

City of Arts & Innovation

Financial Performance and Budget Committee

TO: FINANCIAL PERFORMANCE AND BUDGET COMMITTEE MEMBERS DATE: DECEMBER 9, 2022

FROM: COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT WARDS: ALL

SUBJECT: REVIEW AND CONSIDER A DRAFT REQUEST FOR PROPOSALS FOR THE CITYWIDE OUTDOOR MEDIA SIGNAGE PROGRAM

ISSUE:

Review and consider a draft Request for Proposals (RFP) for the Citywide Outdoor Media Signage Program for freeways and arterial rights-of-way to generate revenue from City-owned property.

RECOMMENDATIONS:

That the Financial Performance and Budget Committee:

1. Review and consider the draft Request for Proposals (RFP) for the Citywide Outdoor Media Signage Program;
2. Provide direction regarding the issuance of a Request for Proposals (RFP) for the City-wide Outdoor Media Signage Program; and
3. Provide direction to return to the Financial Performance and Budget Committee to present the results of the City-wide Outdoor Media Signage Program Request for Proposals (RFP).

BACKGROUND:

On July 8, 2020, at the request of the Financial Performance and Budget Committee, Staff presented revenue-generating opportunities, including the potential placement of billboard advertising signs on City-owned sites abutting freeways and on City arterial rights-of-way. Staff was directed to return to the Committee with comprehensive proposals received through a formal RFP process seeking a firm that will develop, construct, operate, and maintain digital message board sign(s)/billboards on City-owned properties.

On November 3, 2020, Staff from the Community & Economic Development Department (CEDD) issued an RFP seeking a firm that will work closely with the City to develop, construct, operate, and maintain digital message board sign(s)/billboards on City-owned properties and/or arterial rights-of-way.

On December 22, 2020, Staff received proposals from Lamar Advertising Company and Outfront Media. Neither proposal met the complete scope of work required in the RFP. For example, the Outfront Media proposal did not include City arterial right-of-way signs, as requested in the RFP, and the proposal from Lamar Advertisement did not meet minimum expectations of design quality for the arterial rights-of-way signs. As a result, Staff was directed to issue an amendment to the RFP seeking a comprehensive Citywide Outdoor Digital Media Signage Program.

On September 15, 2021, CEDD issued Amended RFP No. 2127, which was intended only for the shortlisted respondents of the original RFP issued on November 3, 2020. The Amended RFP No. 2127 solicited for a Citywide Outdoor Digital Media Signage Program (Program) to include: 1) City-owned land abutting freeways, 2) arterial rights-of-way, 3) pedestrian/bike rights-of-way, 4) City-owned building/structures (such as parking garages, community centers, etc.), and/or 5) other City-owned property near other nodes or corridors of activities (such as passenger rail corridors, etc.). Staff received one proposal from Lamar Advertising Company from the Amended RFP. However, the Lamar Advertising proposal did not address all aspects of the RFP. Due to the incomplete proposal submitted, the Finance Department's Purchasing Division determined that the Lamar vendor submittal was non-responsive.

On March 11, 2022, the Financial Performance and Budget Committee directed Staff to issue two separate requests for proposals. One RFP was for pedestrian/bike rights-of-way, building/structures, and/or other City-owned property near other nodes or corridors of activities (RFP 2187), and a separate RFP was for a Digital Media Signage Program for City-owned land abutting freeways and/or arterial rights-of-way (RFP 2188). The City received no proposal for RFP 2187 and received two (2) proposals for RFP 2188.

On August 12, 2022, Staff presented the results of RFP 2188 to the Financial Performance and Budget Committee and recommended one of the two (2) proposals. However, the proposals differed significantly and were difficult to compare. The committee directed Staff to 1) review and remove any property that had very low feasibility for Caltrans approval, 2) redraft the RFP to require a comprehensive outdoor digital media signage program that includes both freeway and arterial right-of-way on city-owned properties, and 3) bring a new Request for Proposals (RFP) for a City-wide Outdoor Media Signage Program for freeways and arterial rights-of-way to the Financial Performance and Budget Committee review before issuing.

DISCUSSION:

The following changes were made to the scope of services for the City-wide Outdoor Media Signage Program for freeways and arterial rights-of-way:

1. Removal of "or" from "City-wide Outdoor Media Signage Program for freeways and/or arterial roadway rights-of-way." This will require potential bidders to submit a comprehensive Citywide Outdoor Media Signage Program; failure to bid on freeways and arterial rights-of-way will be deemed unresponsive.

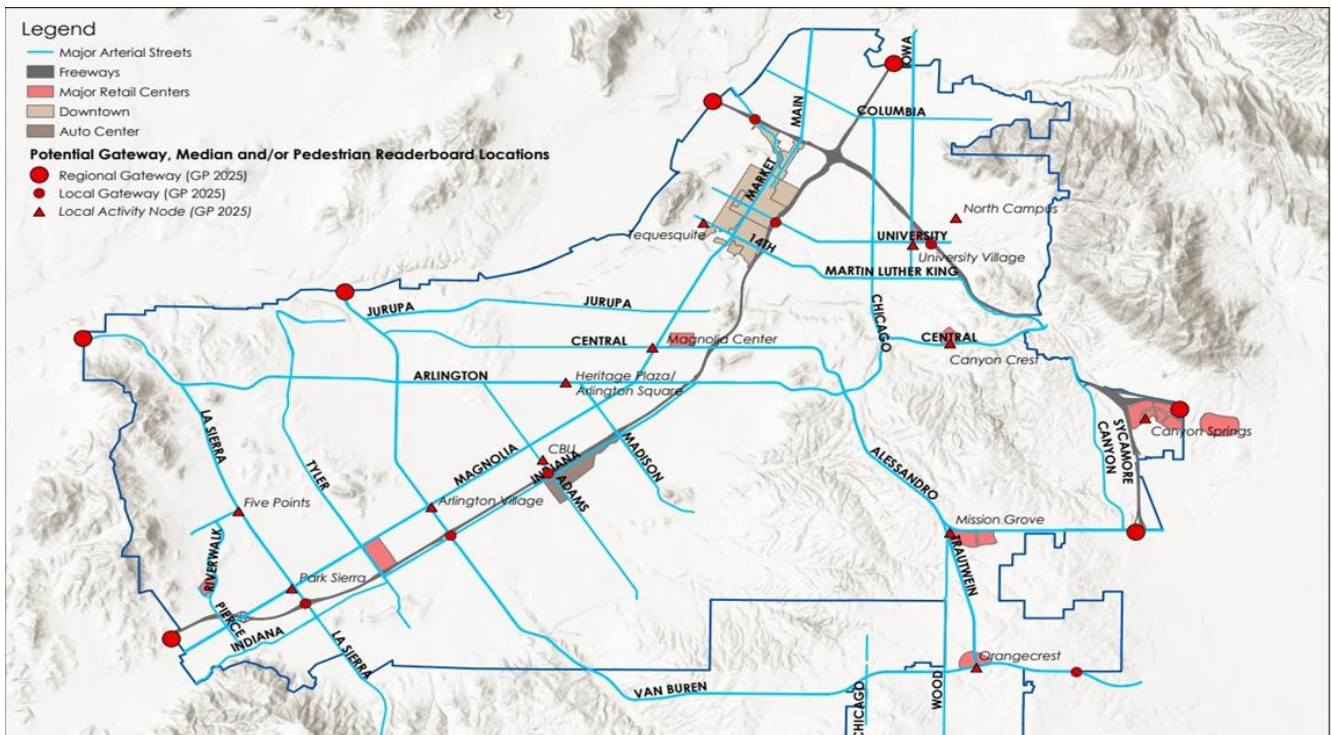
2. Addition of design language and examples for arterial right-of-way signs.
3. Clarification of required programming time for City public service announcements, including real-time alerts, traffic, events, programs, and parking availability information. The attached Draft RFP clearly states that 10% of total advertising time is to be reserved for City programming.
4. Addition of demographics reports for each of the sign locations.
5. **Remove the following freeway locations:**

| Location | Reason for removal |
|---|--|
| 860 E. La Cadena Drive | RPU property, no general fund revenue |
| 3255 Panorama Road | Proximity to residential uses, zoning, and RPU property, no general fund revenue |
| 9501 Indiana Avenue | Low potential for Caltrans declassification and Permit |
| 3472-3473 Farmham Pl. / 9384 Martha Way | Proximity to residential uses, zoning and low potential for Caltrans declassification and Permit |

Remaining freeway locations:

| Address | Zoning | Use | Department |
|---------------------------|--------|-------------|--|
| 3575 Vine St. | CR | Parking Lot | Public Works |
| Fairmount Park Golf Couse | PF | Golf Course | Parks, Recreation & Community Services |

No changes were made to the potential arterial sign locations, which are shown on the map below.



Other Considerations:

Each of the proposed freeway locations will require a Caltrans Outdoor Advertising permit for placement because they are all located adjacent to a Classified Landscaped Freeway. The selected bidder would need to submit a request for Caltrans to declassify the sections of Classified Landscaped Freeway where the off-site advertising would be located. Each section would need to be evaluated for eligibility for declassification based on Caltrans criteria.

STRATEGIC PLAN ALIGNMENT:

This item contributes to the Envision Riverside 2025 City Council Strategic Priority 5: High Performing Government, specifically Strategic Goal 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.

The item aligns with each of the five Cross-cutting Threads as follows:

1. **Community Trust** – The proposed Citywide Outdoor Digital Media Signage Program will provide conduits for public information which serves the public interest.
2. **Equity** – The proposed Citywide Outdoor Digital Media Signage Program will ensure that City-owned properties will be maximized for community benefit and will generate revenue for the City to fund public services necessary to promote growth and provide equitable economic benefits throughout the immediate area.
3. **Fiscal Responsibility** – The proposed Citywide Outdoor Digital Media Signage Program demonstrates that Riverside is a prudent steward of public funds and ensures responsible management of the City’s financial and property resources.
4. **Innovation** – The proposed Citywide Outdoor Digital Media Signage Program demonstrates that Riverside is innovative by maximizing opportunities to reinforce the City’s image and identifying and implementing programs to generate revenue for the City.
5. **Sustainability & Resiliency** – The proposed Citywide Outdoor Digital Signage Program demonstrates Riverside’s commitment to meeting the needs of the present without compromising the needs of the future and ensuring the City’s capacity to persevere, adapt, and grow during good and difficult times alike.

FISCAL IMPACT:

There is no immediate fiscal impact associated with this report. However, allowing digital outdoor advertising signs on City owned sites along freeways and arterial rights-of-way could result in additional positive revenue to the General Fund.

Prepared by: Chris Christopoulos, Acting Community & Economic Development Director

Certified as to availability of funds: Edward Enriquez, Interim Assistant City Manager and Chief Financial Officer/City Treasurer

Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Phaedra Norton, City Attorney

Attachments: Attachment 1 - Draft RFP
Attachment 2 – Arterial Sign Demographic Reports
Attachment 3 – Freeway Sign Demographic Reports
Presentation