

AGENDA ITEM REQUEST FORM

Department: City Manager's Office

Department Director: David Biggs

Phone: 799-8216

Meeting Date: March 28, 2017

Final Decision Date Deadline: March 28, 2017

SUBJECT:

Interest in Possible Digital Display as a Revenue Generator

INDICATE APPROPRIATE BODY

☒ City
Council

☐ Successor Agency to the
Redevelopment Agency

☐ Public Finance
Authority

☐ Finance
Commission

☐ Planning
Commission

☐ Community/Library
Services Commission

☐ Oversight Board

☐ Other _____

ITEM

☐ Presentation/Introduction

☐ Study Session

☐ Grant Application/Acceptance

☐ Public Hearing

☐ Resolution

☐ Video/PowerPoint

☐ Consent Calendar

☐ Ordinance

☒ Discussion Action

☐ Contract/Agreement

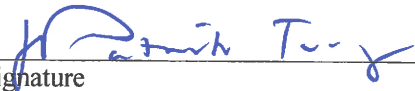
RECOMMENDED ACTION:

Receive Report, Discuss, and Provide Direction, if any.

☐ Copy of executed Resolution/Ordinance/Contract/Application required immediately upon approval.

REVIEWED AND APPROVED FOR AGENDA:

City Attorney (if Contract, Ordinance or Resolution)


Signature

2.23.17
Date

Finance Department for Fiscal Impact


Signature

3/23/17
Date

City Manager


Signature

3/23/17
Date

AGENDA ITEM NO:

XII.3



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of March 28, 2017

TO: Members of the City Council

SUBMITTED BY: David Biggs, City Manager

SUBJECT: Interest in Possible Digital Advertising Display as a Revenue Generator

RECOMMENDED ACTION: Receive Report, Discuss, and Provide Direction, if any.

COMMISSION/SUBCOMMITTEE ACTION AND RECOMMENDATION: Not Applicable

FISCAL IMPACT OF RECOMMENDATION: None as a result of this action, though leasing or licensing City property for a digital display could generate on-going revenue for the City's General Fund.

DISCUSSION: On prior occasions, the City has been approached about the possibility of leasing or licensing City property to allow for the installation and operation of a digital advertising display. At the Council meeting of February 14, 2017, there was a consensus of the Council to have a future discussion of this possibility.

Updated information on a possible digital sign has been provided by the company which had previously expressed interest and is attached.

ATTACHMENTS:

1. Digital Display Information

Financial Impact

Description:

Funding Source:

Budget Recap:

Total Estimated cost:	\$	New Revenue:	\$
Amount Budgeted:	\$	Lost Revenue:	\$
New funding required:	\$	New Personnel:	\$
Council Policy Change:	Yes <input type="checkbox"/> No <input type="checkbox"/>		



City of Hercules Digital Display Proposal

Background

The City of Hercules is located along an important Interstate in one of the best advertising markets in the United States. The City owns an underutilized property at Sycamore Ave with unobstructed access to Interstate 80 that has been preliminarily approved by Caltrans for a new digital advertising display. Cities throughout the Bay Area have unlocked the advertising value of their freeways to provide essential services to their communities.

Mesa Outdoor is a local billboard development and advertising company with a history of successful public/private partnerships. Mesa has developed the last three billboards in Contra Costa County, including the new digital display in Pittsburg, CA on Highway 4.

Proposal

Mesa proposes to develop and operate a new digital advertising display on the city's Sycamore Avenue property fronting Interstate 80. Mesa proposes a V'd structure on a single pole with two 20'x36' Watchfire High-Def (16mm pixel spacing) digital screens.

The advertising display would not be visible from Sycamore Avenue and would not adversely impact adjacent property owners.

Financial Highlights

- \$200,000 construction bonus
- \$12,000/month base rent (\$144k/year) increasing with Bay Area CPI
- 20% revenue sharing agreement (after 20% of annual revenue exceeds base rent payments).
- Dedicated time to promote City events
- Mesa coordinates and pays for all permitting, construction, insurance, and maintenance.
- 20-year lease



Mesa digital display in Pittsburg, CA on Highway 4

Project Highlights

- Opportunity to increase city revenue to provide essential services
- Strong regional operators with demonstrated project execution and sales strengths
- Unmatched commitment to project quality and aesthetics
 - Clean design – no catwalks, ladders, safety cables, etc.
 - Highest quality digital equipment
 - Solar generation on the top of the sign to partially offset electricity usage



Thank you for considering our proposal and we look forward to continuing the conversation!

A handwritten signature in black ink, which appears to read "Mike McCoy".

Mike McCoy
GM, Mesa Outdoor
925-786-6453
mmccoy@mesaoutdoor.com

November 28, 2016

Background on Optical Measurements and Calculations

Watchfire Signs has been in the sign business since 1932 manufacturing both incandescent light bulb and led signs.

Incandescent signs were commonly measured using illuminance measurements, partly because the light bulb is ideally a point source of light, illuminating equally in all directions, and illuminance meters are commonly available and inexpensive. Foot-candle measurements are made at a defined distance from the sign and the magnitude depends on the physical size of the sign.

LED signs are highly directional however, which is an advantage in an urban setting since the light can be directed more precisely to the intended audience. Luminance measurements have been used to specify LED signs by the industry. The candela per square meter (NITs) unit allows a specification that does not depend on size or viewing distance.

<http://www.signs.org/IndustryResources/TechnicalRegulatoryResources/BrightnessGuideforElectronicMessageCenters/tabid/745/Default.aspx>

The study done on the sign adjacent to a residential area used actual lab measurements made on modules using an illuminance meter. These measurements and extrapolations are then scaled up to the size of the sign and the distance corrections are made using the inverse square law. These calculations allow the study to be made in foot-candles, which then could be referenced back to the ISA study.

Below is a list of some of the measurement equipment used by Watchfire engineers.

Equipment used by Watchfire engineers to make lighting measurements:

Foot-candles/Lux - Minolta Illuminance Meter T-10

NITs/candela/sq. m – Minolta Luminance Meter LS-100

Sign Calibration – Minolta CS-1000 Spectra radiometer

SIGN LIGHTING STUDY

Sign Details

Size: 20'x36' Digital Billboard

Location: Highway 80, 38 00'39.57" N, 122 16'20.07" W

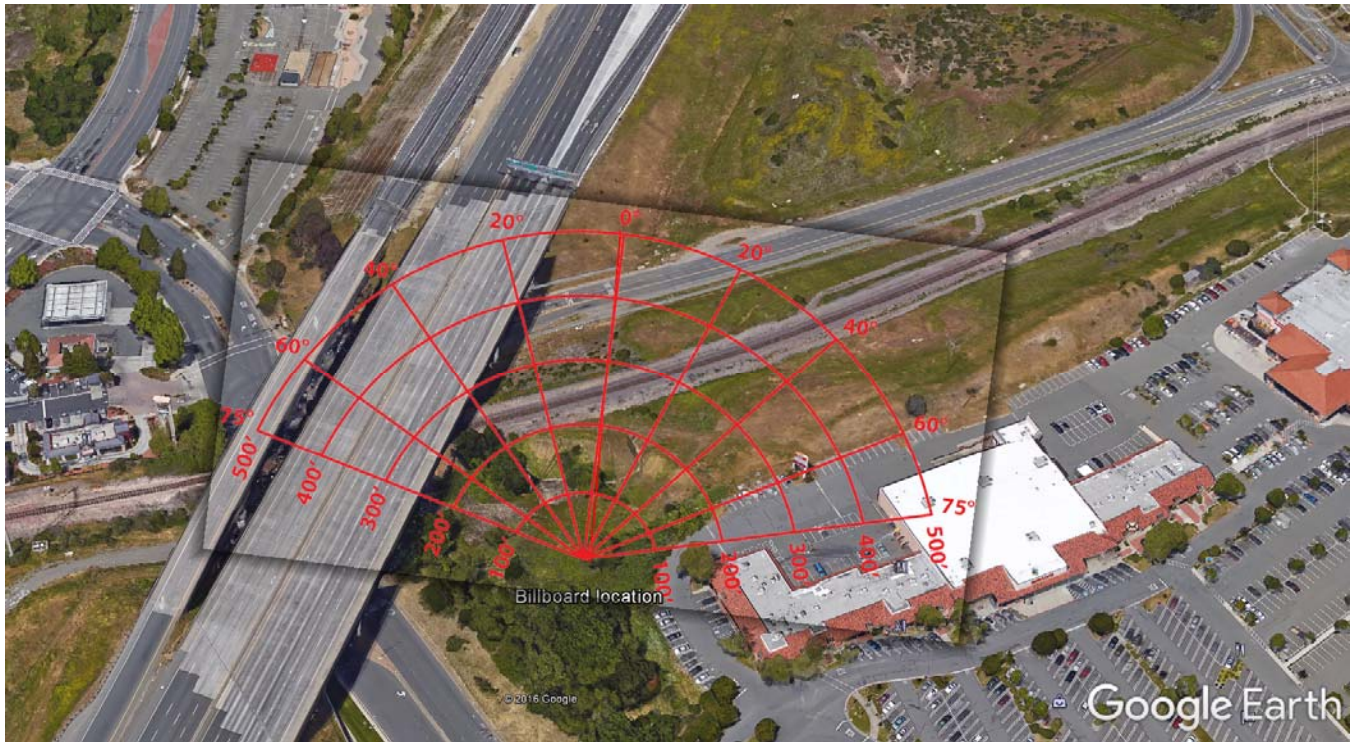
Data Collection

Light measurements are completed in foot-candles. A foot-candle is the amount of light produced by a single candle when measured from 1 foot away. For reference, a 100-watt light bulb produces 137 foot-candles at 1 foot away, .0548 foot-candles at 50 feet and .0137 foot-candles at 100 feet.

The table represents the total increase in ambient light produced by the sign under normal or typical operation at night. The ambient light increases will actually be less than shown in the chart since they fail to consider any objects blocking the line of site to the sign. Obstructions such as trees would further reduce real world overall ambient light increases. In addition to obstructions any existing light within the viewing cone will further diminish any light increase

	0 degrees	20 degrees	40 degrees	60 degrees	90 degrees
100'	0.3588	0.2960	0.1999	0.0904	0.0179
200'	0.0897	0.0740	0.0500	0.0226	0.0045
300'	0.0399	0.0329	0.0222	0.0100	0.0020
400'	0.0224	0.0185	0.0125	0.0057	0.0011
500'	0.0144	0.0118	0.0080	0.0036	0.0007

Light values in foot-candles at night under typical operation





Conclusion

Given the above comparisons and measurements, the residential area will see an almost undetectable difference in ambient light after installation of a billboard. Ambient light levels in the neighborhood are more heavily impacted by porch lights and landscape lights than the increases produced by a billboard.

Ray Digby

office 800-637-2645 x3006 Fax 217-442-1020

ray.digby@watchfiresigns.com

November 28, 2016

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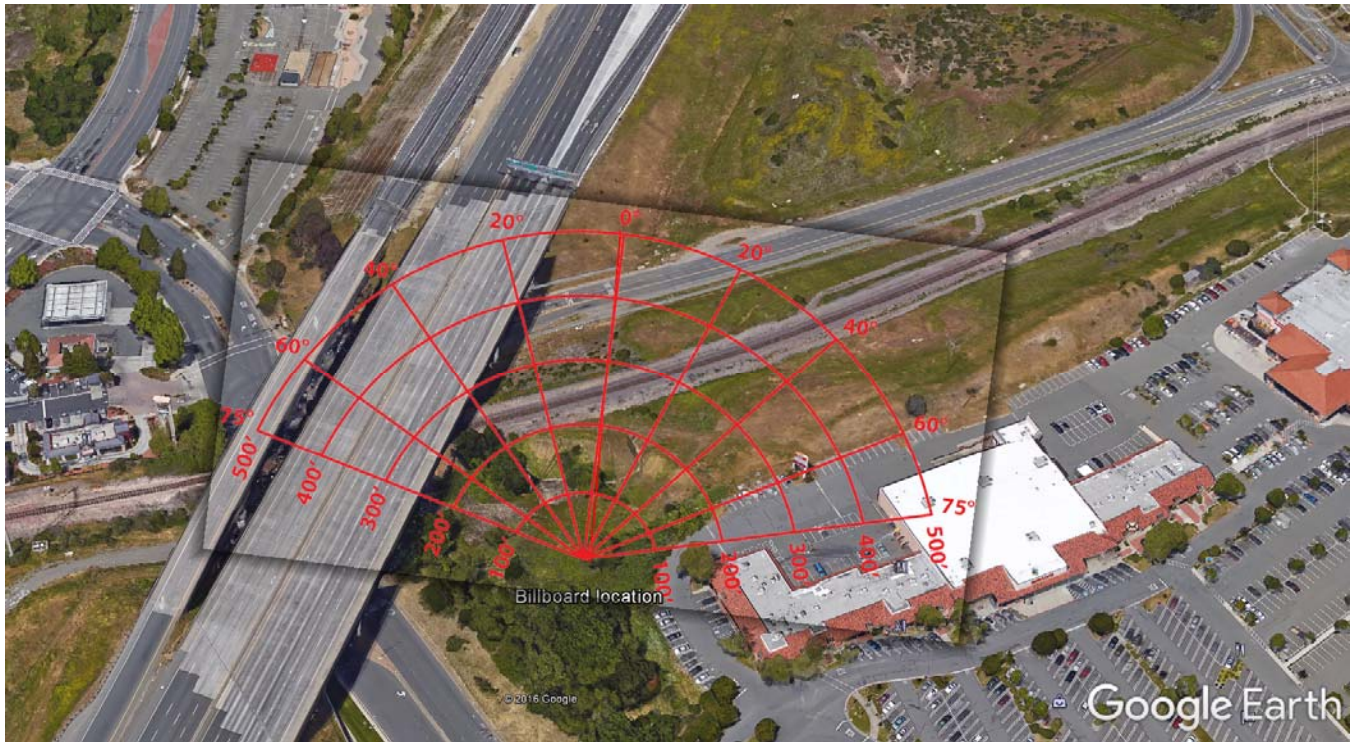
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