CITY TOURISM DEPARTMENT

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August 20, 2026

Public Works Committee
Trade, Travel and Tourism Committee
Office of the City Clerk
200 N. Spring Street, Room 395
Los Angeles, CA 90012

SUBJECT: RESPONSE TO MOTION 22-1154-S2B, PROPOSED INTERACTIVE KIOSK PROGRAM

Dear Honorable Councilmembers:

SUMMARY

On August 27, 2025, City Council (Council) directed the Los Angeles City Tourism Department (CTD), with assistance from the Bureau of Street Services (StreetsLA), the City Administrative Officer (CAO), and the City Attorney, to report on the following information related to the proposed interactive kiosk program (Program):

a.) Scope of the Program;

b.) Assessment to identify the appropriate of City of Los Angeles (City) agency to manage and administer the Request for Proposal (RFP) and the Program;

c.) Regulatory framework and spatial requirements for kiosk installation; and

d.) Estimated annual revenue projections and fiscal impacts to the Sidewalk and Transit Amenities Program (STAP).

This report includes information in response to items a.), c.) and the environmental review process as detailed by the Office of the City Attorney; it also includes an attachment submitted by StreetsLA. As CAO was indicated to report on items b.) and d.), information in response to those two items is addressed in a separate report from CAO.

The attached communication from StreetsLA also provides additional context that may address items b.) and d.).

BACKGROUND

CTD's mission is to advance tourism policies and strategies to increase the competitiveness of Los Angeles as a premier convention and tourism destination. In order to help the City maximize the economic benefits derived from out-of-town visitors, CTD's contractor, the Los Angeles Tourism & Convention Board (LATCB) has been tasked with enhancing the visitor experience with the intent of encouraging repeat visitation and longer stays. Given the City's size, diversity and complexity, the ability to share information to visitors while they are in market to assist with planning and wayfinding has been identified as a major opportunity for improving the visitor experience. One avenue to achieve this goal would be to implement a system of digital interactive kiosks across the City, which could then be used to communicate real-time information and to help equitably distribute visitors as well as residents throughout the City, thereby supporting local businesses and encouraging exploration.

Over the past 10 years, CTD has explored the use of digital interactive kiosks in various capacities. The concept behind the proposed Program as it stands today includes utilizing the public right-of-way for deployment of kiosks in every Council District to help build out the City's tourism infrastructure.

SCOPE OF THE PROGRAM

As a department with limited resources and workforce (i.e. funding for just 12 position authorities in total and an annual operational budget of $72,000), CTD envisioned for the proposed Program to place considerable responsibility on the future vendor, including community outreach, capital expense and the environmental review process. With input from StreetsLA, CTD developed the following draft scope of work for the Program:

- Design, manufacture, install, repair, replace and maintain all kiosk structures, including full lifecycle obligations such as relocation, removal, and restoration of the public right-of-way as required by the City, with no capital contribution from the City

- Be responsible for all permitting and acquiring relevant approvals for the program, including working with the City and other entities as needed to ensure all kiosk structures meet City engineering codes, building permit requirements, The Americans with Disabilities Act (ADA), and all applicable City, state and federal accessibility and right-of-way standards, as interpreted and enforced by the City, for structures placed in the public right-of-way; all permits and approvals remain subject to City review and discretion

- Be responsible for costs and work related to the environmental review process under the California Environmental Quality Act (CEQA)

- Ensure that kiosk structures and components, including all electrical and communications infrastructure serving the kiosk, such as conduits, cabling, pull boxes, service points and power connections, are designed and constructed to withstand various environmental factors, including sunlight, weather conditions, heavy wear and tear, vandalism, graffiti, theft, tampering, etching and other conditions that are common within the public right-of-way

- Integrate the following digital and technical benefits and services (note: all content, system integrations, cybersecurity measures and data practices are subject to City approval, and data collection and use is limited to City-approved purposes in compliance with applicable laws and policies):

    - Real-time transit information
    - Wayfinding
    - Tourism related information provided by the City's destination marketing organization
    - Emergency messaging - integration of NotifyLA
    - City services - integration of MyLA311 System
    - Public service information tailored to neighborhoods
    - Localized advertising
    - Safety features
    - Cyber security and data protections
    - Universal access through messaging in multiple languages and delivery methods, such as audio and tactile messaging systems
    - Content management system

- Take lead on community outreach with local resident, business and community organizations, Neighborhood Councils and Council District offices, at Proposer's own cost, including:

- Designating a liaison to interface with community stakeholders to address day-to-day concerns related to kiosk operation
- Working with community stakeholders to identify locations in all Council Districts for Program kiosk placement, with final site selection subject to City review, Council Office concurrence and Board of Public Works approval processes

- Provide new opportunities over the life of the contract term to expand the program and implement new technologies if deemed mutually beneficial to both the City and the Contractor and subject to City review and approval
- Comply with the City's advertising policy

REGULATORY FRAMEWORK AND SPATIAL REQUIREMENTS

As CTD does not have any prior experience with delivering or administering infrastructure projects in the public right-of-way, StreetsLA provided topics for consideration as it relates to regulatory framework and spatial requirements for kiosk installation and Program design, approval, construction and implementation, which are summarized below. Please see Attachment A for additional details.

The Program must comply with all applicable federal, state, and local laws and requirements. Key regulatory considerations for kiosk programs include compliance with the California Environmental Quality Act (CEQA), Highway Beautification Act, the Americans with Disabilities Act (ADA) Public Right-of-Way Accessibility Guidelines (PROWAG), the City's advertising content policies, applicable state requirements related to data privacy, the California Coastal Commission (if applicable), and potentially other bodies with special jurisdictional oversight. Kiosk design, construction and installation would also be subject to a permitting and review process as required by various authorities having jurisdiction, including the bureaus under the Board of Public Works.

As a standard contracting safeguard, kiosk operators should be required to maintain full regulatory compliance and provide appropriate indemnification and risk mitigation provisions consistent with City contracting practices.

From a siting standpoint, kiosk placement is constrained by City sidewalk obstruction rules and required pedestrian and safety clearances, including minimum setbacks from curbs and property lines; prohibitions near visibility triangles, traffic control devices, roadway medians, and bus stop zones; preserve sightlines for pedestrian and vehicular safety; avoid conflicts with existing street and utility infrastructure and maintain clearances from building entrances, driveways, and other street furniture.

Given that the proposed Program envisions zero capital expense carried by the City, therefore requiring out-of-home advertising revenue to support the Program, the realization of the Program and its financial viability would require Council to amend the Los Angeles Municipal Code (Municipal Code), Section 67.02. As it is currently written, STAP is the only program that is permitted to have outdoor advertising structures in the public right-of-way.

ENVIRONMENTAL REVIEW PROCESS

The environmental review process under CEQA for the Program would involve two main steps. First, the Program would be evaluated as to whether any exemptions, such as categorical exemptions and/or statutory exemptions, apply. Second, if no exemptions apply, an initial study would be prepared, which would analyze whether a negative declaration/mitigated declaration (ND/MND) or environmental impact report (EIR) would be necessary.

For STAP, which had some comparable digital panel elements, the City approved an MND (Council File No. 20-1536). The MND and STAP were challenged in court, which resulted in legal settlements placing some limitations on STAP. Other CEQA clearances for various digital panel elements ranged from categorical exemptions to EIRs.

The City would need to designate a lead City department for the CEQA process (for instance, CTD, StreetsLA, Bureau of Engineering, or other). Staff and resources would need to be allocated to the lead City department; this would typically include CEQA consultants to prepare the required documents. The CEQA process can commence at any point, assuming sufficient resources and a stable project description are available, however, the CEQA review needs to be completed no later than the first commitment/approval of any kiosk program (typically, not at the RFP stage where there is no commitment to move forward with the project, but at the award of the contract).

For categorical exemptions and most statutory exemptions under CEQA, there is no requirement for community engagement. For ND/MNDs, the lead agency is required to have a written public comment period to receive public input on the ND/MND. For EIRs, the lead agency is required to have a public scoping period to receive comments on the scope of the environmental analysis (typically written and technically limited to public agencies but often open to the entire public) and a public comment period to receive and respond to comments on the EIR. City departments often also hold public meetings during the scoping period and/or the Draft EIR comment period, although this is not required under CEQA.

If you have any questions or require further information, please contact Kim Nakashima, Director of Policy and Research, at kim.nakashima@lacity.org

Sincerely,

Doane Liu,
Chief Tourism Officer
Executive Director, City Tourism Department

ATTACHMENT

DL:kn
Exec. Ref.#: 26-049

FORM GEN. 160 (Rev. 8-12)

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: February 15, 2026

TO: Doane Liu, Executive Director
City Tourism Department

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FROM: Keith Mozee, Executive Director and General Manager
Bureau of Street Services (StreetsLA)

SUBJECT: **SIDEWALK TRANSIT AND AMENITIES PROGRAM (STAP) IMPACTS AND IMPLEMENTATION CONSIDERATIONS FOR AN INTERACTIVE KIOSK PROGRAM (C.F. 22-1154-S2B)**

PURPOSE AND ORGANIZATION:

This supplemental attachment is provided to support the City Tourism Department's (CTD) response to the Council motion regarding the proposed interactive kiosk program by summarizing StreetsLA and STAP implementation context and program considerations relevant to the motion's reporting directives. It is intended to clarify how a standalone kiosk Request for Proposal (RFP) could interface with existing STAP delivery, administration, and funding structures, and to provide Council with practical information based on StreetsLA's experience implementing and managing a citywide street furniture program in the public right-of-way.

The sections that follow are organized to align with the motion's directives, including: the scope of the proposed kiosk program relative to Council File No. 22-1154-S2B, considerations related to program administration and interdepartmental coordination, regulatory and spatial requirements for kiosk installation, and revenue and fiscal considerations, including potential interactions with STAP. Where applicable, this attachment distinguishes between items requested by the Council motion and additional implementation context provided by StreetsLA/STAP to support a complete understanding of program delivery requirements and potential impacts.

BACKGROUND

On August 27, 2025, Council adopted Council File No. 22-1154-S2B directing CTD in conjunction with StreetsLA to report on the proposed standalone kiosk RFP. This report provides background on the bureau's existing STAP, the process for implementing STAP, and the impacts to the STAP program should an RFP for a standalone kiosk program move forward.

STAP Program History

StreetsLA has long served as the City's lead bureau for street furniture in the public right-of-way, including administration of STAP for transit shelters and the Bus Bench Program for bus benches at local and regional bus stops. On December 21, 2001, the City executed an agreement with Viacom Decaux, LLC (now known as OUTFRONT Media/JCDecaux) for the City's Coordinated Street Furniture Program. The agreement was set to expire on December 21, 2021. On November 26, 2019, City Council action under Council File 00-1073-S1 directed StreetsLA to pursue a new RFP process for a successor transit furniture program. The STAP contract award to Tranzito-Vector was subsequently approved by the Mayor on October 6, 2022.

Between the initial Council instruction on November 26, 2019, and final approval of the STAP contract on October 6, 2022, the STAP procurement and contract startup process took just under three years.

Below is a timeline of the STAP contract process:

- **Nov 26, 2019** – Council directed StreetsLA to develop the STAP RFP.
- **Nov 24, 2020** – StreetsLA released the STAP RFP.
- **May 11, 2022** – STAP CEQA environmental document approved/cleared.
- **Oct 6, 2022** – STAP contract received final City approval.
- **Nov 30, 2023** – Public Work Trust Fund loan finalized for STAP CapEx drawdown.
- **Apr 9, 2024** – First new STAP shelter installed (Western & Olympic).

STAP Program Purpose and Delivery Framework

STAP is the City of Los Angeles' primary program for planning, delivering, operating, and maintaining transit shelters and related street furniture in the public right-of-way. Per the adopted instructions by Council, the STAP program is focused on improving the comfort, safety, and accessibility of transit stops and enhancing the public realm for both residents and visitors. STAP is implemented through an executed contract that provides a coordinated platform for site planning, design and engineering, permitting and interdepartmental review, utility and power coordination as needed, construction and restoration, and long-term operations and maintenance performance management.

STAP is structured around an equity lens and a citywide delivery model, with a program goal of achieving shelter coverage for approximately 75% of transit passengers within each Council District, subject to feasibility and permitting constraints. Shelter installations are evaluated and scored using the following criteria:

- Location within Equity-Focused Communities

- Proximity to local and regional trip generators and points of interest, including tourist destinations, commercial areas, schools, medical facilities, employment centers, recreational facilities, and transit hubs
- Passenger boarding activity and wait times
- Exposure to extreme heat

The program relies in part on an advertising-supported cross-subsidy approach, where higher-performing advertising locations help fund installation and maintenance in lower-revenue, transit-dependent, and heat-vulnerable communities that would not otherwise attract sufficient advertising demand to be self-supporting.

Unlike the prior contract with JCDecaux where the City received 20% of the revenue and JCDecaux owned the shelter assets, in the current contract, the City receives 60.5% of the gross revenue but owns the shelters and provides the capital funding for the installation of transit shelters.

The executed STAP contract covers a broad range of program elements, including transit shelters and associated components, passenger information and digital display features, and related technology-enabled enhancements that involve similar right-of-way, accessibility, power, and maintenance considerations as kiosks. STAP also maintains the administrative systems and coordination pathways required to manage public-facing assets at scale, including standardized site planning and approval processes, ongoing Council Office and interdepartmental coordination, performance reporting, and integration with City customer service workflows such as MyLA311 to support consistent intake, tracking, and resolution of service requests.

STAP already supports CTD's visitor-serving objectives through an existing citywide platform that carries City-sponsored Public Service Announcement (PSA) campaigns across shelters, bus benches, and related transit amenities, and the program has implemented multiple such campaigns to date. StreetsLA will continue coordinating with CTD to support similar outreach through STAP's existing assets and through STAP's digital and kiosk features as they are implemented. In addition, the City is advancing a pilot-scale interactive kiosk effort through the Downtown Wayfinding and Transit Amenities grant project, funded by Metro's Express Lanes program, to deploy approximately 20 interactive kiosks in Downtown Los Angeles. Initial installations are anticipated within the current fiscal year, with additional kiosks phased as site approvals proceed. This pilot will validate siting, permitting, power, operations and maintenance, user interface, and performance reporting to inform any future expansion.

RFP PROGRAM IMPLEMENTATION

This section responds to the Council motion directives on a point-by-point basis. The intent is to provide Council with an implementation-focused assessment of the proposed interactive kiosk

RFP, including the potential impacts to the City's existing STAP if a standalone kiosk program moves forward.

Motion Directive 1(a): Scope of the proposed interactive kiosk program relative to Council File No. 22-1154-S1.

In response to Directive 1(a), the Council motion requests CTD to report on the scope of the proposed interactive kiosk program and how it compares to the concept previously contemplated under Council File No. 22-1154-S1. For purposes of this supplemental attachment, StreetsLA highlights the scope components that must be defined for any kiosk program to function successfully in the City.

Interactive kiosks are generally digital display devices that provide location-based information and services through an on-screen interface, commonly supported by QR-code handoff to a user's personal device. Industry practice for standalone kiosk programs often concentrates installations in high-activity centers such as convention centers, entertainment venues, museums, and shopping districts. Modern kiosk programs also rely on a content management platform and operational workflows that enable City messaging, public information, and advertising content to be delivered consistently, with defined performance reporting and maintenance response requirements comparable to other street furniture assets. The STAP program currently applies these standards to both existing and proposed kiosks throughout the City.

Should a kiosk RFP move forward, the RFP would have to lay out specific details as to how any contractor will comply with these standards and provide all amenities currently offered by STAP kiosks. These standards apply to the existing STAP contract and require addressing key foundational scope including siting criteria and feasibility screening, accessibility and right-of-way clearance requirements, power and communications planning where applicable, content standards and advertising controls, operations and maintenance performance requirements, revenue reporting and auditability, public issue resolution and Council Office coordination, and integration with City customer service workflows. For example, STAP is already integrating program elements with MyLA311 to support consistent intake, tracking, and resolution of service requests. A separate kiosk program would need to establish comparable integration to avoid creating parallel public reporting pathways and inconsistent response processes, resulting in duplicative effort and additional City coordination burden.

In addition, any new standalone kiosk program requires environmental review and related program initiation steps that carry real upfront cost and schedule implications. Those startup costs must be recouped through the contract's financial structure, either through reduced City revenue share, higher advertising requirements, or other program assumptions. While StreetsLA defers to the City Attorney's Office on the specific legal and procedural requirements for environmental review, the practical scope implication is that launching a separate program can introduce a new round of initiation costs and time that the City would need to fund or absorb.

Accordingly, in describing the scope of a proposed kiosk program relative to C.F. 22-1154-S2B, it may be helpful for CTD's report to clarify how the proposed kiosk effort would interface with STAP, including whether implementation and ongoing responsibilities would be managed through a distinct program structure or aligned with existing right-of-way delivery processes where there is functional overlap. Clarifying this relationship can help avoid overlapping responsibilities, reduce the potential for duplicative public-facing service and reporting pathways, and support coordinated program delivery using established City processes.

Motion Directive 1(b) Assessment to identify the appropriate City agency to manage and administer the Request for Proposal and the interactive kiosk program.

In response to Directive 1(b), StreetsLA notes that administering an interactive kiosk program in the public right-of-way requires sustained coordination across multiple City functions beyond installation alone. In addition to standard right-of-way delivery responsibilities such as siting feasibility, accessibility and pedestrian clearance compliance, utility and power coordination, permitting and plan review, construction coordination and restoration, and ongoing maintenance response, a kiosk program also implicates technology and cybersecurity requirements for connected devices and content management, privacy and public safety considerations, applicable historic and cultural resource review where relevant, local business and economic development objectives, and compliance with City regulations, guidelines, and content standards. As a result, the administering structure must be capable of managing day-to-day operational performance while also coordinating with City partners that have authority or subject-matter expertise in these areas.

StreetsLA is already performing this type of multi-department coordination through its existing street furniture and transit amenities delivery. STAP regularly coordinates with Council Offices and multiple City departments and Public Works bureaus on site approvals, permitting, power needs, construction coordination, maintenance response, and community concerns. STAP also has digital interactive kiosk implementation work currently in progress that StreetsLA will administer as part of ongoing contract delivery and performance management, and will continue coordinating in the coming months on kiosk interface requirements, content standards, technology requirements, and operational performance expectations.

The appropriate administrative structure for any kiosk RFP and resulting program would depend on the program's primary purpose and scope, including whether kiosks are intended to function primarily as tourism and wayfinding infrastructure, advertising-supported street furniture assets, or a hybrid model. Regardless of structure, the administering entity would need to ensure cross-department coordination and consistent application of existing public right-of-way standards, permitting and clearance requirements, content and advertising rules, technology and privacy requirements, and operations and maintenance processes.

Motion Directive 1(c) Regulatory framework and spatial requirements for kiosk installation

In response to Directive 1(c), StreetsLA notes that an interactive kiosk program operating in the public right-of-way must comply with all applicable federal, state, and local laws and requirements. Key regulatory considerations for kiosk programs include compliance with the California Environmental Quality Act (CEQA), Highway Beautification Act (outdoor advertising controls and related state and federal oversight), the Americans with Disabilities Act (ADA) and the most recently adopted Public Right-of-Way Accessibility Guidelines (PROWAG) (tactile access, reachability, and clear pedestrian paths), the City's advertising content policies (including emergency messaging and civic content requirements), and applicable state requirements related to data privacy (including compliance expectations consistent with the California Consumer Privacy Act). In locations subject to special jurisdictional oversight, additional requirements may apply, including review within areas under the California Coastal Commission. As a standard contracting safeguard, kiosk operators should be required to maintain full regulatory compliance and provide appropriate indemnification and risk mitigation provisions consistent with City contracting practices.

From a siting standpoint, kiosk placement is constrained by City sidewalk obstruction rules and required pedestrian and safety clearances. Siting controls typically include kiosk spacing, minimum setbacks from curbs and property lines, and prohibitions near visibility triangles, traffic control devices, roadway medians, and bus stop zones. Kiosks must maintain ADA-compliant access and preserve sightlines for pedestrian and vehicular safety. Locations must also avoid conflicts with existing street and utility infrastructure and maintain clearances from building entrances, driveways, and other street furniture.

Kiosk deployment also requires an established permitting and review process, including technical drawings, construction approvals, utility coordination for power and communications, maintenance standards and response timelines, Council Office notification and outreach, performance reporting, and clear removal or relocation provisions. These requirements reinforce that kiosk siting is not simply a location preference, but a feasibility and compliance determination verified through site plans, clearance checks, and interdepartmental review before installation.

These examples are not exhaustive; they are provided to illustrate the types of compliance and spatial feasibility considerations that typically shape kiosk site selection and implementation in the public right-of-way.

Motion Directive 1(d) Estimated annual revenue projections and fiscal impacts to the Sidewalk and Transit Amenities Program.

The following narrative is provided by Gobis & Co., an out-of-home advertising industry consultant, and summarizes their market and revenue impact analysis of a potential standalone interactive kiosk program in Los Angeles. Using comparative data from other municipal kiosk programs and modeling a 300-kiosk scenario over a 20-year term, Gobis & Co. estimates a standalone program could generate approximately $3 to $4 million annually to the City under typical revenue-share structures, but cautions that the more significant issue is market saturation and overlap with STAP's existing and planned digital inventory. Gobis further indicates the standalone program could reduce STAP revenue by up to approximately $5 million annually, which is equivalent to the funding capacity for roughly 45 shelters per year that would otherwise be installed citywide.

> *Los Angeles is one of the largest media markets in the world and as a result, it's out of home advertising inventory is some of the most sought after of any major city. While the billboards, digital displays, transit advertising, and other signs generated almost $600 Million in revenue in 2024 more inventory is being proposed and developed every day which concerns Gobis that the market may be nearing a saturation point. Gobis believes that the addition of tourism kiosks in a standalone program would saturate the kiosk market share as major advertisers would consider them to be duplicative of STAP. The unintended result is a reduction of revenues to the City because of lower STAP revenue and a potentially lower share of revenue from the tourism kiosks. The presence of two similar programs can also create confusion among advertisers.*
>
> *STAP is a unique advertising-supported program that was developed as a city investment to respond to the transit-riding and public need for more protection from extreme heat resulting from climate change. STAP also provides a safe environment for the public as new shelters have improved lighting and physical protection. A reduction in STAP revenues has the greatest impact on maintenance of the program elements but could potentially slow the installation of new shelters because support for the program relies heavily on keeping the existing inventory in a condition acceptable to transit users and advertisers. STAP revenues also contribute to Council District Office expenses, repayment of the Public Works Trust Fund loan which helped accelerate the start-up of the program, reinvestment in the program through the Reinvestment in Accessibility, Infrastructure, and Streetscape Enhancements for Los Angeles (RAISE LA) fund, and the largest portion of revenues contribute to the General Fund.*
>
> *STAP has generated almost $30 million in revenue to the City in its two and a half years of operation which is about 34% of the amount paid to the City under the previous CSFP over 20 years. 5 Projected STAP annual revenues by 2032 would be more than $60 million with the complete build out of the program, according to estimates developed by STAP's contractor Tranzito-Vector. Under the STAP agreement, the City collects the greater share of gross revenues at 60.5% because the City pays for the capital expenses of the program.*
>
> *For the analysis of annual revenue that could be generated from a standalone interactive kiosk program, Gobis analyzed revenue returns from three municipal standalone kiosk programs, Houston, Seattle, and LinkNYC. Gobis also used data from a comparative*

analysis completed by the City of Dallas, Texas, conducted in late 2024 of comparable interactive kiosk programs for that city's consideration of their program.

In December 2023, LA Tourism considered the deployment of 300 to 500 kiosks in the City of Los Angeles. New York City's Link NYC is the largest interactive kiosk program in the United States with 2,126 kiosks deployed throughout the five boroughs of that city. Of the other comparative cities, Seattle has 70 and Houston has 125, the latter is larger in land size than Los Angeles covering 637 square miles to Los Angeles' 502 square miles. STAP's contract identifies a goal of 202 urban panels. A quantity of 300 kiosks is used for this analysis.

Of the comparative cities, New York's kiosks generate an estimated $19,600 in annual revenue per kiosk, Seattle generates $21,429 annually per kiosk, and Houston generates a range from $23,333 to $33,333 per kiosk annually. For purposes of estimating Los Angeles interactive kiosk revenue, Gobis used an average of all these cities' revenue which is $21,500 (using the lower side of Houston's average).

For this analysis, a 20-year period is used since this is a common length for a contract often structured with an initial 10-year period and two five-year options. An annual increase of 2% and an occupancy rate of 80% are used year over year.

Gobis developed two scenarios for a standalone program where the contractor provides the capital outlay. The first is based on a flat 45% share of gross revenues to the City. It is more likely a higher revenue share at a flat rate will be based on net revenues; it is important to consider that this scenario will result in a lower cumulative revenue share amount than is depicted below.

The second scenario is based on a lower share to the City during the initial program years (1 to 5) where the contractor repays itself the capital expense and then a higher share (60%) to the City following that repayment for years 6 to 20.

The third scenario is the kiosk program being developed under STAP and its 60.5% revenue share. It's important to note that in this scenario, the City is providing the capital funding, and the kiosk program will not actually be operational for 20 years since the contract is already active.

Baseline Conditions:

- *300 Kiosks*
- *$21,500 Average Annual Revenue per Kiosk*
- *20-Year Term*
- *2% annual increase*
- *80% occupancy rate*

Program	*Share to City*	*Average Annual Revenue Share*	*Cumulative Revenue Share*
Standalone	*Y1-20: 45%*	*$3.5 million*	*$70.5 million*
Standalone	*Y1-5: 20% & Y6-20: 60%*	*$4 million*	*$80.6 million*
STAP	*Y1-20: 60.5%*	*$4.7 million*	*$94.8 million*

Notes on revenue estimates: Out of home advertising revenues have steadily increased over the past decade with the notable exception of the period of the COVID 19 Pandemic. Out of home advertising's share of total advertising revenue has increased to 2.4% of the overall US expenditure on advertising of $379 billion. Of the major categories of out of home advertising, street furniture had the largest increase in revenue share from 2023 to 2024. Despite this steady record of growth, out of home advertising is subject to factors such as declines in general economic conditions, competition from other media, and government regulations both national and local.

Introduction of a large kiosk program would replicate the shelter-mounted and free-standing digital displays and kiosks already deployed by STAP and those planned. The scenarios above depict a standalone program generating $3 to $4 million annually that, depending upon where the kiosks were located, would compete with STAP revenues and would decline those revenues from either its kiosks and displays being duplicative of the new kiosks and, most certainly, rates for both programs would decline because of competition.

Based upon the comparative data presented above, a standalone kiosk program's annual gross revenues would range from $6 million to $9 million. At the high end, the program could divert as much as 35% of STAP's near term $24 million average gross annual revenues. The impact of a competitive program would also have the resulting impact of incrementally reducing the rates that both programs can command.

Motion Directive 2: REQUEST the City Attorney, concurrent with the above directive, and with assistance from CTD, BSS, and other relevant departments, to report on the requirements, including but not limited to community engagement, necessary to initiate an environmental review process for the City's consideration of a proposed kiosk program

Pursuant to the motion, the Office of the City Attorney is requested to report, with departmental assistance as needed, on the requirements (including community engagement) necessary to initiate an environmental review process for the City's consideration of a proposed interactive kiosk program. This attachment does not address Directive 2 and refers to the City Attorney's Office for all legal and procedural determinations and associated reporting.

Motion Directive 3: REPORT BACK on profit sharing scenarios between vendor and the City of Los Angeles, including potential percentages of City of Los Angeles profits that could go towards the General Fund and Council District Offices

In response to Directive 3, StreetsLA notes that STAP already operates under an established revenue and cost structure that is directly relevant to evaluating profit sharing options for any proposed kiosk program. Under the STAP agreement, gross advertising revenues are split such that 60.5% is remitted to the City and 39.5% supports contractor operations and maintenance responsibilities, which is critical to maintaining assets in acceptable condition and sustaining citywide service delivery.

If Council considers a standalone kiosk program where the contractor provides the upfront capital investment, StreetsLA notes that this approach typically involves a tradeoff in the contract economics, such as a lower City revenue share during early years, a longer term, or other financial provisions to allow the contractor to recover its capital costs. As a result, the evaluation should focus on the net fiscal outcome for the City and for STAP, not solely on whether initial capital is vendor-funded.

For purposes of profit sharing and revenue allocation, StreetsLA's highlights approach is that any City revenue received from a standalone kiosk program should be structured to prevent a net adverse impact to STAP's fiscal stability and equitable service delivery. Specifically, proceeds should be allocated in a manner that first offsets any measurable STAP revenue loss attributable to a competing kiosk program, and then supports reinvestment into transit amenities. This approach can be implemented using the City's existing STAP funding framework, including deposits to Fund 43D for Council District discretionary purposes and deposits to the RAISE LA fund for reinvestment in transit shelters and related street furniture, with allocation proportions set to ensure the kiosk program does not reduce the City's ability to maintain existing STAP assets or deliver new shelters.

If projected kiosk revenues are not sufficient to fully offset STAP revenue losses, STAP would have reduced funding available for operations, maintenance, and new shelter installations, with the greatest impacts in lower-revenue and transit-dependent areas that rely on STAP's cross-subsidy model.

Motion Directive 4: INSTRUCT the CTD, BSS, or the appropriate City Department, to conduct community engagement and provide a draft Request for Proposal (RFP) based on information from Directives 1 and 2.

In response to Directive 4, StreetsLA provides the following implementation-oriented considerations to assist CTD in developing a community engagement approach and draft RFP concepts for the proposed kiosk program, informed by the scope and governance topics addressed under Directive 1. Separately, Directive 2 requests the Office of the City Attorney to report on the requirements necessary to initiate environmental review, including any community engagement thresholds; accordingly, StreetsLA does not address legal or procedural determinations associated with environmental review and defer to the City Attorney's forthcoming report.

As a reference model, STAP was developed through extensive, multi-year engagement that began well in advance of contract execution and continues throughout program implementation. Prior to establishing the STAP contract, the City conducted broad outreach to inform program design, policy development, and implementation strategy, including more than 70 meetings, briefings, and information sessions with a wide range of stakeholders. This included 30+ meetings with community-based and advocacy organizations (including pedestrian, bicycle, climate, accessibility, and public health groups) to inform shelter design, shade priorities, pedestrian access, and climate resilience objectives, as well as 25+ formal information sessions to explain the STAP framework, gather feedback, and refine program elements prior to solicitation. The City also coordinated directly with Council Offices, City departments, and internal Public Works divisions through targeted briefings and working meetings to address policy alignment, regulatory requirements, and district-specific considerations.

Following contract execution, engagement remains an ongoing and integral component of STAP delivery. Each year, STAP conducts a formal site planning and approval process that includes Council Office coordination, interdepartmental review, and public transparency. STAP staff also participate in community meetings, outreach events, and stakeholder briefings to explain how the program functions, how sites are selected, and how communities can provide input. At the project level, engagement occurs directly with adjacent businesses and property owners during planning and installation to minimize impacts, address concerns, and confirm appropriate placement within the public right-of-way. Collectively, these practices demonstrate an engagement approach that is continuous and programmatic from concept through implementation, rather than limited to a single point in time.

Based on this experience, StreetsLA notes that CTD structure community engagement for any proposed kiosk program to clearly communicate program purpose, siting criteria, accessibility and pedestrian clearance requirements, content and advertising standards, maintenance and vandalism response expectations, and how equity goals will be met, including deployment in lower-income and transit-dependent neighborhoods. StreetsLA further highlights that any draft RFP include clear governance and accountability provisions (single accountable lead and defined support roles), standardized siting and feasibility screening, vendor responsibilities for power and utility coordination, performance requirements for operations and maintenance (uptime, repair timelines, cleanliness, and incident response), transparent revenue reporting and audit rights, and reporting metrics that track deployment and performance outcomes citywide, including equity and community benefit measures.

Should you have any questions regarding this supplemental attachment, please contact Kenneth Tang at kenneth.tang@lacity.org or Shirley Lau at Shirley.Lau@lacity.org.

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