

DEPARTMENT OF PUBLIC WORKS

BUREAU OF STREET SERVICES
REPORT NO.

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Honorable Board of Public Works
The City of Los Angeles

Commissioners:

**REQUEST TO SOLICIT PROPOSALS FOR A NEWLONG-TERM SIDEWALK AND
TRANSIT AMENITIES PROGRAM**

RECOMMENDATION:

That the Board of Public Works (Board):

1. AUTHORIZE the Bureau of Street Services (StreetsLA) to issue and advertise the transmitted Request for Proposals (RFP) to solicit proposals for a new advertising supported Sidewalk and Transit Amenities Program (STAP) that will succeed the current Coordinated Street Furniture Program upon the expiration of Contract C-102477 in December 2021.
2. AUTHORIZE the StreetsLA and an evaluation committee to evaluate the respondents and proposals received based upon the requirements, evaluation criteria, and program goals set forth in the RFP.

TRANSMITTALS:

1. Contract No. C-102477
2. Public Works and Gang Reduction Committee Report from November 20, 2019 adopted by the City Council on November 27, 2019
3. Bureau of Street Services Request for Proposal for a new advertising supported City-wide Sidewalk and Transit Amenities Program
4. Council Files No. 00-1073 and 00-1073 S1

DISCUSSION:

On December 21, 2001, the City entered into a 20-year contract with Viacom Decaux, LLC, (now known as OUTFRONT JC Decaux, LLC) to implement and operate an advertising supported City-wide Coordinated Street Furniture Program (CSFP). The CSFP was a City Council initiated effort (Transmittal 4) that was created with the primary goal of providing the City with Automated Public Toilets (APTs). The CSFP was modeled after similar successful street furniture programs supported through advertising that included transit shelters and kiosks with advertising displays to generate revenues necessary to create a self-

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funded/self-sustaining program at no cost to the City. CSFP has been able to install and operate 1,870 transit shelters, 197 public amenity kiosks, 6 newsstand vending kiosks, and 15 automated public toilets and successfully maintain all Program furniture while generating in-excess of \$78.5 million in revenues to date for the City.

On November 27, 2019, the Los Angeles City Council adopted a report from its Public Works and Gang Reduction Committee that authorized StreetsLA to proceed with a RFP to secure a successor program to the CSFP through the Board. The same adopted report directed StreetsLA to utilize a Request for Information (RFI) process to inform the RFP, explore various program options including but not limited to a turn-key program or a program that shares in up to 100% of capital expenditures to maximize revenues to the City, ensure the program is able to provide an adequate number of transit shelters to ensure 75% of all bus riders have access to a transit shelter within each Council District with a priority given the Council Districts with the highest needs, eliminate advertising exclusivity within public rights-of-way, and provide expanded opportunities for public information and advertising.

On March 17, 2020, StreetsLA conducted a RFI briefing attended by more than 70 registrants that included out-of-home advertising companies, professional engineering, design, and accounting firms, transit officials and City agencies. Due to COVID-19 protocols implemented just before the March 17th, briefing date, the RFI briefing was changed from an in-person format to an on-line webinar format. Despite the last-minute format change, the RFI briefing session and its follow-up questionnaire to participants proved to be highly successful in identifying industry trends, informing the RFP process, and garnering industry interest in the impending STAP RFP.

An additional purpose of the RFI process was to allow companies from various disciplines and professions to network with one another and potentially form teams that might later respond to the City's RFP. Due to COVID-19 protocols, the planned networking session could not be conducted on March 17, 2020, as originally envisioned. As a result, a follow-up on-line networking session was conducted on July 22, 2020, with more than 60 participants and 25 companies from all industry segments making presentations regarding their fields of expertise and interest in participating in the STAP RFP process. The RFI networking session was recorded in its entirety and posted on-line and many additional parties unable to participate in the networking session directly were able to view the same presentations.

Information obtained through both the RFI briefing and networking session was directly infused into the STAP RFP; while efforts to draft a RFP were initiated in early 2020, the RFP's development accelerated with the completion of the RFI networking session in July 2020. StreetsLA also performed outreach to obtain input while developing the RFP from elected officials, community members, transit/mobility/environmental justice/social equity advocacy organizations, the business community, transit operators including Metro, LADOT, and Santa Monica Big Blue Bus, and City agencies/departments. StreetsLA

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performed its outreach in-part through its standing Stakeholder Advisory Council, as well as an inter-agency steering committee formed to help guide the RFP development efforts; StreetsLA also met with individuals, groups, and other parties interested to learn about and provide input for the STAP RFP development. Throughout the entire RFI/RFP process, StreetsLA utilized the services of Parsons Engineering and their sub-consultant, Gobis & Co. who specializes in advising government agencies across the United States and Canada in the development of out-of-home advertising based, revenue generating programs to assist with the development of both the STAP RFI and RFP.

StreetsLA has completed its development of a RFP for the new STAP (Transmittal 2) and is being submitted for your Board's authority to solicit proposals. The STAP RFP encourages proposers to develop dynamic proposals that respond to the City's need for an expanded quantity of well-designed transit shelters with aesthetics representative of the City smart technologies and amenities (such as free Wi-Fi), flexible in their application, capable of generating revenues necessary to sustain both program operations and City revenue goals, and capable of providing transit patrons and constituents with real-time transit information and community messaging. The STAP RFP also provides proposers the opportunity to submit options for sharing foreseen capital expenditures to maximize program revenues and options for program elements such as urban panels, interactive kiosks, and vending kiosks.

The inclusion and provision of automated public toilets (APTs) is an option as opposed to a mandatory element of STAP. If APTs are not included in selected STAP proposals or otherwise detract from other stated STAP goals, StreetsLA plans to pursue a public toilet program separate from STAP to continue providing those necessary services and possibly expand them. Other key features of the proposed STAP include a program element site selection process that is based upon objective, data driven priorities including ridership levels/needs, cooling index needs, soci-economic equity, and regional trip generators; annual City Council approval of selected program element installation sites, continued high levels of maintenance, service, and sustainability are other key Program goals.

There are no existing City resources able to provide this service. Design, fabrication, installation, and/or relocation of both existing and new Program furniture in addition to continuously maintaining all Program furniture for the duration of the contract term would be cost-prohibitive and require resources the City presently does not have. Further, the City lacks the technical expertise and capabilities necessary to successfully sell, manage, and operate an advertising program of the anticipated scope and magnitude of STAP.

Compliance with City Contracting Policies and Programs

All respondents for this RFP will be required to complete and/or acknowledge all of the City required forms and policies in their RFP submittals including but not limited to: Non-Discrimination in Employment Provisions, Business Inclusion Program (MBE/WBE/SBE/EBE/DVBE/OBE utilization), Child Support Assignment Orders, Living Wage Ordinance, Service Contractor Worker Retention Ordinance, Contractor

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Responsibility Ordinance, Slavery Disclosure Ordinance, First Source Hiring Ordinance, Iran Contracting Act, Disclosure of Border Wall Contracting Ordinance, and Disclosure of Contracts and Sponsorship of the National Rifle Association Ordinance. For the purpose of this RFP, Business Inclusion Program goals have been set at the following levels: 18% MBE, 4% WBE, 25% SBE, 8% EBE, and 3% DVBE. Failure of respondents to perform a good-faith effort outreach to comply with Business Inclusion Program goals and other contracting policies will render a proposal incomplete and disqualify it from being considered for further evaluation.

Evaluation of Proposals

Respondents will be required to submit both a Technical Proposal and a Price Proposal. All proposals received will be evaluated by an Evaluation Committee, comprised of City employees and may include representatives of other public agencies or community groups. The Evaluation Committee will review and determine which Technical Proposals are most advantageous to the City and best suited to meet the desired Program goals based upon the following criteria and points awarded for each:

Qualifications	25 Points
Approach and Methodology	25 Points
Program Build Out and Refresh Plans	15 Points
Design	15 Points
Sustainability	10 Points
Innovative Approaches	10 Points

Price Proposals will be evaluated separately from Technical Proposals by the Evaluation Committee for reasonableness, realism, and completeness and be assigned a single comprehensive score out of a possible 100 points. Unrealistic revenue share projections/estimates may be determined to be grounds for disqualifying and disregarding the proposal. The combined Technical and Price Proposal scores will be utilized to select respondents best suited to become the City's partner for STAP.

Anticipated RFP Schedule and Advertising of the RFP

If authorized to immediately release the STAP RFP by your Board, StreetsLA anticipates that proposals will be received in early 2021, the proposal analysis process will be completed by spring of 2021, and a new negotiated contract ready for approval and execution by mid-summer 2021. The STAP RFP will be advertised on the Los Angeles Business Virtual Assistance Network (LABAVN) as well as through Out of Home Advertising industry news sources. StreetsLA believes it is necessary for the new STAP contract to be executed several months prior to the expiration of the CSFP contract to enable the new STAP contractor to begin operations immediately on January 1, 2022, to minimize any disruption of service to transit patrons.

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Anticipated Policy Decisions

As the RFP process continues, there are several policy decisions that we anticipate will be considered by the City Council and/or Board of Public Works prior to the finalization of any contract that may be developed as a result of this RFP. In no particular order, these policy decisions include the following:

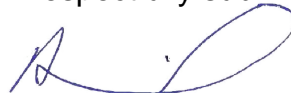
- The extent and appropriate parameters of digital advertising and/or digital displays by STAP and other programs wishing to implement similar technologies within public rights-of-way including the Convention and Tourism Development Department's digital information displays with advertising, digital street light banners, digital displays on items such as bike-share stations and mobility hubs, etcetera.
- Policy related to data collection, ownership, privacy and use from devices placed within public rights-of-way or on City facilities.
- Capital investment levels and strategies by the City for STAP and related programs.
- Reinvestment of STAP and related program revenues into streets and sidewalks to provide necessary improvements that facilitate safety, increased transit use, and enhance mobility options.
- Advertising content policy for off-site advertising permitted by the City within public rights-of-way and/or upon City facilities.
- Oversight and coordination of advertising programs permitted to operate within public rights-of-way to maximize benefits and services available to the City through such programs.

STATUS OF FINANCING:

It is anticipated that there will be no fiscal impact to the City's general fund as a result of this Program. Costs associated with the Request for Proposal process, contract negotiation and eventual administration, management, and enforcement of the STAP contract will be offset by revenues generated from the advertising placed on program elements. It is anticipated that revenues generated through STAP will exceed costs to administer and manage the Program and provide an on-going revenue source for both the General Fund and Street Furniture Revenue Fund (43D) for the duration of the contract term.

(FM,AB,AHH)

Respectfully submitted,



ADEL H. HAGEKHALIL, P.E.
Executive Director and General Manager
Bureau of Street Services