFJCD's projections, the amended revenue structure would result in total combined fees (MAF + Percentage Fee) of \$144.093M over 13 years. This figure assumes the Program will experience a jump in receipts during the rollout period (2019-2020) but will experience modest increases of 3 percent annually from 2021 through 2031. At 3 percent annual growth, Program receipts would remain within the 25 percent revenue sharing tier for the duration of the proposed amendment, with amounts above a 3 percent annual growth subject to the 50 percent revenue sharing tier.

Beginning in 2006, the City's Program revenues have increased at an average annual rate of 6.01 percent. This is attributed in part to a large increase between 2011 and 2012. Assuming the Program's receipts grow 3 percent annually for the remaining three years of the current Agreement, the City would receive an additional \$18,205,010 over the remaining three years of the 20-year Program (2019-2021) with a projected Program total of \$84,336,420. By comparison, under the proposed 10-year amendment, the City is projected to receive \$26.7M between 2019 and 2021, with a projected amended Program total of \$144M. This is an increase of \$8.5M over the next three years and a \$59.8M increase over the project Program total for the current 20-year Agreement.

OFJCD also offered significant changes to the Agreement's contractual ownership provisions, eliminating much of the burden inherent in the current ownership provisions which are triggered at the end of the contract. The ownership provisions contained in the proposed amended Agreement are addressed in more detail in Attachment 1.

Of the negotiation points adopted by Council, the offer does not include the following:

- Solar powered trash compactor type waste bins;
- Full time attendants to monitor certain public restrooms; or
- A carve-out for advertising based digital interactive kiosks to be installed in the public right-of-way.

To effectuate Option 2, the Council may adopt the terms set forth in the term summary sheet (Attachment 1) and instruct BSS, with the assistance of the City Attorney and the CLA, to draft a First Amended Agreement with OFJCD for the Coordinated Street Furniture Program, reflecting those terms.

Fiscal Impact Statement

The City's current 20-year Agreement expires in 2021. If the City pursues an RFP (Option 1), the City will not receive any additional street furniture over the remainder of the Agreement. Under the current Agreement, the City is projected to receive an additional \$18M between 2019

and 2021. At the end of the contract, total 20-year Program revenues are projected to be \$84M. Beyond 2021, the fiscal impact of pursuing an RFP will depend on which option the City pursues at the expiration of the Agreement. At a minimum, if the City wishes to continue providing APTs, the City will incur costs associated with the procuring and operating that furniture.

Under the proposed Amendment (Option 2), the City will receive additional furniture installations between 2019 and 2024. The City will also receive a minimum of \$130M over 13 years. Assuming 3 percent growth in the Program over the next 13 years, the City is projected to receive a 13-year extended Program total of \$144M. If the Program grows by more than 3 percent in any given year, the City has the potential to receive additional revenue under the 50 percent sharing tier.

**Coordinated Street Furniture Program First Amended Agreement
June 28, 2018 Term Sheet**

1. Contract Term

The City's current 20-year Agreement for the Coordinated Street Furniture Program (Agreement) expires on December 21, 2021.

The First Amended Agreement (Amendment) will extend the term of the Agreement for 10 additional years. The terms set forth in the Amendment will be effective upon adoption of the Amendment and the Agreement will expire in 2031.

2. Minimum Annual Fee (MAF) & Revenue Sharing (Percentage Fee)

The current Agreement guarantees the City 20 percent of OFJCD's gross cash receipts (GCR), paid in two separate annual payments – the MAF and the Percentage Fee. Assuming full compliance with the approved roll-out schedule, the Agreement guaranteed the City \$150 million in MAF payments over 20 years. The Percentage Fee is paid annually if 20 percent of OFJCD's GCR exceeds the adjusted MAF. To date, the City has received a total of \$66.39 million (\$45.38 million in MAF and \$21.01 million in Percentage Fee payments).

The Amendment will reset the MAF beginning in 2019, guaranteeing the City a total of \$130,530,300 over 13 years. The MAF will be paid according to the follow schedule:

Program Year		Minimum Annual Fee
1.	2019	\$8M
2.	2020	\$8.3M
3.	2021	\$8.603M
4.	2022	\$8.921M
5.	2023	\$9.251M
6.	2024	\$9.594M
7.	2025	\$9.949M
8.	2026	\$10.317M
9.	2027	\$10.698M
10.	2028	\$11.094M
11.	2029	\$11.505M
12.	2030	\$11.930M
13.	2031	\$12.372M
Total		\$130.534M

The proposed Amendment will also establish two revenue sharing tiers. The first tier Guarantees the City 25 percent of OFJCD's projected GCR. The second tier entitles the City to 50 percent of all GCR above certain thresholds as set forth below:

Program Year	25% Revenue Share	50% Revenue Share
1 (2019)	all gross revenue receipts	N/A
2-4 (2020-2022)	GCR up to \$40,000,000	all GCR above \$40,000,000
5-7 (2023-2025)	GCR up to \$45,000,000	All GCR above \$45,000,000
8-10 (2026-2028)	GCR up to \$50,000,000	All GCR above \$50,000,000
11-13 (2029-2031)	GCR up to \$53,000,000	All GCR above \$53,000,000

The projected total combined fees (MAF + Percentage Fee) is \$144.093M. This assumes the GCR remain at the 25 percent revenue share level for the duration of the Amendment.

3. **Possessory Interest Tax (PIT)**

OFJCD will pay the PIT for the remainder of the Amendment and the City will relinquish monies held in escrow (\$3.3M) to offset the PIT paid by OFJCD prior to the amendment. Those funds are held in escrow pursuant to the Article 24 Remedy for Delay provisions which permit adjustments to the MAF based on approved permit applications. Release of the monies held in escrow will result in no fiscal impact to the City.

4. **Contractual Ownership Provisions**

Under the proposed Amendment, OFJCD will have no ownership, possessory, or end of term residual interest in any street furniture, with the exception of APTs which are regarded as proprietary. OFJCD will remove all APTs at the end of the extended contract term and will be required to restore the sidewalk locations at OFJCD's expense.

At the end of the extended contract term, the City will be permitted to freely determine the fate of all non-APT street furniture. The City's option will include (1) removing all street furniture, at the City's expense; (2) assigning removal costs to a new program operator; or (3) allowing a new operator to use the City's street furniture for an advertising based successor program without any financial liabilities owed to OFJCD.

5. **Site Approval Process**

The current approval process is a lengthy, sixteen step permitting process which applies to all types of street furniture. The Controller's 2012 audit found the current approval process to be cumbersome and identified it as a source of delays in approving the permits required for the City to receive the full MAF. At the time of the Controller's audit it took the City, on average, 129 days to approve sites and permits. Prior to the audit, several unsuccessful attempts were made to revise the site approval and permitting process. The Controller recommended all involved parties develop a revised site approval and permitting process for incorporation in any future contract amendment.

Under the proposed Amendment, transit shelters will be installed pursuant to the following revised process:

1. BSS will be provided with general approval to install shelters at recognized bus stops (excluding drop off only stops & layover zones).
2. Notification of selected and approved sites will be provided to Council offices.
3. Exemptions will be provided relative to Historic Preservation Overlay Zones, Specific Plans, and other district restrictions to facilitate the installation of transit shelters where needed.
4. The initial site selection process for the placement of new transit shelters will be based upon an analysis, undertaken by BSS, of Metro ridership data in each Council District.
5. OFJCD will continue to perform community outreach in coordination with Council Offices, Neighborhood Councils, and community groups. Additional locations for new transit shelters will be developed through requests received

from elected officials, Neighborhood Councils, transit riders, transit operators, and City agencies.

Other Street Furniture (Public Amenity Kiosks (PAKs), Pillars, Vending Kiosks; collectively “OSF”) will be installed pursuant to the following revised process:

1. BSS/Board of Public Works approval with courtesy notification provided to Council Office and adjoining property owner.
2. The installation of OSF will still require technical review by BSS, Bureau of Street Lighting, Bureau of Engineering, and the Department of Water and Power.
3. Furniture will not be installed on residential collector or local streets and will not be allowed within 300’ on the same block face of nursery-12th grade schools, child care facilities, faith/religious facilities or other sensitive areas.

Automated Public Toilets (APTs) will be installed pursuant to the current approval process for street furniture. Among other things, this will require Council Office pre-approval, property owner notification with ability to object, as well as BSS and LAPD pre-approval of locations.

The following will still be required for all street furniture installations:

1. Site drawings
2. A-Permit required for Transit Shelters & OSF installations
3. B-Permit required for APT installations.

6. Installation & Upgrade of Transit Shelters

Within the first two years of the Amendment, OFJCD will install 630 new shelters within the first two years of the amendment, 315 of which will be non-advertising. OFJCD will still be obligated to install 900 replacement shelters to maintain the overall inventory of transit shelters for the duration of the Program and replace those that are no longer serviceable. OFJCD will allow the City to utilize 160 replacement shelters to accommodate new transit shelter requests, a portion of which may contain advertising.

Where technically feasible, OFJCD will install double shelters to provide additional shade for transit riders and will provide modified transit shelters where necessary to fit specific sites. OFJCD will upgrade a minimum of 300 transit shelters (20 per Council District) with smart shelter upgrades. Those upgrades will include the installation of features such as solar panels, free Wi-Fi (5G hotspots when available), and USB charging ports. All new and replacement transit shelters will be equipped with LED lighting.

Transit shelters will also be used as a platform for Metro’s electronic bus arrival message signs (Nextrip) with a “push to talk” option for the visually impaired.

The proposed Amendment will allow OFJCD to integrate and co-locate small cells on transit shelters should they be desired by telecommunications companies. OFJCD agreed to equally share any compensation received with the City.

7. **Digital Media Panels**

The current Program does not currently feature digital media panels. The proposed Amendment will provide for the installation of 200 digital media panels, in lieu of static displays, in street furniture across the City.

Digital media panels require 24-hour electrical power, at higher levels than those required by the City's current street furniture. Staff reviewed OFJCD's proposal with DWP and confirmed that the installation of digital media panels will be reviewed by DWP on a case-by-case basis to determine the availability of required power facilities. DWP will not require the installation of metered service and will charge OFJCD a flat rate based on actual wattage used.

Placement of digital media panels will be limited to major thoroughfares, adjacent to commercial or industrial establishments/properties and similar areas with high levels of pedestrian activity. The placement of digital media panels will be determined using the same placement requirements outlined for OSF.

8. **Litter and Recycling Bins & Power Washing**

OFJCD will provide a third weekly trash collection at 50 percent of the City's transit shelters and will provide a fourth weekly litter collection at up to 1,000 transit shelters. OFJCD will work with individual Council Offices to determine which shelters require these increased services.

OFJCD will also provide recycling and upgraded litter bins at all 630 new transit shelter locations, as well as any location where the existing litter bin is in need of replacement.

Staff determined that incorporation of solar powered trash compacting refuse bins was infeasible based on the cost to procure and maintain such. The proposed Amendment does not preclude a competitive solicitation for these bins outside of the Program.

OFJCD will provide a 40 percent increase in the annual number of power washes. OFJCD currently provides 6,000 power washes annually. As with trash collection, OFJCD will work with Council Offices to determine the locations most in need of the increased services.

9. **Installation of OSF**

OFJCD will install 100 new PAKs. The requirement to install pillars and VKs will be eliminated and the Amendment will provide the option to install of up to 100 pillars and 100 VKs, based upon requests from Council Offices.

10. **APTs & Full-Time Attendants**

OFJCD will install 15 additional APTs over a five year period. Under the current Agreement, OFJCD's share of APT "connection costs" is capped at \$150,000 for each group of five APTs. "Connection costs" are defined as all work necessary, including trenching, to bring electrical, telephone, fiber optics, water and sewer services to an APT site. The City is responsible for all connection costs in excess of the cap. The amendment will increase the connection costs cap to \$110,000 per APT, minimizing the City's obligation to fund connection costs.

The City will also have the option to obtain additional APTs provided the City reimburse OFJCD for the fabrication, installation, and maintenance costs for any additional APTs.

The Amendment will not include full-time restroom attendants. The City currently funds restroom attendants at three APTs as part of the Mobile Pit Stop Program. On August 10, 2018, Council approved an expansion of that the Mobile Pit Stop Program to include attendants at three additional APTs.

11. Street Furniture Installation Rollout & Guarantee

All Street Furniture will be installed in accordance with the roll out schedule in Attachment 2. Year one of the amended program and installation of new furniture, will commence on the earlier of the following two dates, July 1, 2019 or five months from the execution of the proposed amendment.

The amendment will contain provisions permitting the City to collect liquidated damages if OFJCD fails to install new street furniture within specified time frames. Status of installations will be reported to Council on an annual basis. The parties will be permitted to adopt mutually agreed upon adjustments to the installation schedule to account for unforeseen conditions that may cause a delay in street furniture installations.

12. Special Event Advertising:

Media panels will be reserved at areas surrounding venues or areas selected by the City's Olympic Organizing Committee for the exclusive use of the City's Olympic Organizing Committee prior to and during the 2028 Olympic Games. OFJCD also agreed to reserve media panels for the City or event organizers of other global special events. Panel locations and numbers are subject to future discussions between the City, OFJCD, and the appropriate event organizing entity.

13. PSA Panels:

300 "A-Face" panels on transit shelters and all PAK panels will be available for the display of public service announcements.

14. Advertising Restrictions:

The Amendment will allow the City to enforce current policies regarding allowable content for advertising in the public right-of-way (e.g. prohibitions on advertising alcohol).

15. Metro BikeShare Station Advertising Allowance

OFJCD is agreeable to permitting a carve-out to allow title sponsorship, which would include advertising, by the title sponsor, on all bike share assets, including station ad-panels and non-title sponsorship which would include commercial displays on essential areas of the bicycles.

OFJCD is also willing to administer, manage, and perform commercial advertising on station ad-panels. OFJCD would track and manage revenues derived from bike share station ad-panels separately from other Program revenues and provide bike share ad revenues to the City and/or Metro to offset bike share operational costs.

The Amendment will not provide a carve-out to allow a third party or Metro to display commercial ads, not associated with a title sponsor, on station ad-panels.

16. **Other Digital Advertising Allowance** (i.e. Convention and Visitors Bureau - IKE proposal):
The Amendment will not include a carve-out for digital interactive kiosks, displaying advertising, in the public-right-of-way. OFJCD will allow a third party vendor to house up to 50 non-advertising digital interactive panels at OFJCD transit shelters located in key spots throughout the City. This would require discussion between OFJCD and any third-party vendor to determine the appropriate locations for the installation of panels and to set forth maintenance responsibilities.

Attachment 2

City of Los Angeles Street Furniture Roll Out Schedule

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	TOTAL
New Bus Shelters	330	300										630
<i>No Ad Bus</i>	170	145										315
<i>Ad Bus</i>	160	155										315
Smart Bus Shelters	100	100	100									300
Digital Media Panels	100	100										200
Replacement Bus Shelters			130	130	130	130	130	70	60	60	60	900
New PAK	40	50	10									100
New Public Toilets		2	5	4	3	1						15

NOW APPROACHING

Bus Shelters Across Los Angeles CD1

KEY

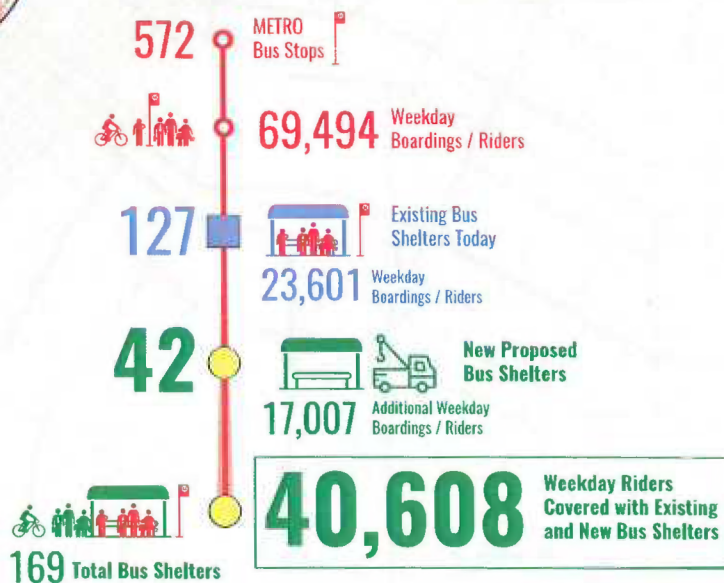
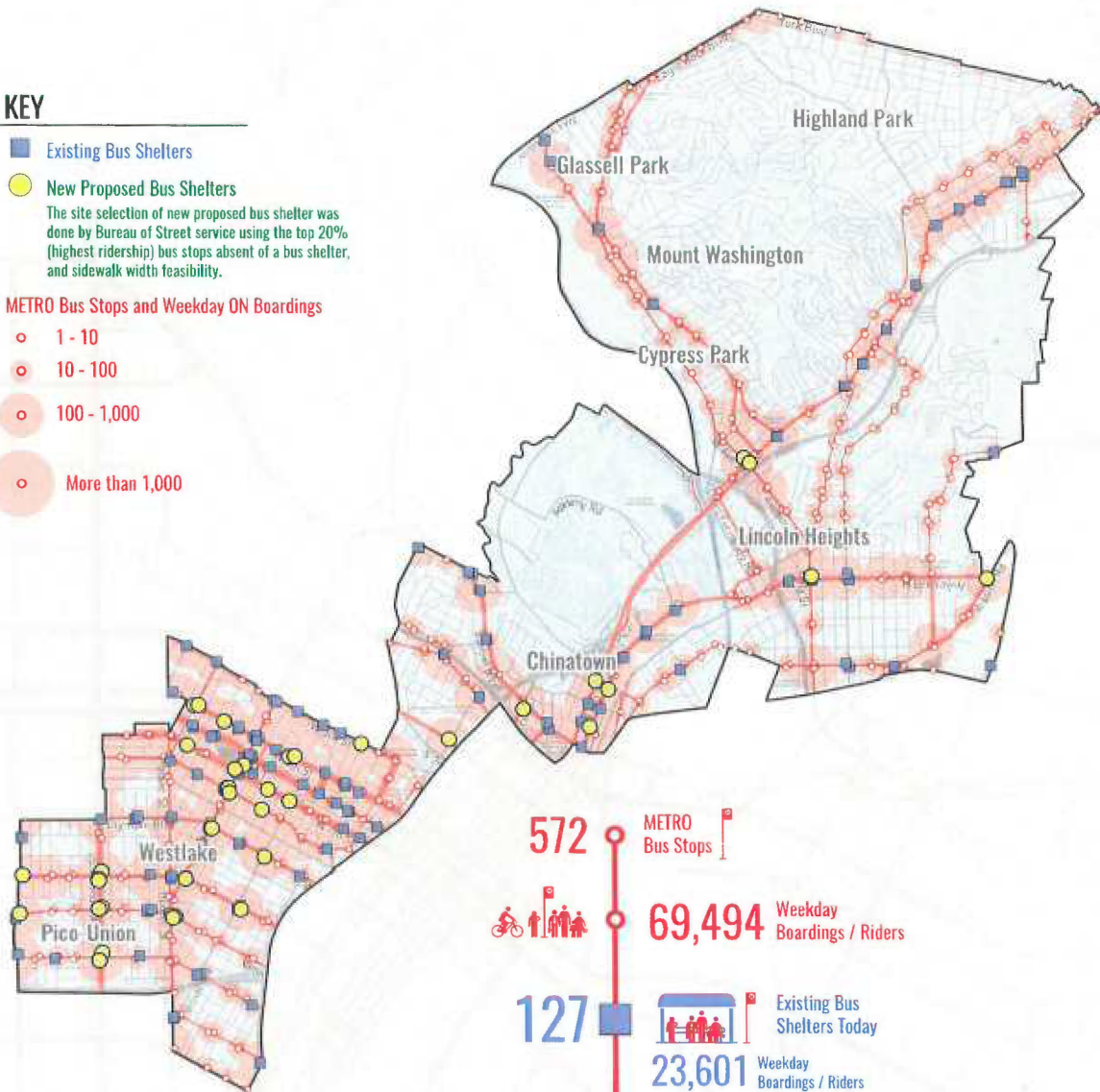
■ Existing Bus Shelters

● New Proposed Bus Shelters

The site selection of new proposed bus shelter was done by Bureau of Street service using the top 20% (highest ridership) bus stops absent of a bus shelter, and sidewalk width feasibility.

METRO Bus Stops and Weekday ON Boardings

- 1 - 10
- 10 - 100
- 100 - 1,000
- More than 1,000

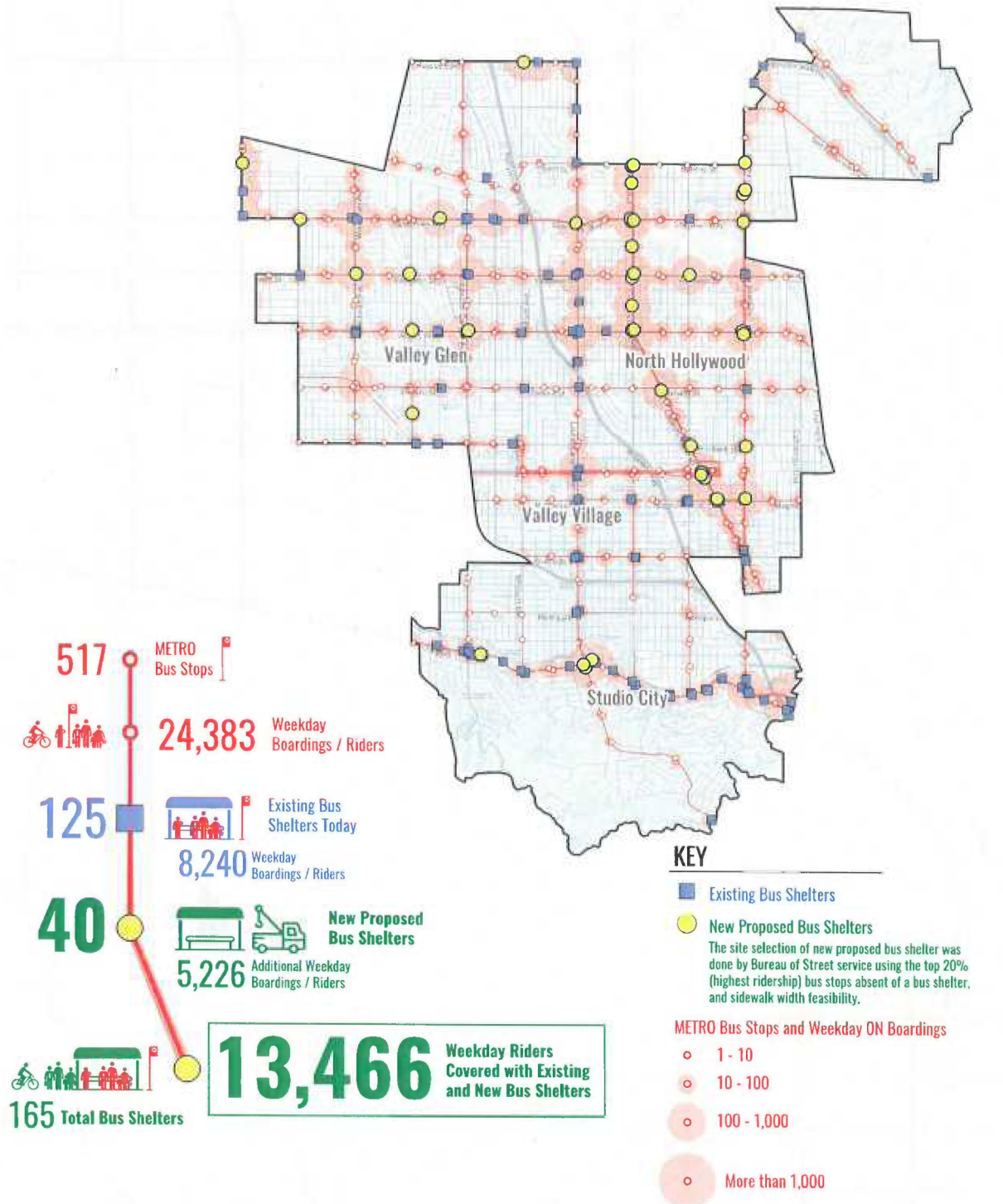


Sources: Potential locations identified by LACITY Public Works | LACMTA Boardings June 2017 LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Geohub Portal. Includes only MTA Bus Stops, all other transit authorities are not included (i.e. DASH, Big Blue Bus, Culver City Bus and others). Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018



NOW APPROACHING

Bus Shelters Across Los Angeles CD2



Sources: Potential locations Identified by LACITY Public Works | LACMTA Boardings June 2017 LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Gedhub Portal
Includes only MTA Bus Stops, all other transit authorities are not included (i.e. DASH, Big Blue Bus, Culver City Bus and others).
Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018



NOW APPROACHING

Bus Shelters Across Los Angeles CD3

KEY

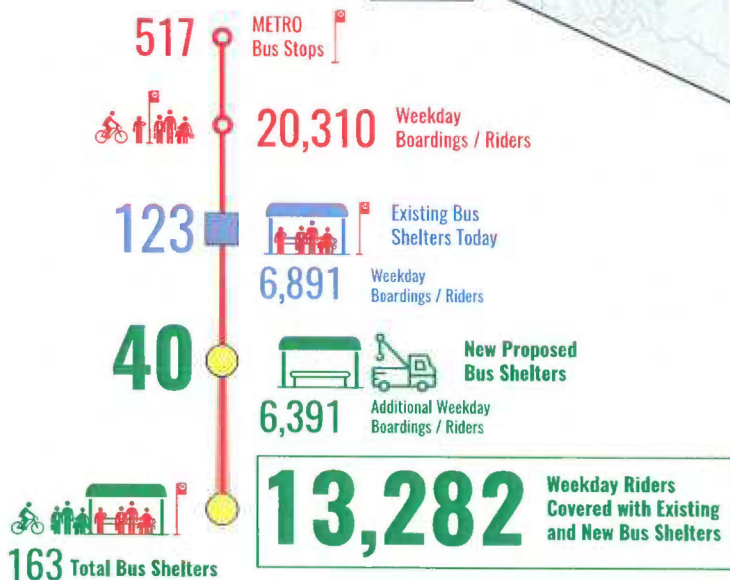
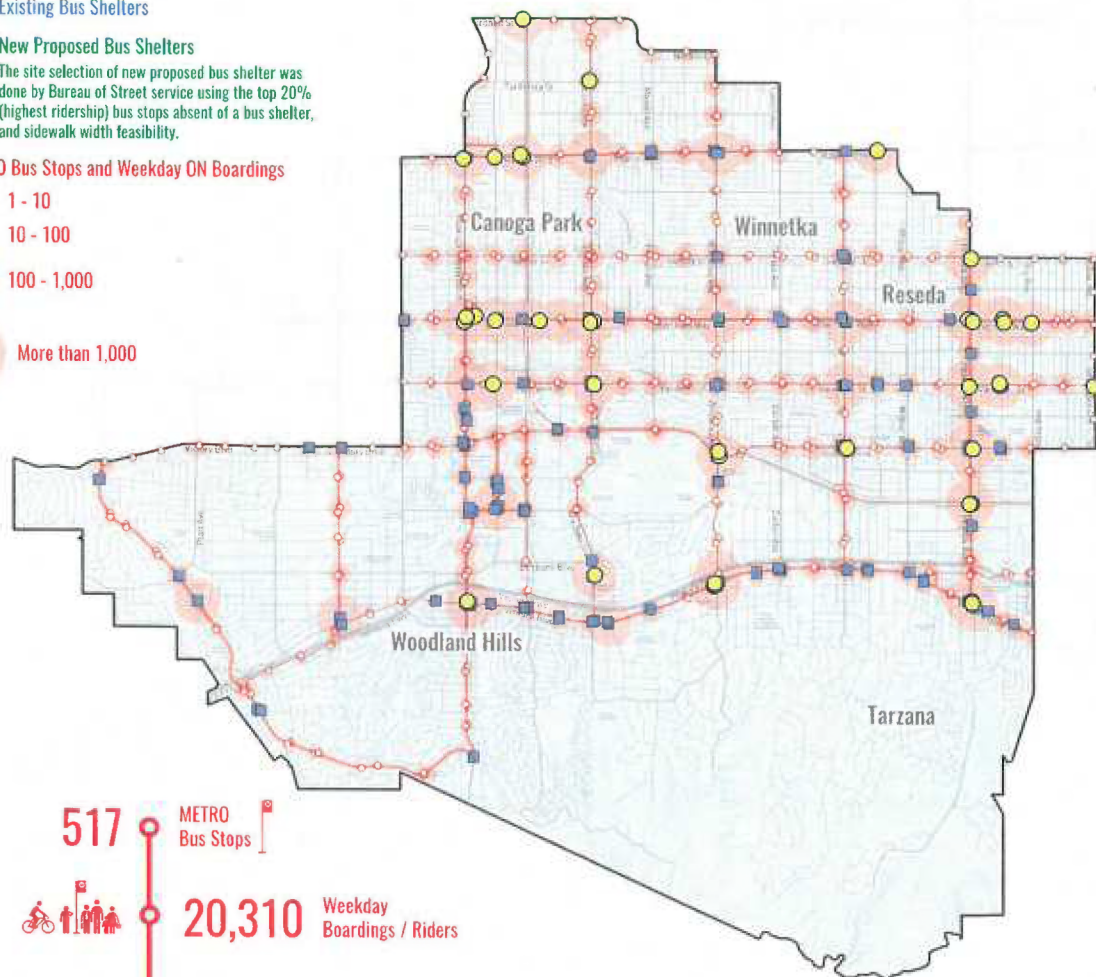
 Existing Bus Shelters

 New Proposed Bus Shelters

The site selection of new proposed bus shelter was done by Bureau of Street service using the top 20% (highest ridership) bus stops absent of a bus shelter, and sidewalk width feasibility.

METRO Bus Stops and Weekday ON Boardings

-  1 - 10
-  10 - 100
-  100 - 1,000
-  More than 1,000



Sources: Potential locations Identified by LACITY Public Works | LACMTA Boardings June 2017 LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Geohub Portal. Includes only MTA Bus Stops, all other transit authorities are not included (i.e. DASH, Big Blue Bus, Culver City Bus and others). Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018



NOW APPROACHING

Bus Shelters Across Los Angeles CD4

KEY

 Existing Bus Shelters

 New Proposed Bus Shelters

The site selection of new proposed bus shelter was done by Bureau of Street service using the top 20% (highest ridership) bus stops absent of a bus shelter, and sidewalk width feasibility.

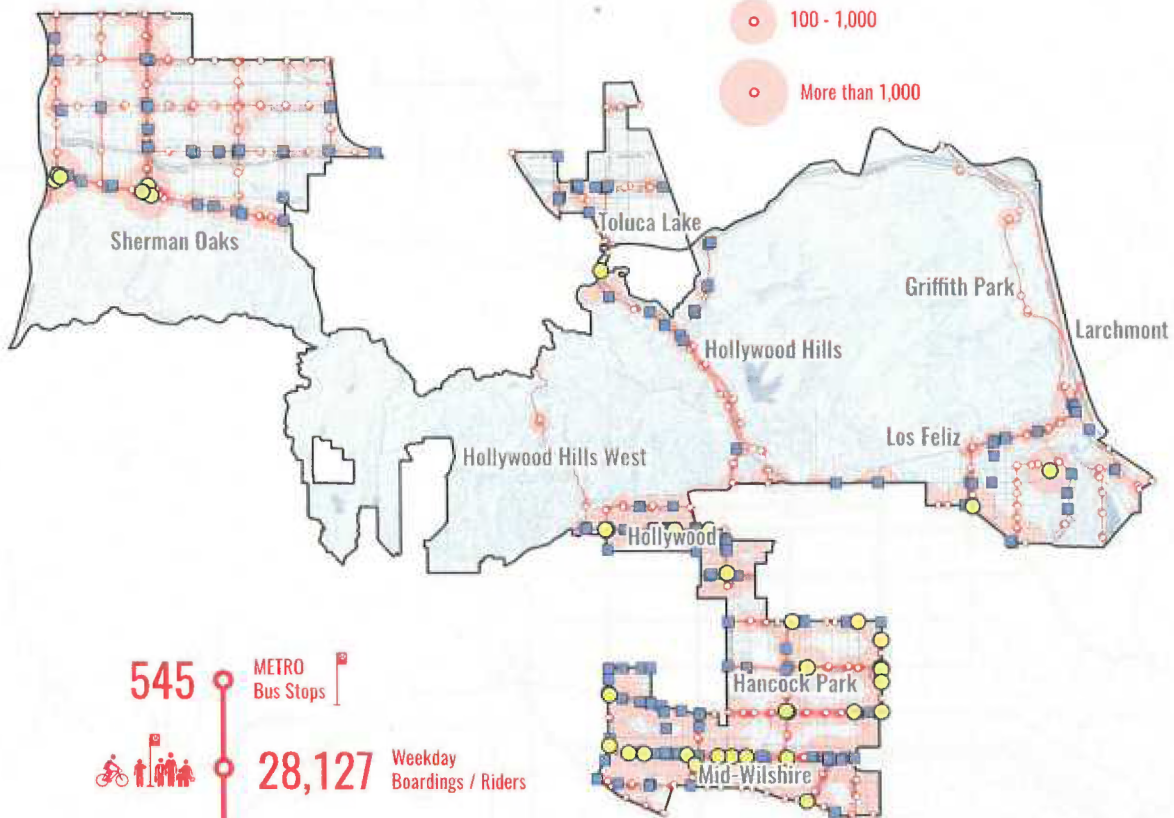
METRO Bus Stops and Weekday ON Boardings

 1 - 10

 10 - 100

 100 - 1,000

 More than 1,000



545

METRO
Bus Stops



28,127

Weekday
Boardings / Riders

181



Existing Bus
Shelters Today

11,731

Weekday
Boardings / Riders

40



New Proposed
Bus Shelters

8,417

Additional Weekday
Boardings / Riders



221 Total Bus Shelters

20,148

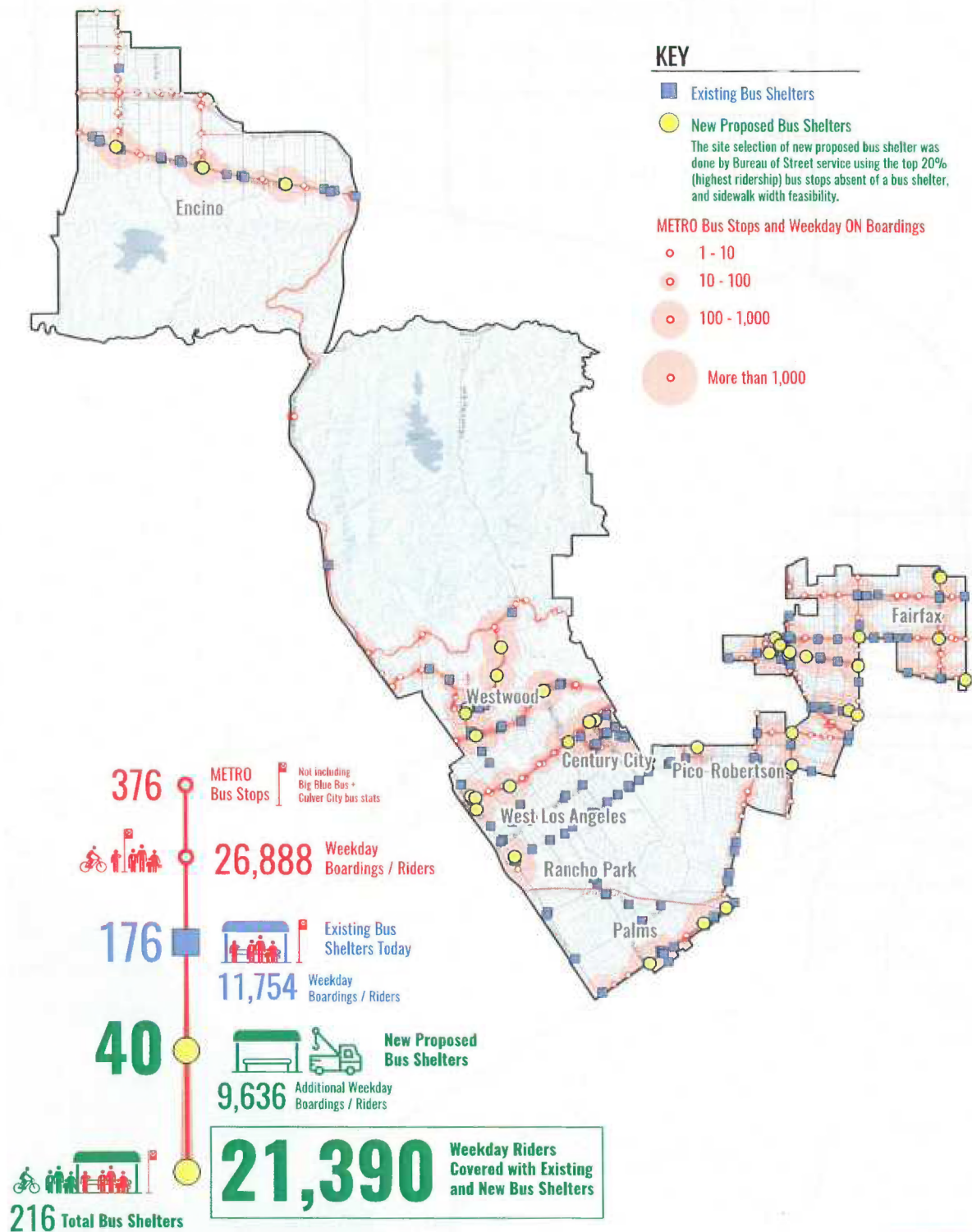
Weekday Riders
Covered with Existing
and New Bus Shelters

Sources: Potential locations identified by LACITY Public Works | LACMTA Boardings: June 2017 LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Geohub Portal. Includes only MTA Bus Stops, all other transit authorities are not included (i.e. DASH, Big Blue Bus, Culver City Bus and others). Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018



NOW APPROACHING

Bus Shelters Across Los Angeles CD5



Sources: Potential locations identified by LACITY Public Works | LACMTA Boardings June 2017 LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Geohub Portal.
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Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018



NOW APPROACHING

Bus Shelters Across Los Angeles CD6

KEY

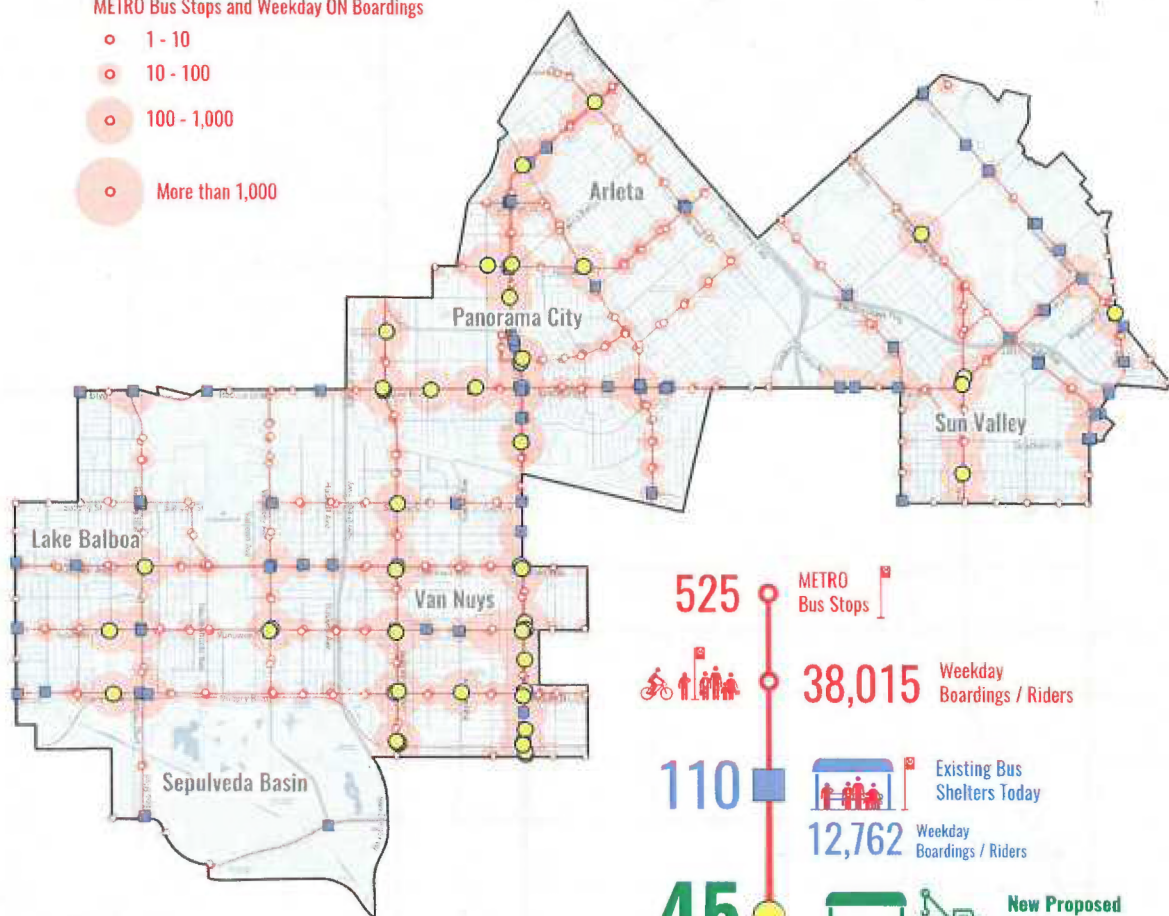
■ Existing Bus Shelters

● New Proposed Bus Shelters

The site selection of new proposed bus shelter was done by Bureau of Street service using the top 20% (highest ridership) bus stops absent of a bus shelter, and sidewalk width feasibility.

METRO Bus Stops and Weekday ON Boardings

- 1 - 10
- 10 - 100
- 100 - 1,000
- More than 1,000



525

METRO
Bus Stops



38,015 Weekday
Boardings / Riders

110

Existing Bus
Shelters Today

12,762 Weekday
Boardings / Riders

45

New Proposed
Bus Shelters

12,898 Additional Weekday
Boardings / Riders

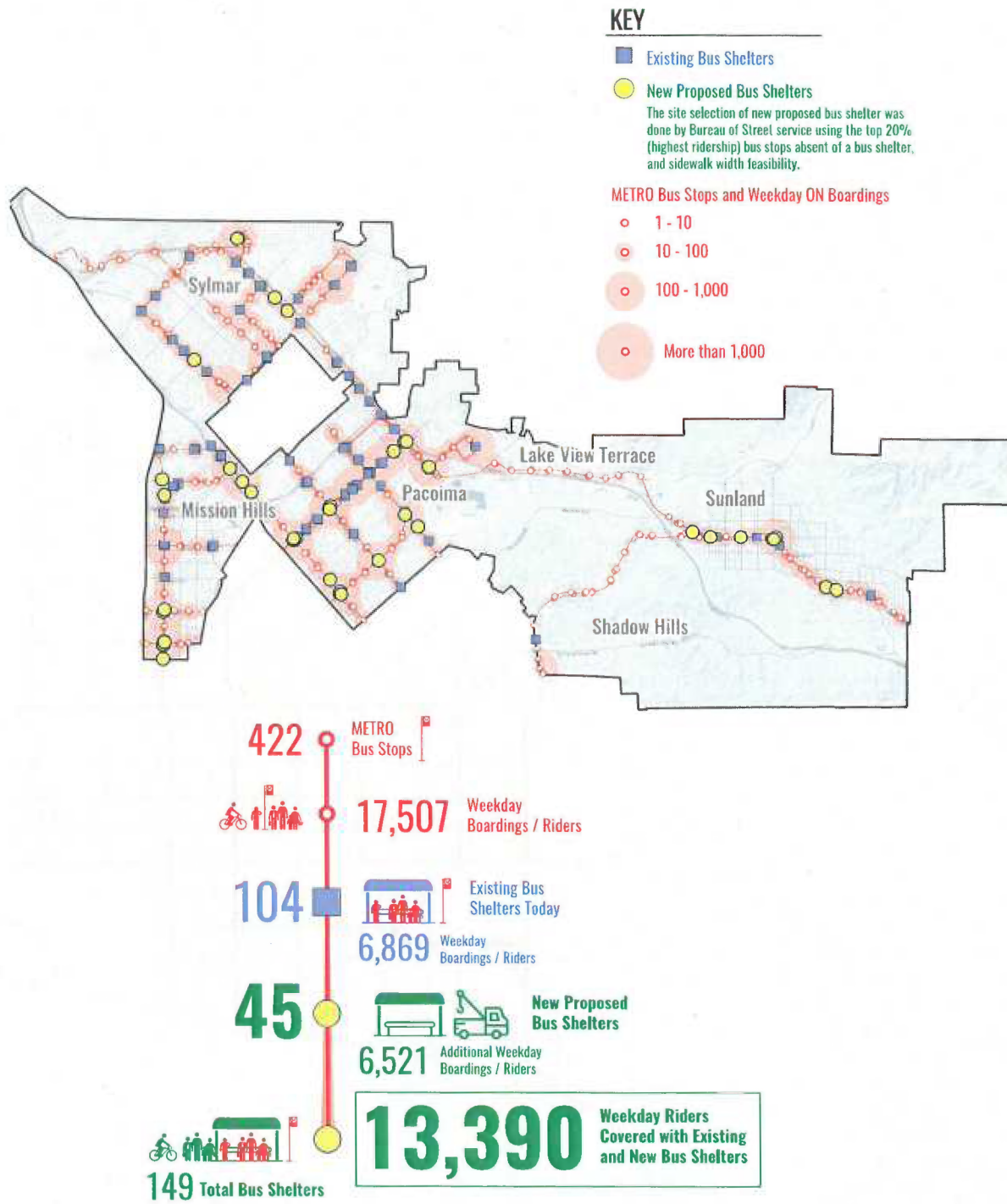
155 Total Bus Shelters

25,660 Weekday Riders
Covered with Existing
and New Bus Shelters



NOW APPROACHING

Bus Shelters Across Los Angeles CD7

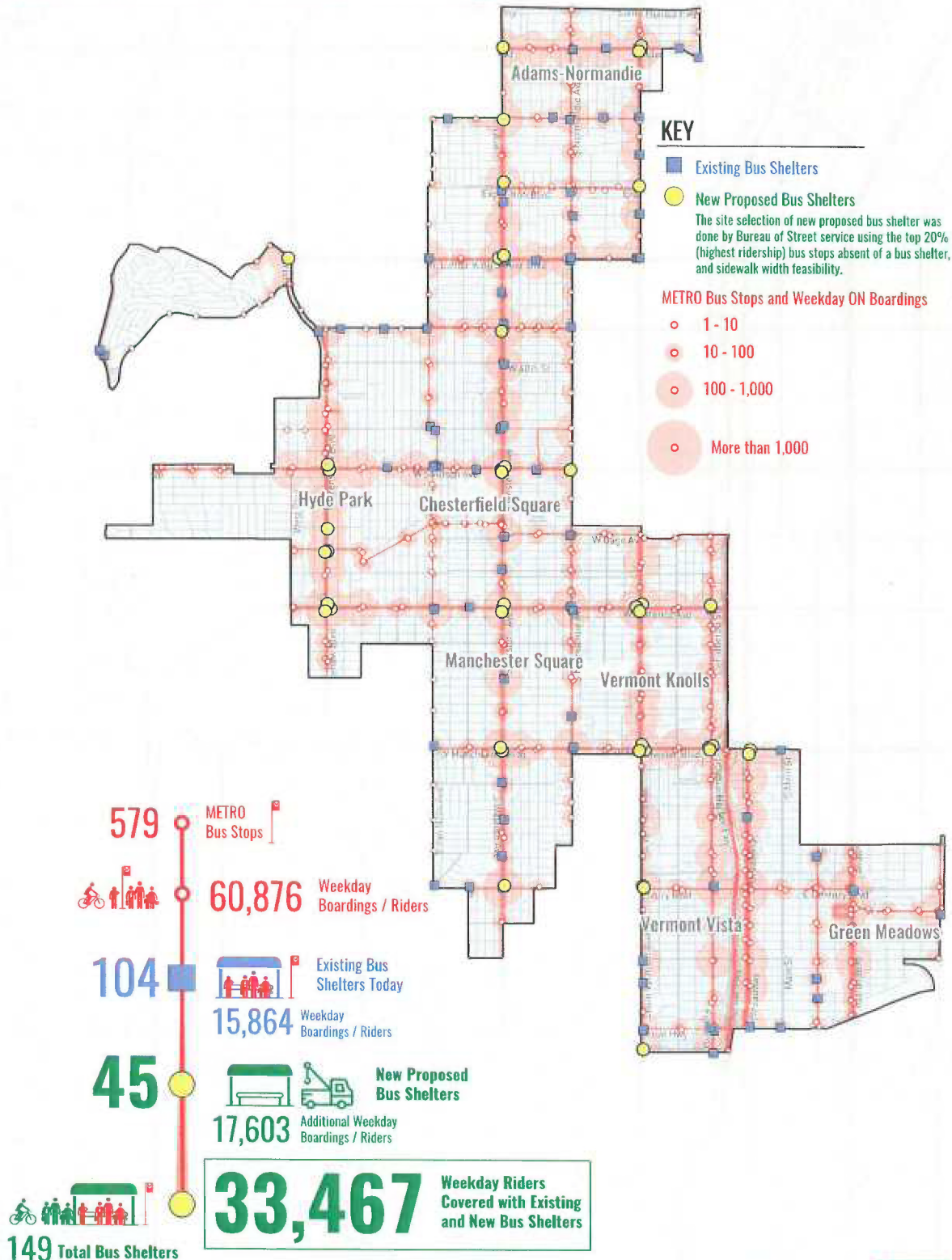


Sources: Potential locations identified by LACITY Public Works | LACMTA Boardings June 2017 | LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY GeoHub Portal.
Includes only MTA Bus Stops, all other transit authorities are not included (i.e. DASH, Big Blue Bus, Culver City Bus and others).
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NOW APPROACHING

Bus Shelters Across Los Angeles CD8



Sources: Potential locations Identified by LACITY Public Works | LACMTA Boardings June 2017 | LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Geahub Portal
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Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018



NOW APPROACHING

Bus Shelters Across Los Angeles CD9



KEY

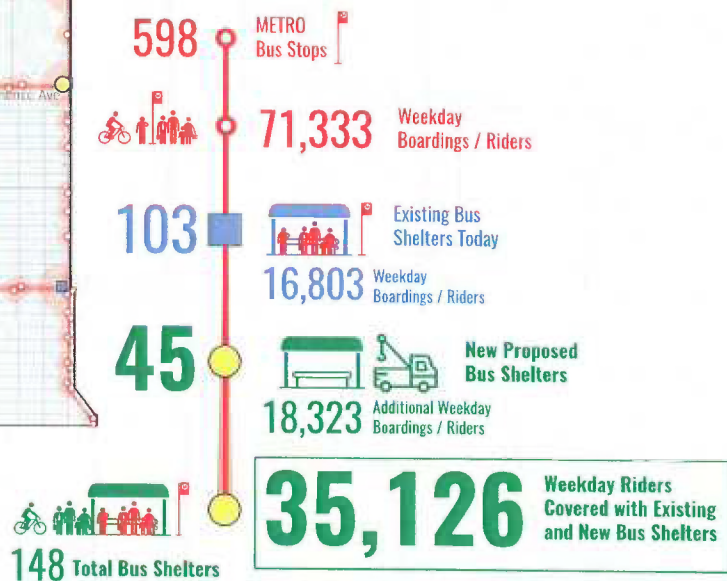
Existing Bus Shelters

New Proposed Bus Shelters

The site selection of new proposed bus shelter was done by Bureau of Street service using the top 20% (highest ridership) bus stops absent of a bus shelter, and sidewalk width feasibility.

METRO Bus Stops and Weekday ON Boardings

- 1 - 10
- 10 - 100
- 100 - 1,000
- More than 1,000

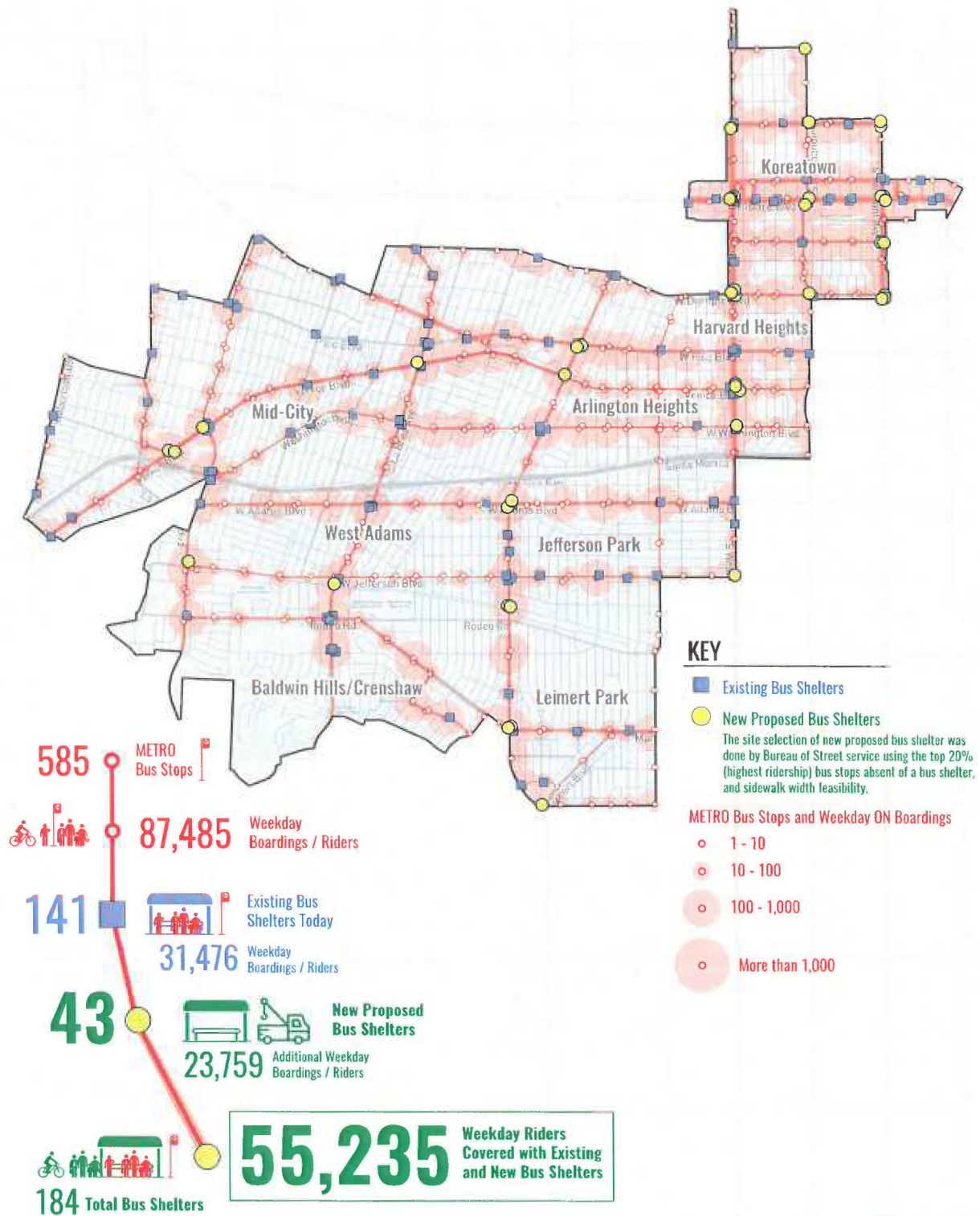


Sources: Potential locations identified by LACITY Public Works | LACMTA Boardings June 2017 | LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Geohub Portal. Includes only MTA Bus Stops, all other transit authorities are not included (i.e., DASH, Big Blue Bus, Culver City Bus and others). Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018



NOW APPROACHING

Bus Shelters Across Los Angeles CD10

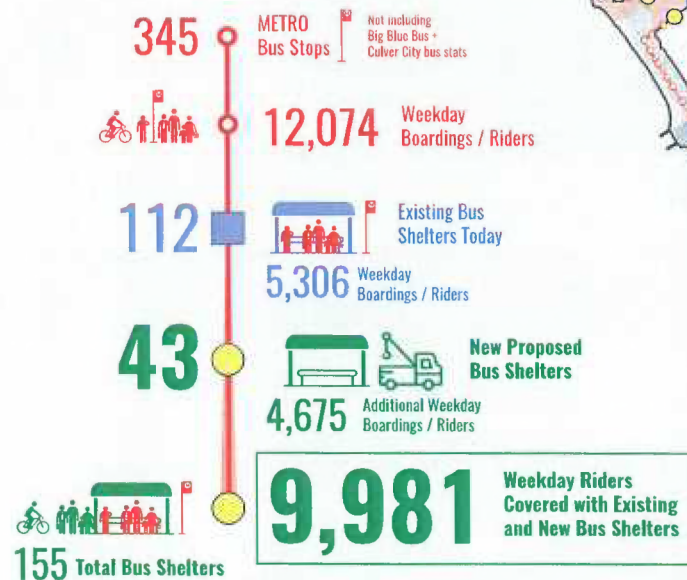
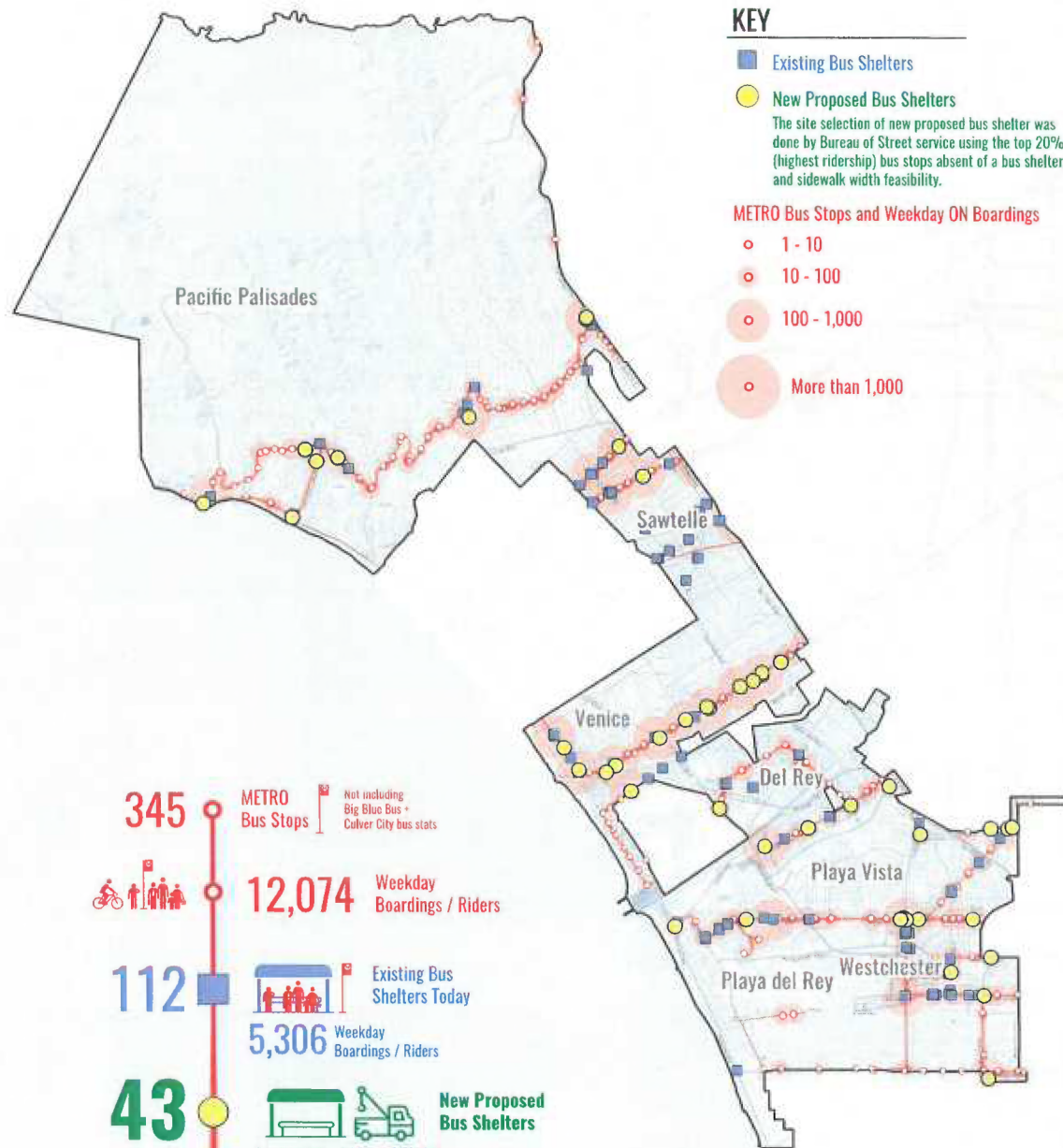


Sources: Potential locations Identified by LACITY Public Works | LACMTA Boardings June 2017 | LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Geohub Portal. Includes only MTA Bus Stops, all other transit authorities are not included (i.e. DASH, Big Blue Bus, Culver City Bus and others). Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018



NOW APPROACHING

Bus Shelters Across Los Angeles CD11



Sources: Potential locations identified by LACITY Public Works | LACMTA Boardings June 2017 LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Geohub Portal. Includes only MTA Bus Stops, all other transit authorities are not included (i.e., DASH, Big Blue Bus, Culver City Bus and others). Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018



NOW APPROACHING

Bus Shelters Across Los Angeles CD12

KEY

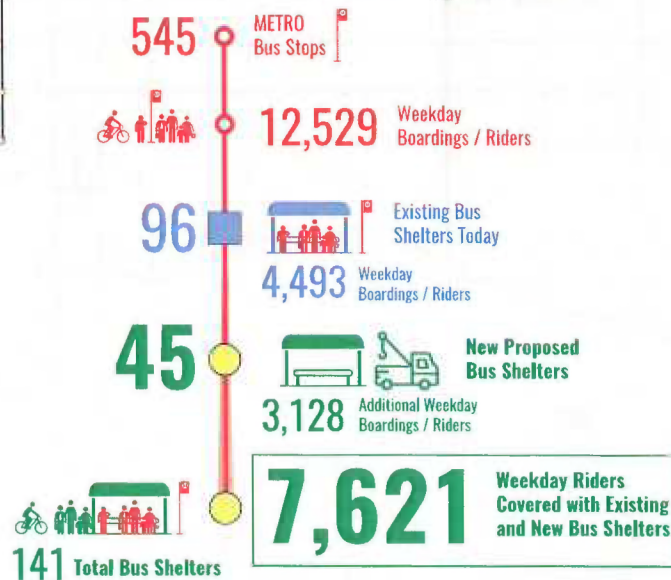
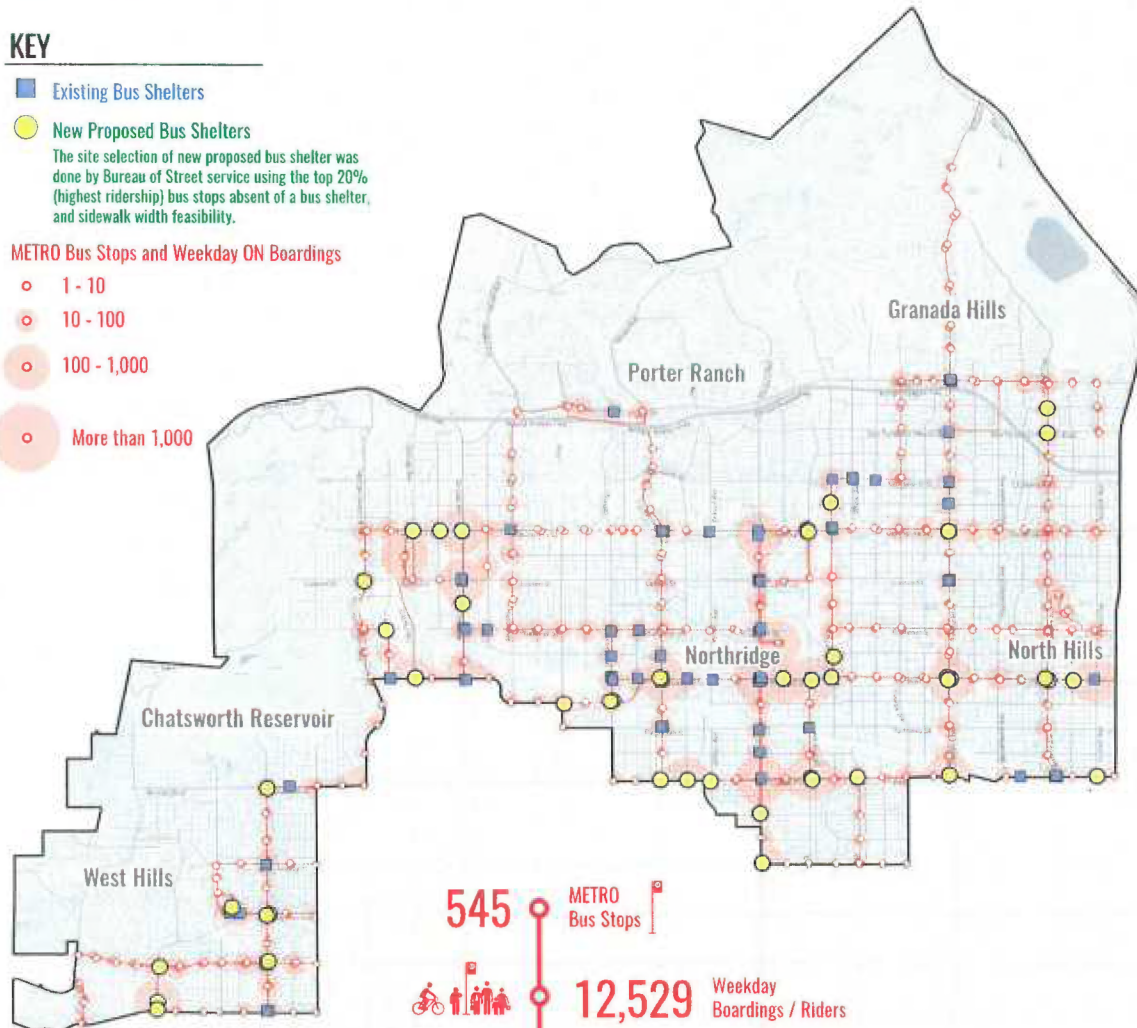
■ Existing Bus Shelters

● New Proposed Bus Shelters

The site selection of new proposed bus shelter was done by Bureau of Street service using the top 20% (highest ridership) bus stops absent of a bus shelter, and sidewalk width feasibility.

METRO Bus Stops and Weekday ON Boardings

- 1 - 10
- 10 - 100
- 100 - 1,000
- More than 1,000



NOW APPROACHING

Bus Shelters Across Los Angeles CD13

KEY

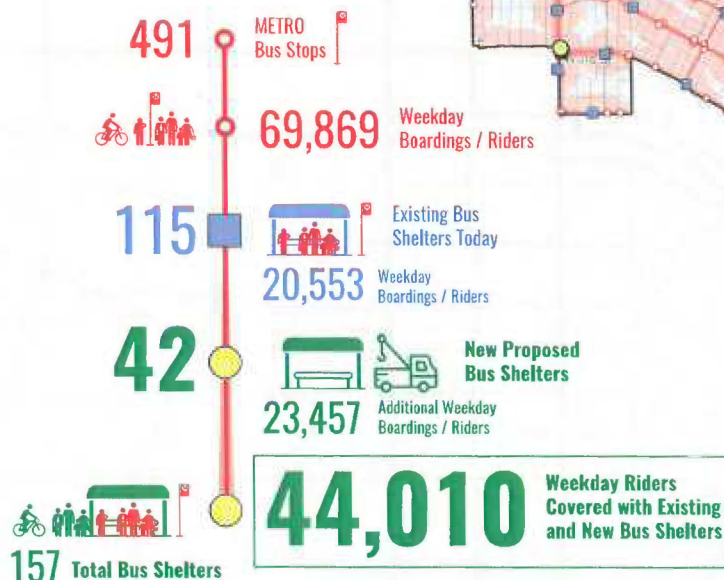
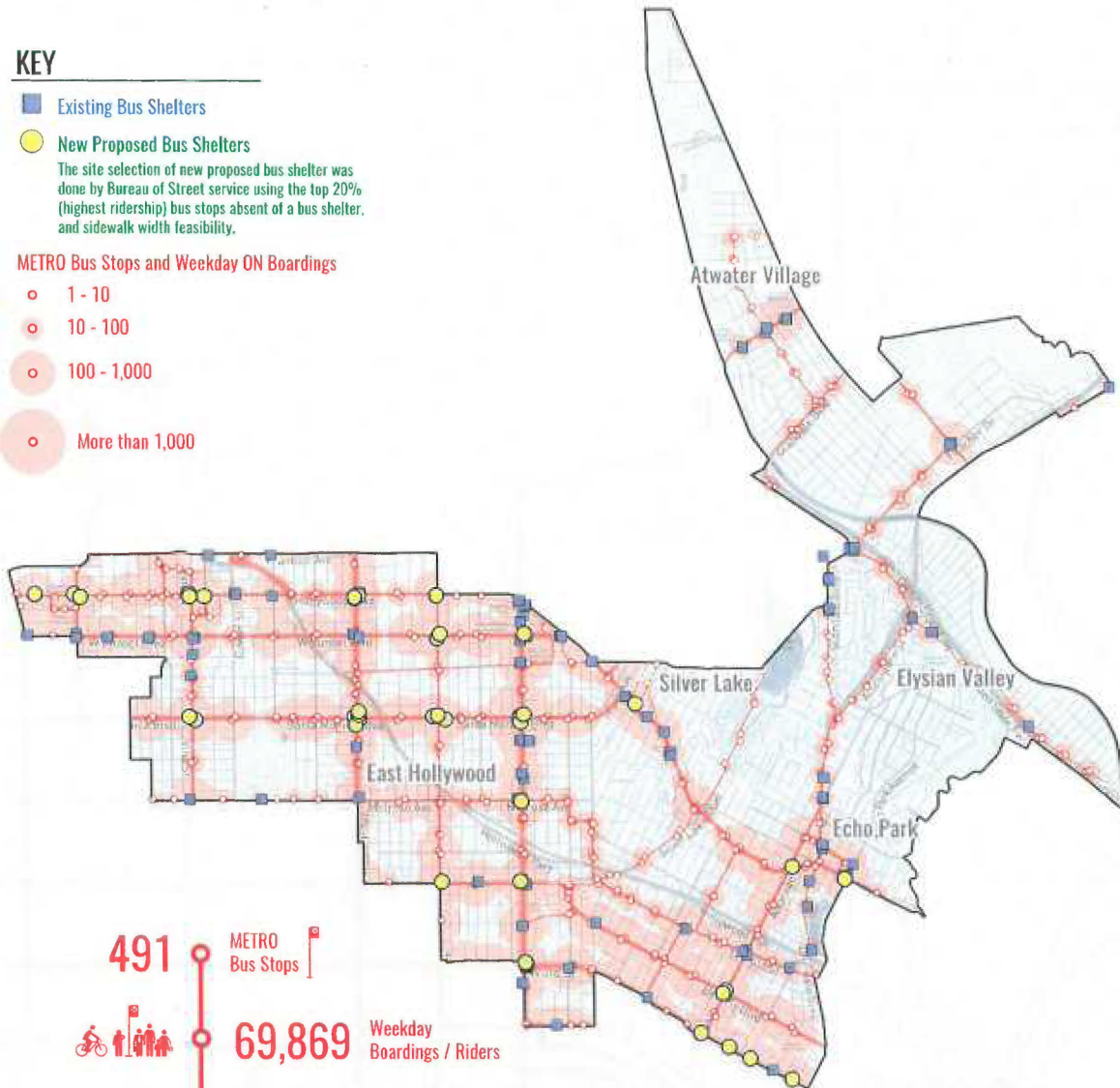
Existing Bus Shelters

New Proposed Bus Shelters

The site selection of new proposed bus shelter was done by Bureau of Street service using the top 20% (highest ridership) bus stops absent of a bus shelter, and sidewalk width feasibility.

METRO Bus Stops and Weekday ON Boardings

- 1 - 10
- 10 - 100
- 100 - 1,000
- More than 1,000

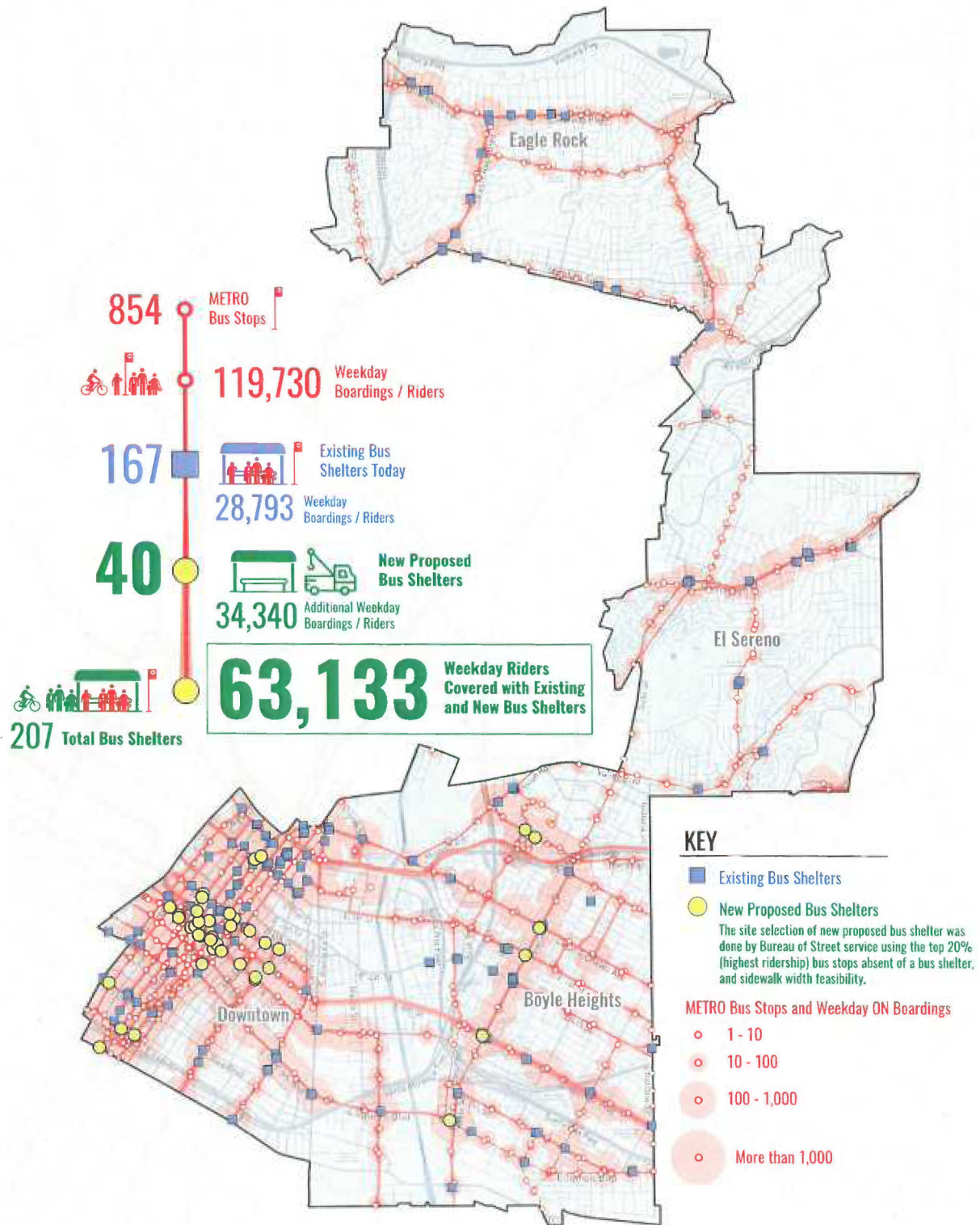


Sources: Potential locations Identified by LACITY Public Works | LACMTA Boardings June 2017 | LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Geohub Portal. Includes only MTA Bus Stops, all other transit authorities are not included (i.e. DASH, Big Blue Bus, Culver City Bus and others). Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018



NOW APPROACHING

Bus Shelters Across Los Angeles CD14

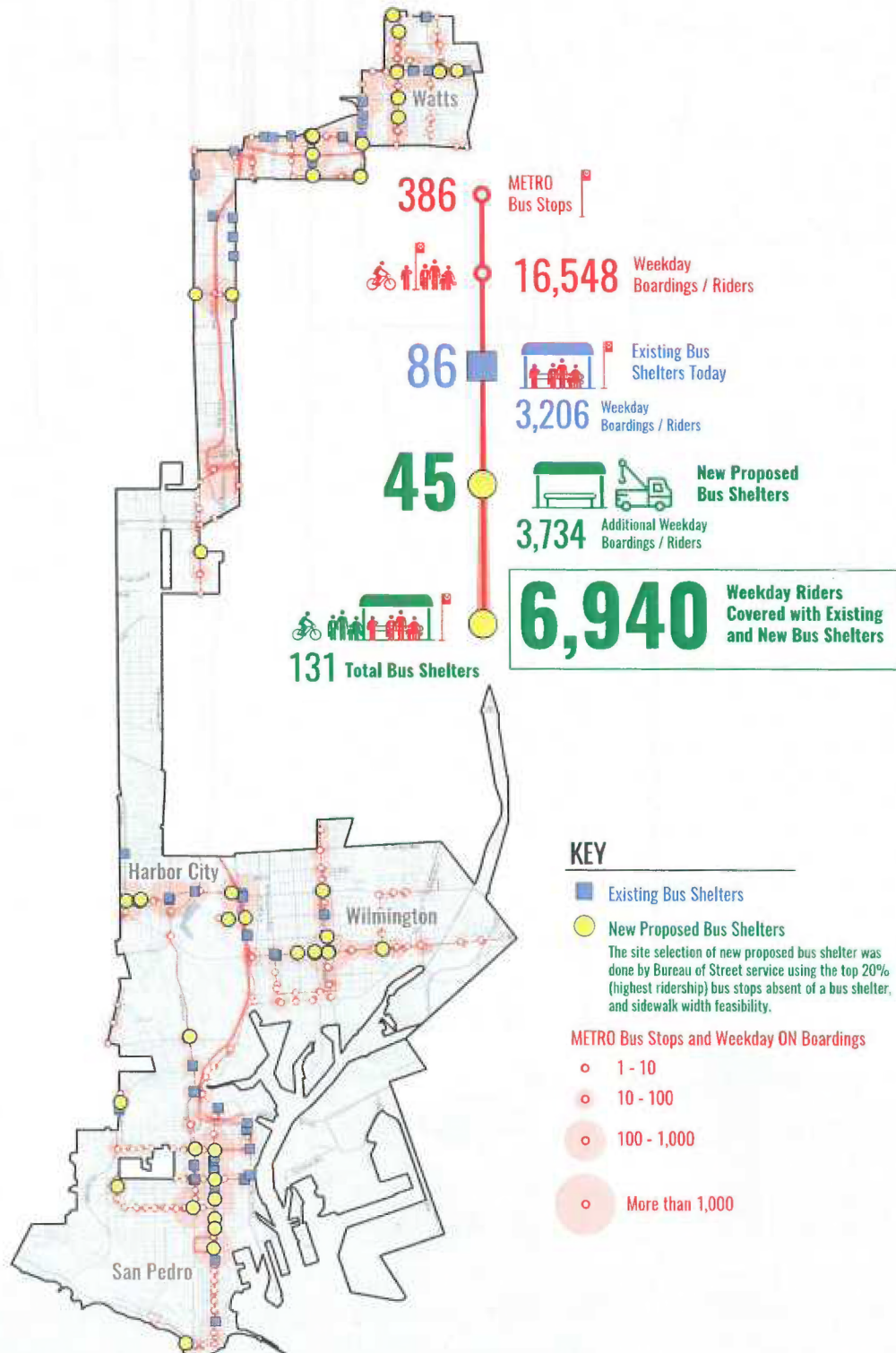


Sources: Potential locations Identified by LACITY Public Works | LACM/A Boardings June 2017 | LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Geohub Portal. Includes only MTA Bus Stops, all other transit authorities are not included (i.e. DASH, Big Blue Bus, Culver City Bus and others). Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018



NOW APPROACHING

Bus Shelters Across Los Angeles CD15



Sources: Potential locations Identified by LACITY Public Works | LACMTA Boardings June 2017 LACMTA GIS Bus Stop | OpenStreetMap / Mapbox | LACITY Geohub Portal. Includes only MTA Bus Stops, all other transit authorities are not included (i.e. DASH, Big Blue Bus, Culver City Bus and others). Data on Bus Stops, Routes, Boardings Counts, Shelter Locations are subject to change. Revised May 2018

