

File No. 00-1073-S1

PUBLIC WORKS AND GANG REDUCTION COMMITTEE REPORT relative to the City's Public-Private Coordinated Street Furniture Program (Program).

Recommendations for Council action:

1. REJECT the OUTFRONT Media/JC Decaux, LLC (OFMJCD) best and final offer of May 31, 2019, and allow Contract No. C-102477 for the existing Program to expire at the end of its term on December 31, 2021.
2. AUTHORIZE the Bureau of Street Services (BSS) to negotiate residual value of the existing furniture; and/or, INSTRUCT the OFMJCD to remove all existing Program furniture and restore the existing sidewalk to pre-Program conditions, if necessary.
3. AUTHORIZE the BSS to proceed with a Request for Proposal (RFP) process to secure a successor program through the Board of Public Works that will:
  - a. Utilize a Request for Information process to inform the RFP by gaining out of home advertising industry comments, suggestions and best practices.
  - b. Explore various business models, including but not limited to turnkey models and options for the City to share a portion or 100 percent of capital expenditure to maximize revenues to the City.
  - c. At a minimum, provide adequate number of shelters in each Council District to achieve 75 percent transit ridership coverage with priority given to the Council District with highest needs.
  - d. Eliminate advertising exclusivity.
  - e. Provide expanded advertising opportunities.
4. INSTRUCT the BSS to work with the Department of Convention and Tourism Development on expanding public information associated with conventions and tourism.
5. INSTRUCT the BSS to work with the Chief Legislative Analyst (CLA) and City Administrative Officer (CAO) to identify funding alternatives to expedite the installation of non-advertising transit shelters by the BSS across the City with a focus on communities with high transit ridership, low tree canopy coverage, and the highest exposure to heat and sun.
6. INSTRUCT the BSS to coordinate placement of the street furniture inventory with other City departments, Metro, other municipal transit providers of Los Angeles County, and developments performing street improvements affecting the sidewalk, parkway, or roadway.
7. INSTRUCT the BSS to plan for the effective use of the street furniture program during major events, such as the 2028 Olympics and Paralympics, to maximize the functionality of the street furniture inventory as well as revenues.

8. AUTHORIZE the BSS to replace the existing approval process for installing street furniture with a more streamlined process based on approval of a development plan one year at a time.

Fiscal Impact Statement: None submitted by the BSS. Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted.

**(Budget and Finance Committee waived consideration of the above matter)**

#### SUMMARY

At the meeting held on November 6, 2019, your Public Works and Gang Reduction Committee considered a BSS report relative to the City's Public-Private Coordinated Street Furniture Program. The BSS reports that on October 3, 2018, the Public Works and Gang Reduction Committee directed the BSS, with the assistance of the CLA and City Attorney, to continue negotiations with OFMJCD to achieve a Program that would provide the City with enhanced services and revenues. Through its ensuing negotiations with OFMJCD, the City pursued a realigned set of terms to: Provide an increased number of transit shelters, enhanced amenities, updated designs, and automated public toilets; Limit or eliminate the Program's existing exclusive advertising rights provision; Maximize Program revenues; Address other noted Program challenges, most notably the existing furniture site approval process. On May 31, 2019, after lengthy negotiations, OFMJCD presented the City with its best and final proposal for a contract renewal. Unfortunately, the best and final proposal fell short of the set terms and objectives.

The BSS goes on to state that the BSS is confident that the adoption of the recommendations above by the Council will result in a comprehensive street furniture program that has greater purpose for those who live in, work in, and visit the City. The addition of emerging technologies will provide the opportunity to develop higher revenues while eliminating advertising exclusivity and offering a more dynamic platform for transportation, civic, public service, and emergency information. By exploring various business models and through a compatible RFP, the BSS intends to expand coverage to serve more transit riders, ensure adequate maintenance, expedite new installations, and plan a managed replacement of old furniture. After an opportunity for public comment was held, the Committee moved to approve the BSS's recommendations, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

PUBLIC WORKS AND GANG REDUCTION COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
BLUMENFIELD:	YES
RYU:	YES
BUSCAINO:	ABSENT
O'FARRELL	YES
MARTINEZ:	YES

ME 11/6/19

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**