



## REQUEST FOR PROPOSALS NO. 2188 – FOR FREEWAYS, AND/OR ROADWAY RIGHT-OF-WAY OUTDOOR DIGITAL MEDIA SIGNAGE

Community & Economic Development Department

Financial Performance and Budget Committee  
August 12, 2022

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## BACKGROUND

- **September 2021**: Staff issued an amendment to RFP 2127 to Lamar and Outfront requesting a comprehensive Citywide Outdoor Digital Media Signage Program with City branding.
- **November 2021**: Staff received a proposal from Lamar Advertising Company and due to the incomplete proposal, the Finance Department's Purchasing Division determined the submittal non-responsive



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## BACKGROUND CONT.

- **March 2022:** The Financial Performance and Budget Committee directed staff to issue separate request for proposals for:
  - A Digital Media Signage Program specific to City-owned land abutting freeways, and/or arterial roadway rights-of-way (**RFP 2188**); and
  - A separate Digital Media Signage Program specific to City-owned pedestrian/bike rights-of-way, building/structures (such as parking garages, community centers, etc.), and/or other City-owned property near other nodes or corridors of activities (such as passenger rail corridors, etc.) (**RFP 2187**)
  
- **March 2022:** Staff released RFP No. 2188 and 2187 and staff only received a proposal for RFP 2188 from Lamar Advertisement and Outfront Media for freeway billboard signs




## COMPARISON

	<b>OUTFRONT/</b>	<b>LAMAR</b>
<b>Freeway Signs</b>	6	4
<b>Arterial Signs</b>	0	7
<b>Total Signs</b>	6	11
<b>Traffic and Air Quality Data</b>	Provided	Not provided
<b>City Advertisement Time</b>	12.5%- No Cost, 12.5% at 50% of rate card	10% of Available Time, Not Total Time
<b>Local Business Discount</b>	50% discount during 20% of the advertising time spread over each operational day	Not provided
<b>Term</b>	10-year agreement with optional 10-year extension	30-year with optional 30-year extension
<b>Revenue Share</b>	Effective Rate ~46% (40% years 1-10, 50% years 11-20)	25%



## REVENUE COMPARISON


	<b>OUTFRONT/</b>	<b>LAMAR</b>
<b>Upfront Payment</b>	\$1,200,000 (First year guarantee paid upfront)	\$1,559,340 (Bonus)
<b>Annual Guaranteed Revenue</b>	\$1,200,000, Increases by 15% every 5 years	\$480,000
<b>Minimum Guarantee over 10 Years</b>	\$12,900,000	\$6,359,340
<b>Minimum Guarantee over 20 Years</b>	\$29,960,250	\$11,159,340
<b>Projected Revenue over 10 years</b>	\$21,412,218	\$6,914,156
<b>Projected Revenue over 20 years</b>	\$58,184,418	\$13,519,730


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## PROPOSED FREEWAY SIGN LOCATIONS

Locations	Size	Requirements
<b>860 E. La Cadena Drive (Riverside Public Utilities Property)</b>	14'x48' (two sided)	*Landscape Declassification or Caltrans Relocation Agreement. <b>*High Potential for declassification and Caltrans Permit.</b> *RMC Amendment may be necessary.
<b>3575 Vine Street</b>	14'x48' (two sided)	*Landscape Declassification or Caltrans Relocation Agreement. <b>*Moderate Potential for declassification and Caltrans Permit.</b> *RMC Amendment may be necessary.
<b>3255 Panorama Road (Riverside Public Utilities Property)</b>	14'x48' (two sided)	*Landscape Declassification or Caltrans Relocation Agreement. <b>*Moderate Potential for declassification and Caltrans Permit</b> *RMC Amendment may be necessary.
<b>Fairmont Park Golf Course</b>	14'x48' (two sided)	*Landscape Declassification or Caltrans Relocation Agreement. <b>*Moderate Potential for declassification and Caltrans Permit.</b> *RMC Amendment may be necessary.
<b>9501 Indiana Avenue</b>	14'x48' (two sided)	*Landscape Declassification or Caltrans Relocation Agreement. <b>*Low Potential for declassification and Caltrans Permit.</b> *RMC Amendment may be necessary.
<b>3472-3473 Farmham Pl. / 9384 Martha Way</b>	14'x48' (two sided)	*Landscape Declassification or Caltrans Relocation Agreement. <b>*Low Potential for declassification and Caltrans Permit.</b> *RMC Amendment may be necessary.


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# POSSIBLE DESIGNS



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# STRATEGIC PLAN ALIGNMENT

## Strategic Priority No. 5 – High Performing Government

Goal No. 5.4 - Achieve and maintain financial health by addressing gaps between revenues and expenditures and aligning resources with strategic priorities to yield the greatest impact.

### Cross-Cutting Threads



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## RECOMMENDATIONS

That the Financial Performance and Budget Committee:

1. Consider the proposal received by Outfront Media, in response to RFP No. 2188, for a Citywide outdoor digital media signage program to generate revenue from City-owned property; and,
2. Provide direction to staff to negotiate an agreement with Outfront Media for billboard advertising on City-owned sites abutting freeways to be presented to City Council for final consideration.



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