

Response from InSite Street Media

- **How do you plan on engaging with the community and council offices to build support for STAP?**

InSite intends to work closely with community groups including neighborhood councils and each council office before, during and after the roll out of STAP Shelters and related STAP program elements. The Company has established long-term working relationships with many of these important constituencies through our successful management of the LA City Bus Bench program.

It should be noted that InSite's approach is that the STAP program should be viewed as a new product introduction and will approach the community and city partners in each council office as our key stakeholders. The Company has consulted with several experts including the former Minister of Transport of Ireland & member of the European Council of Ministers overseeing development of integrated transport systems for the EU, Martin Cullen. Additionally, as noted in our written proposal, InSite has engaged with a market research and insights partner (Vision Strategy and Insights) to further explore perceptions and attitudes towards STAP amongst the communities and constituencies served. Based on the expertise of these InSite partners and InSite's relations with various city constituencies, it is the Company's view that a phased approach to the initial rollout is a key to build and maintain support for the STAP program. The Company intends to invest in further research to provide community insights that all stakeholders will have an opportunity to review and apply to the development and rollout of STAP elements.

- **How can shelter design be modified in the future as new technologies and amenities become available (e.g., responsive shading adjustments)?**

InSite's STAP Shelter unit is a modular design which will allow for modifications and added Smart City elements as new scalable proven technology emerges. . InSite developed a shelter that incorporates a modular approach along with intuitive technology that allows for continual advances and upgrades with regards to hardware and software. Systems have integrated special designs that also allow for consumer usable connected WiFi.

With regard to shade, it is critical to understanding our proposal that, in addition to the shading provided by the roof during sun overhead, midday hours, the backing of the shelter will be opaque where appropriate. This backing feature allows the shelter to provide shade during morning and afternoon/evening hours during the times of the day

when the sunlight angle is not overhead. These additional shading hours will be available by:

1. Blocking sun coming from the front, allowing the pedestrian to enjoy shading by using the unit's lean bar in the back of the shelter to avoid sun.
2. Block sun coming from behind the shelter allowing people to stand or sit on the front side of the shelter out of the sun.
3. Significantly block sun coming from the left side of the shelter (when looking at the shelter from the front) by the ad box.
4. The approach side of the shelter is the only side, assuming four quadrants, that very limited sun blocking is possible because the need for a full view of on-coming traffic by people in the shelter.

With regard to technology, the modular design is critical since it allows a change in size and configuration of the shelter if necessary. However, the shelter is essentially a box that can be used or filled with new technology. The seating feature for patrons are essentially the only element inside the box that occupies significant space. Our view is that what is even more critical for the accommodation of future technologies is to maximize space outside of the shelter on the sidewalks in case future developments need space. Whereas many technology improvements will be software driven, the possible need for space should be maximized which emphasizes the importance of proper installation.

o How do you plan to address/manage the public's perception related to equity when less than 1/3 of the 3000 shelters will have digital media display panels associated with them and all of those will be reserved for high-revenue communities/locations only?

Based on InSite's preliminary research including attendance at numerous STAP RFP Information Sessions, consultation with Mr. Cullen and the partners at Vision Strategy and Insights, and interviews with residents of LA, it is the Company's view that there is not a correlation between the type of advertising display and serving the entire community in an equitable manner. The fact is the advertising display itself is not the important component to most community members in all neighborhoods. In actuality, the tone of the initial feedback from the community during the STAP RFP Information Sessions suggests resistance to digital advertising displays. Rather, the community is concerned with basic quality of life factors such as shelter, safety, comfort, and cleanliness. Successful execution on these key elements will be delivered by InSite.

Equity is achieved in several ways and our approach narrows or eliminates the "digital divide" by having Wi-Fi in each shelter which allows wireless communications in all

communities. Shade is one of the most important elements of equity, and the InSite Shelter maximizes shading opportunity.

We think that there may be some confusion between messaging to a community and advertising. Digital advertising may or may not be viewed by a community as an advantage. What is critical is that messaging must be available for all parts of the community. All InSite STAP Shelters will be equipped with digital displays for bus schedules and other relevant information using an Electronic Paper (ePaper) technology. This screen can be used for all kinds of critical civic messaging in addition to transit information. So, all communities in the city will obtain critical information at the same time. Further, a static ad can be used for effective community messaging. Critical messaging need not be displayed on a digital ad in order to be effective in reaching all segments of our community.

As part of our community outreach, we intend on involving small business which is a constituency of deserving attention after having been ignored by the shelter program in the past. In addition, our multi-cultural sales specialists will be engaged with potential advertising partners from a multitude of different backgrounds who are serving diverse communities that make up Los Angeles's population.

InSite's Marketing team will work with Los Angeles City Urban Development Team in developing programs that deliver consistent messaging where digital displays are not installed. That message will be delivered via static display.

Finally, if digital ads are welcomed in the community and as the economics of digital changes, we expect that the number of digital ad screens and shelters can be expanded over time to include more areas of the city if this is seen as an advantage to the community.

o How will the City be able to display digital PSAs and community information in the less affluent communities that need them most (in multiple languages) without the added expense of print media?

Digital messaging in multiple languages will be available to all communities in the city due to ePaper being in each shelter, regardless of whether the shelter has a digital ad box. Static ads are available as a supplement to this capability if advisable. The expense of print media will be mitigated through InSite's established partnerships with multiple printers that will provide maximum value for static messaging. It is worth noting that static messaging can be more effective than digital messaging given that static messaging is displayed 24 hours per day / 7 days per week, whereas digital messaging is shared. As noted, the communities most in need of PSA and community information should be offered this type messaging in the most effective platform to receive this important communication. Again, InSite is providing ePaper digital displays

on all InSite STAP Shelters which may be used to serve real-time and time-sensitive messaging on a separate display panel.

On a further note, the cost of a printed ad is mitigated to a significant extent by the capex saving, allowing us to offer advertisements to small businesses at a very low cost and still be economically feasible.

o Without digital media panels in those less affluent/disadvantaged communities, how will the company(ies) plan to pursue advertising sales from local businesses and offer up local business advertising opportunities at affordable rates without the added costs of printed media?

As discussed earlier, the cost of printed advertising is not so high as to eliminate the economic viability of offering ad space to small business. Typically, a static ad can be offered at a price point well below that needed for digital economics to be viable. In fact, this is a critical part of our plan (to pay attention to small business and offer attractively priced options) for community involvement and small business development. We have been dealing with the small business sector in Los Angeles for 10 years with a large, professional, dedicated staff serving this constituency and we intend on expanding this effort as part of STAP.

As referenced in the prior question, InSite has key printer partnerships in place that minimize the cost of printed media. Further, the Company often works with local advertisers providing turn-key cost solutions where the printing cost is not passed on to the local advertiser. Finally, many local advertisers prefer the printed media option given that local advertisers are often unwilling to “share space” (which is a requirement of a digital display) with other (potentially competitive) advertisers.

o Where and how do the companies plan to install interactive digital media panels offered up in their proposals and again address the equity question, especially if such interactive panels are only being offered in very limited quantities? (saying that they will rely upon the City and/or coordinate the implementation with the City is not an acceptable answer.) We want to know what/how they propose to address such equity challenges and/or manage the public's perception of equity in the distribution of program services.

As previously mentioned, InSite is providing ePaper digital displays on all InSite STAP Shelters in order to serve all community constituencies in all neighborhoods of the city. Critical community information can reach all parts of the city at the same time. The ePaper display is a separate component from the advertising display. InSite's marketing team will also work with City Urban Development Team in developing

programs that deliver consistent messaging where digital displays are not installed. Such messaging will be delivered via ePaper or static display.

InSite is not recommending interactive digital media as a STAP element in the initial phase. Based on learning from other cities including New York, Kansas City and Fort Worth, the interactive technology has not advanced to the level of a viable, scalable option for Los Angeles at present. However, InSite is keenly aware that this technology may be appropriate or viable and careful consideration should be given to its use.

o Can you explain your understanding of Site Rehabilitation costs included or not included in your proposal? Will this include reconstruction of sidewalk needed to accommodate accessible path from walkway to transit shelters and boarding area?

InSite's understanding is that the Company will be responsible for management of the sidewalk reconstruction in the immediate area of the Shelter as part of the Site Rehabilitation program. The projected cost of the Site Rehabilitation relates primarily to the actual Shelter unit. That said, InSite's financial model has allocated approximately \$4,500 per site for concrete work/site rehabilitation which, depending on the condition of the existing sidewalk prior to rehabilitation, may serve as a source of partial funding for additional sidewalk improvement on walkway path.

Finally, it should be noted that InSite's Bench program has often included partial sidewalk reconstruction in order to facilitate the placement of a new amenity. As such, the Company has extensive experience working in partnership with the city to manage this process.

Again, if we can add anything, please let us know.

Randy