

# City of Minneapolis

## Request for Committee Action

**To:** Transportation & Public Works  
**Date:** 6/21/2016  
**Referral:** Ways & Means  
**From:** Public Works Department  
**Lead Staff:** Diana Saenger, Operations Analyst, Traffic and Parking Services  
**Presented by:** Mark Read, Assistant Parking Systems Manager, Traffic and Parking Services  
**File Type:** Action  
**Subcategory:** Contract/Agreement

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**Subject:**

Agreement for paid advertising within City owned parking facilities and skyways.

**Description:**

Authorizing staff to negotiate with OUTFRONT Media LLC. (formerly known as CityLites USA) to provide advertising services within the Municipal Parking System.

**Previous Actions:**

April 14, 2006 – Authorized and approved the selection of CityLites USA as the successful vendor for providing advertising services within the Municipal Parking System and proper City Officers are authorized to negotiate and execute a contract between the City of Minneapolis and CityLites USA for these services.

January 27, 2006 – Authorized the issuance of a Request for Proposals (RFP) for advertising in city-owned/operated parking ramps and adjoining skyways.

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**Ward/Address:**

Not Applicable

**Background/Analysis:**

Based on the conclusions of a feasibility study conducted in 1996, it was determined that the municipal parking system has the requisite traffic counts, advertiser interest and locations to support as many as 125 display units in 14 ramps and adjoining internal skyways.

In the fall of 1997, the City solicited proposals for a pilot to test the potential of the program. After discussions with the Downtown Council Skyway Advisory Committee, GMCVA (now Meet Minneapolis), and the Mpls Convention Center, it was decided to contract with an advertising agency. In an effort to limit the amount of advertising space, total advertising square footage is not to exceed 25% of the available wall surface.

In 2005, the City solicited a contractor through its RFP process and CityLites USA was awarded the contract on July 1, 2006 with a term of five (5) years with the right to extend an additional five (5) years. The contract was extended and expires on June 30, 2016.

The City and Skyway Advisory Council also approved other advertising platforms consisting of decals (clings) attached to the floors, hanging posters on wall surfaces, or other locations associated with a particular ad campaign. These were usually in conjunction with the back lit panels and resulted in increased revenues.

A competitive RFP process for advertising began on April 4, 2016. Two bids were received and the review team selected OUTFRONT Media.

Public Works will work with the contractor to develop reasonable standards to address the placement, size, type, and location of advertising in the skyways.

The proposed plan from the agreement with OUTFRONT includes:

- Traditional panel and custom graphic wall decals.
- Modern digital panels that will maximize available advertising space.
- Ability to add additional panels in new spaces due to development or further research.
- A revenue forecast/proposal of
  - The greater of \$60,000 per annum (increasing 3% annually) or
  - 20% of advertising revenues received.
- Any non-purchased space in the ad panels can be made available for civic, arts, and other non-profit community events or skyway directory maps.

Staff will return to Council for contract approval after negotiations with the vendor.

**Financial Review:**

**No additional appropriation required, amount included in current budget.**

**Future budget impact anticipated.**

Increased enterprise fund revenues to assist in the maintenance and operations of the City owned parking facilities and skyway capital.

**Approved by the Permanent Review Committee.**

**Meets Small and Underutilized Business Program goals.**