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COMMITTEE MEMORDANDUM

TO: Members, Finance and Citywide Projects Committee

FROM: Jorge M. Gonzalez, City Manager

DATE: April 27, 2011

SUBJECT: **Status update – Municipal marketing and advertising efforts; proposed Exclusive Beverage Agreement**

BACKGROUND:

As you are aware, the City has been involved in efforts to maximize its strong brand presence by partnering with corporate entities in a manner that generates good publicity and marketing for the City, while at the same time generating revenue or providing savings to the City. As reported during the budget discussion last summer, the City's municipal marketing consultant, The Superlative Group (TSG), identified priorities for their initial efforts, while other activities were identified that would be pursued internally with the City's Development Coordinator. The Development Coordinator serves as the contract support staff for TSG.

The initial efforts focused on identifying potential municipal marketing partners, and reaching out to these potential partners to gauge interest. The current economic conditions have impacted the marketing budgets for many large corporations that have a history of engaging in these types of partnerships. As you may be aware, municipal marketing efforts are funded principally from marketing budgets as they serve the primary purpose of promoting the corporation's brand and/or product. Not surprisingly, marketing budgets in large organizations have been impacted and are often the first areas affected when cost-cutting measures are initiated.

While we continue to pursue various efforts both in municipal marketing as well as new advertising opportunities, we have made considerable progress in the area of an Exclusive/Official citywide non-alcoholic Beverage partner. An update on our ongoing efforts on municipal marketing and revenue enhancement from advertising is provided as ***Attachment A.*** Below, please find the proposed terms for a proposed Exclusive/Official Beverage partnership for the City of Miami Beach for your consideration and approval.

EXCLUSIVE/OFFICIAL CITYWIDE BEVERAGE PROGRAM:

TSG initiated a selection process for an exclusive/official beverage partner for the City. The goal of the process was to identify a brand partner that would be interested in a brand affiliation relationship with the City that provides a marketing benefit to both parties. The relationship, however, is not only intended to increase the presence of the brand in our City, but also to generate volume sales for the beverage company. As such, any potential exclusive non-alcoholic beverage partnership will consider the opportunities available in our City not only for marketing purposes, but also for the direct sale of their beverage program. As for the former, these opportunities may be limited in our City in light of preferences in terms of the preservation of our historic areas and the resulting limitations likely to be imposed relative to logo placement, signage, etc. As to the latter, these opportunities relate only to facilities under the control

(direct or indirect) of the City.

Comparable to other, similar partnerships, the selected entity will have exclusive vending rights at all City facilities, as well as pouring rights at certain City-owned facilities, including those currently managed by third parties for the City. Because the City's vending program is currently very limited with only 45 beverage vending machines on average in operation in City-owned facilities, for purposes of maximizing the benefits for a potential beverage partner, the proposed partnership includes pouring rights in both of our golf clubs, the Miami Beach Convention Center and our public beachfront concession areas (currently nine concession locations).The management companies for these respective City facilities will be required to participate in the City's selected beverage program, with all revenues relating to sponsorship and commissions, as well as marketing support, benefiting the City directly.

Process:
As noted in the attached letter from TSG (Attachment B), TSG managed the process relating to the Exclusive Beverage Partner program on behalf of the City. In summary, this process involved the initial identification of potential respondents, an invitation for those companies to submit proposals, the selection of the best two potential partnership offers for the submission of a "best and final" offer, and the recommendation of a final offer for the City to consider. TSG's involvement has included analysis of comparable partnerships, and providing these potential partners with information relating to the City and opportunities. TSG has remained in contact with potential partners before and during this process. This has included gathering information on current venues, volumes and deal structures. TSG has been the point of contact with potential respondents and has been in regular communication with those entities.

A "Question and Answer" session with prospective partners was held on January 18th. Three prospective partners attended: PepsiCo, Dr. Pepper/Snapple and Coca Cola Bottling. Following the Q and A session, prospective partners were offered the opportunity to tour the City to see the current vending locations, as well as to visit the golf clubs, convention center and public beachfront concession areas to see their current operations and opportunities; three prospective partners toured the City. All prospective partners were advised that the City would be open to additional vending machine locations, subject to our review and approval.

Representatives from key departments (Parks and Recreation, Tourism and Cultural Development, Real Estate, Housing and Community Development/Asset Management), the City Manager's office and from the golf clubs and convention center were present as the two "best and final" offers were presented in person to TSG. The representatives had an opportunity to ask for clarification or additional information on the proposed partnership plan, if needed. The two presentations were from PepsiCo and Coca Cola Bottling.

Proposal components:
TSG advised prospective proposers of the City's interest in an Exclusive Beverage Partner and the availability of opportunities from this partnership. In addition to information on volumes, venues, current pricing, etc., TSG also advised the prospective proposers of our interest in securing a partner that provided an annual sponsorship fee, as well as a comprehensive marketing plan to enhance the presence of both brands, and in particular the Miami Beach brand. TSG recommended a minimum ten-year term for the partnership which is not only consistent with typical Exclusive Beverage Partnerships, but also creates an incentive for prospective proposers – as the selected partner will have exclusive rights for an extended time – sufficient to amortize any capital investment, and to establish their presence in the market.

PepsiCo and Coca Cola control the largest share of the beverage industry, with Coca Cola owning the top two brands for "sparkling beverage" – Coke and Diet Coke. Both companies offer a diverse sampling of products, ranging from the traditional carbonated drinks, to bottled water, juices (fruit and vegetable), sport drinks, energy drinks and ready to drink teas, among other products. Both are full-service companies, meaning that they will provide all vending and dispensing equipment, as well as the required servicing/maintenance, and handle all distribution to the venues and machines. Each has embarked on new

programs and strategies relating to their equipment, such as cashless vending (credit card reader machines) and interactive vending machines. Both companies enjoy a strong brand presence, with existing partnerships that include professional sports and large events, as well as well-known venues. Each company represents a great potential partner.

Both PepsiCo and Coca Cola presented proposals that provide for a combination of an annual "sponsorship" fee and an initial ("signing") bonus, as well as a structure for additional revenues to the City from sale of product (either vending or dispensed). The additional revenue is mainly derived from commissions on sales, with PepsiCo also offering a rebate program. Both companies provided pricing proposals, as it was essential that proposed pricing be competitive with current pricing at our venues. The proposals also delineated potential marketing opportunities from the partnership. While the financial proposals varied, so did the approach to the marketing partnership, with Coca Cola proposing a more comprehensive marketing program to the City. Below are the major deal points of the proposals:

- Sponsorship fee: Coca Cola Bottling proposed an annual sponsorship fee of $325,000, as compared to the offer of $100,000/year submitted by PepsiCo. The total value of the Coca Cola sponsorship fee over the proposed ten-year term is $3,250,000.

- Signing fee: Both proposers submitted signing bonuses, with PepsiCo proposing the payment of $150,000, and Coca Cola Bottling proposing $475,000. In total, Coca Cola's first year payments total $800,000.

- Commissions/Pricing/Rebates: Both proposers submitted similar commission structures (%). The City's revenues from commissions would increase as business is built over the term of the agreement. Needless to say, it is in both the City and the partner's best interest to increase potential sales volumes, and volumes are expected to increase based on the proposed marketing approach and placement of additional vending machines (from 45 to 100, consistent with the current city-approved vending program). Coca Cola Bottling estimates that based on their proposed commission percentage the commissions would average approximately $85,000-90,000 a year, with the likelihood that this figure will increase, especially with the implementation of credit card readers on vending machines.

  It is important to note that the City's current beverage vending program, as well as the beverage vendor for the golf clubs, convention center and for our public beachfront concessionaire, is Coca Cola. In terms of pricing it was desired that the unit pricing proposed provided an equivalent or better deal for our current third-party operators, such as the convention center, golf clubs and public beach concessions. As all three City vendors (PCM, Global Spectrum and Boucher Brothers) negotiated their agreements independently with Coca Cola, the current pricing for these three entities is not the same for all products. Additionally, a rebate program currently exists at the golf clubs, but has not been included in the Coca Cola proposal (but was included by Pepsi). Not only can the management of a rebate program can be cumbersome (compilation and submission of documentation for a refund) but the pricing proposed and the sponsorship funds provide a greater return for the City.

- Other: While there were differences in the initial cash support, the proposals also varied in the proposed additional components. In particular, Coca Cola presented several additional proposals as part of their partnership of interest to the City. Coca Cola estimates the value of these components as over $2,000,000 over the term of the partnership agreement, and include:
  - *Sustainability Partnership*: While Coca Cola has been engaged in sustainability efforts through new product components (such as greener plastic bottles), hybrid delivery fleet, etc., the company has a comprehensive program that they would roll out in the City. This includes, but is not limited to:
    - Provision of recycling bins for interior and exterior locations, including temporary bins that can be used at parks events

- Recycling education program through their mobile recycling vehicle and program
- Assistance to the City in consumer messaging on recycling
- Roll out of their "crusher" – reverse vendor – machine placed alongside of certain vending machines to provide a mechanism for recycling (fully serviced by Coca Cola)

- *Marketing:* The largest investment made by Coca Cola will be in creating a co-branded presence promoting the exclusive partnership between the world's number one beverage brand and the City of Miami Beach. The value of the marketing concepts proposed are estimated at approximately $200,000 a year. These include:
  - *Strategic partnerships available for marketing activation*: Coca Cola currently has existing partnerships with major existing brands, such as the NCAA, Disney, Target, major airlines (Delta, American, United), Live Nation, etc. Coca Cola would develop marketing opportunities linking these partners (such as in sweepstakes, cross promotions, etc).
  - *Participation in My Coke Rewards*: This program is the leading consumer goods loyalty program in the country. The program provides rewards to consumers who redeem points earned for products or services. Promotional opportunities offered through My Code Rewards include: sweepstakes, rewards, instant wins, charitable donations and donations to schools. Coca Cola has proposed two concepts, which can be further explored or modified; these are a reward program for a weekend getaway to Miami Beach, and a link with NASCAR. The high utilization of this loyalty program provides an excellent value for the City, especially as this extends beyond the local market.
  - *Co-promotion with Lebron James:* Already linked with the City through his "bring his talents to South Beach" statement, Coca Cola has a marketing relationship with James through their VitaminWater and Sprite brands. Potential opportunities offered include "meet and greet" and appearances at City events; sweepstakes/promotions that include James.
  - *Advertising/Promotion exposure for the City*: The City would be provided opportunities for advertising/promoting the city brand or a program through several products, including truck-back advertising on delivery trucks; Papa Johns Pizza Box toppers; and a potential can-back program. The truck-back and box topper programs have a value of almost $50,000, and provide both in market (pizza box) and out market (truck-back) advertising/promotional potential.
  - *Open Happiness Tour*: Viral marketing concept that places a "live" machine in a high visibility area.
  - *Integrated logo:* a new logo that integrates both the Miami Beach brand with the Coca Cola brand provides increased visibility and ties the marketing approach into a recognizable and consistent program. This would be used in all promotional activities.
  - *Community Support Program:* Funding is allocated for a program that can include anything from the provision of products to our parks for programs, to the use of funds to purchase bicycles for our police or code compliance division.
- *Vending approach:* The proposal looks at establishing a unique connection between Coca Cola and the City through the vending products, providing for a customized vending front, with opportunities for City messaging. The proposal looks at assessing current fountain dispensing and vending equipment and upgrading as necessary, as well as providing additional products to increase "point of purchase" opportunities. For example, for our convention center this may include menu boards, custom cups, and consumer promotions. Other venue promotional products, such as banners, will be made available to the venues for use at their discretion. Coca Cola proposes to work with the City to establish a messaging program for the beachfront public concession stands that addresses our concerns regarding aesthetics, while providing opportunities for messaging not just the products but other messages of interest (e.g. recycling, no litter, etc). The vending approach

also includes the introduction of an interactive vending machine that can be placed at select locations, as well as the placement of cashless vending at appropriate locations. The total investment in equipment is estimated at approximately $320,000.

Requirements of City:
As is common in these types of partnerships, there are certain expectations with regards to the City's role. In addition to supporting the efforts of expanding the sales of the products through our vending locations and in our venues – something that is mutually beneficial – Coca Cola has identified certain areas of support that would be required from the City. While other municipal and institutional proposals we have reviewed reflect that Cities often provide the beverage sponsor with signage rights, etc., this proposal only addresses that component in the beach concession areas (and it is agreed that the final design will be subject to the review of the City to ensure that it meets our expectations). More specifically, however, the following is requested from the City:

- Recognition of the partnership as the official non-alcoholic beverage of Miami Beach
- Recognition as the official recycling partner
- Waiver of Special Event permit and application fees for a limited number of events on public property (mutually agreed upon)
- Agreement and recognition of the integrated logo, with a right to use the logo
- City will only use Coca Cola products at City events
- Provision of tickets for events at City venues to the sponsor for their use
- Include the Fillmore Miami Beach in the program once that agreement is up for renewal

Estimated total value:
The estimated total value of the proposed Exclusive Beverage Partnership with Coca Cola Bottling over the term of the agreement is approximately $ 7 million, inclusive of the signing payment and sponsorship fee ($3.725 million), estimated commission (approximately $901,000), marketing program ($2 million), recycling program ($15,000-25,000), equipment ($320,000) and Community support program ($25,000). By comparison, PepsiCo's proposal provided a total partnership value of $2.3 million in cash with an additional $1.1 million in marketing support (non-cash convertible) and equipment/service.

NEXT STEPS/TIMELINE:

The proposal is being presented to the Finance and Citywide Projects Committee for their review and consideration. Our desire is to conclude our negotiations with Coca Cola Bottling on outstanding issues, with the expectation of submitting the proposed partnership program to the City Commission for approval at the May 11, 2011 Commission meeting. A meeting with key representatives of Coca Cola Bottling is scheduled for early next week in an effort to meet this timeline.

CONCLUSION:

The concept of an Exclusive Beverage partner (non-alcoholic) provides an opportunity for the City to partner with a well-established brand in an effort to generate marketing opportunities for the City, in addition to added revenues. The City currently has a vending machine program, and our City-owned facilities currently have individual beverage agreements with different terms and benefits. The development of this program allows the City to package these resources together in a manner that provides not only greater benefits for the City in terms of pricing, etc. for these individual components, but creates a more attractive package for potential sponsors. In reviewing other partnership packages in place or that have been negotiated in the past in other cities or public institutions, it is difficult to find a similar contract to compare. For example, we have found agreements for larger cities that generate both greater or fewer sponsorship dollars; other proposals call for more extensive visible branding of the partnership than we would be interested in, but might include additional revenues to the public entity for this opportunity to the sponsor. The limited number of locations currently available for vending in the City also impacts potential volume sales. For example,

universities present excellent partnership opportunities because of the high number of vending machines that can be placed (in classroom buildings, dormitories, etc.) providing both increased sales and well as high visibility for the product through the vending machine presence, as well as the food dining systems that support the campus life (not to mention the media impressions connected with their sponsorship of the University's athletic programs, which is high visibility).

Both PepsiCo and Coca Cola Bottling are excellent, well-established companies that would be excellent partners for the City. In reviewing the two proposals submitted, TSG evaluated the short and long term benefits to the City of each partnership. As reflected in TSG's letter, attached, they recommend the selection of Coca Cola Bottling as the City's partner, which is also the recommendation of the City Administration. Is the Committee concurs, we will proceed with submitting the recommendation to the full Commission for approval.

ATTACHMENTS

UPDATE: ONGOING MUNICIPAL MARKETING/ADVERTISING EFFORTS

MUNICIPAL MARKETING

In addition to the Exclusive Beverage Partnership program, TSG and/or City Staff have been working on the following initiatives focused on either cash or in-kind (cost avoidance) sponsorship opportunities:

Official uniform provider: As you may recall, the City's previous uniform partner (for Ocean Rescue, Pool Lifeguard and Fire Rescue) decided to transition out of the municipal marketing business. As a result, the City has been actively pursuing a replacement sponsor, with an eye to expanding the sponsorship to other high-visibility City departments. As you know, this type of partnership is beneficial to the City in terms of cost avoidance and marketing exposure, and not primarily as a cash-added partnership. Discussions with a name brand apparel company were pursued for several months last year, with an ultimate decision by them after several months of discussions with appropriate staff that, based on limited marketing funds, they would not be pursuing that type of business at that time. As a result, discussions were initiated with a nationally/internationally well-known athletic wear company. This company currently has a governmental contract, and is establishing themselves in the collegiate athletics arena – which is highly lucrative from a media impression perspective. While the discussions were very positive, they decided to focus their energies in collegiate athletics for the time being, with the possibility of the type of partnership we are interested as something they would consider in the near future. However, as we would like to proceed with a partnership at this time, we have approached a large apparel manufacturer that is the parent to 30 well-known and established brands. These multiple brands under the parent umbrella present many opportunities to link different brands to different City "products." In addition to a sales kit, the City has provided this corporation with the City's requirements for uniform pieces for certain City departments, as well as potential marketing opportunities for this partner. An answer on this potential agreement is expected shortly.

Official power equipment company: While not initially a targeted priority in the first year of our municipal marketing program, an opportunity arose last year with a potential sponsor looking to expand their market presence, with whom TSG had an existing relationship. The entity would serve as the "official" power equipment provider for the City. The type of equipment under this partnership includes ATVs, small forklifts, commercial mowing equipment, etc. City staff engaged in an analysis of all currently used power equipment to determine whether the interested entity could meet the City's equipment needs. The entity would have been required to match/beat any competitive price for comparable equipment, and the City would have been permitted to procure (rent or buy) other equipment if they could not provide equipment that is needed, if their equipment was not comparable, or they could not be competitive in pricing. In addition to securing the equipment at competitive pricing, we would have also pursued an annual payment for the "official" designation. A five-year agreement was proposed. After several months of preparation and discussion with this potential sponsor, they ultimately made a decision to not pursue the partnership at this time. Discussions were then initiated with two of the larger power equipment providers/distributors. While no agreement was reached with these two other entities, in the course of discussions a new program was identified that may assist the City by providing purchasing discounts.

Facility sponsorship rights: The City is pursuing opportunities for sponsors for naming of the new Miami Beach SoundScape and the ExoStage@the Miami Beach SoundScape. A sales kit was prepared and submitted to a national communications company for consideration relating to SoundScape Park; follow-up is continuing on this effort with documentation on recent media coverage being provided. Additionally, we are pursuing sponsorships for the SoundScape Cinema Series. A potential family sponsor has expressed an interest in sponsorship of the next Cinema series and is being further pursued. The City is also pursuing a potential sponsor for the South Pointe Park Pavilion to provide furniture for the community room, as well as to provide some funding to offset programming at that location. One potential sponsor has toured the facility already. We will be developing sales kits for the tennis, football, baseball and soccer facilities.

MBTV Sponsorship/underwriting: This concept involves the solicitation of potential sponsors/underwriters for

either existing or new programs shown on MBTV, the City's cable channel. In order to make a sponsorship/underwriting commitment worthwhile, the City must be able to demonstrate to potential underwriters/sponsors that there are sufficient media impressions generated. As you are aware, MBTV is broadcast on Channel 77 on Atlantic Broadband, which only services Miami Beach. It is unknown how many of the current subscribers tune in to MBTV. We do know, however, that the 2009 Community Satisfaction Survey results reflected that MBTV was identified as the source for 18.8% of the information received about the City by the survey respondents. While this is promising, our efforts in anticipation of pursuing sponsors/underwriters has been in expanding the reach of MBTV to make this a better investment. As a result, the City has entered into a cooperative (and free) agreement with BECON, a cable channel that is carried by both Comcast and Advanced Cable in the tri-county area. City programming is provided and airs, as available, on BECON. Additionally, the City began researching the potential to be added to the AT&T U-verse government access link. The DMA (demographic area) for the "Miami District" for AT&T U-verse covers Broward County, Miami-Dade County and Monroe County. As of March there were approximately 107,907 video subscribers in service within that DMA that could potentially tune into MBTV once it is added to U-verse's government channel offerings. Adding U-Verse will almost triple our existing potential full time viewership (not including potential BECON viewers on Comcast & Advanced Cable as that is not full time access). Additionally, it extends our channel's full time geographical Television access from just our island to a full three-county area. Our Communications staff has been working with IT for the installation of the necessary components to provide us with this link to AT&T U-verse. Once that is complete, we will revise our sales kit and pursue sponsors/underwriting for existing programs.

Media Sponsorship: The opportunity to secure media sponsors to assist the City in promoting events has been actively pursued, both from a print and cable TV perspective. Media Sponsorship for FY11 has been secured with Atlantic Broadband for the broadcast of City PSAs and to promote events (value of $90,300), as well as a media Sponsorship with the Welcome Channel for FY11 worth $36,000. Year-to-date, the City has received $3,000 in free media to promote the Arts in the Parks events from New Times and The Miami Herald. The City has also received $26,696 of free media from Miami Herald, New Times, Around Town magazine, Miami Art Guide and the Biscayne Times for the promotion of the new mbculture.com website – the City's website that promotes our cultural programming.

Official City Map: The City received a proposal from Playground Maps for the designation of their product as the "official map" of the City of Miami Beach, to include the production of a mobile application for the map. All costs associated with production of the map are borne by the partner, and the City derives a revenue sharing from advertising sold (minimum guarantee of $15,000/year; likely to be more). The City is able to include, at no cost to us, City locations on the map, and is provided an advertising panel for our use ($12,000 value). In return, the City must provide distribution points for the map within our facilities. This potential sponsorship is being finalized and will be presented to the Finance Committee next month for consideration.

Event Sponsorship: This sponsorship category runs the gamut from small events, such as a cat controlled medication feed, to larger events such as Sleepless Night. Sponsorships provided year-to-date include:

- Donations of gift cards/prizes for seniors events - Whole Foods; Q-bano Sandwich
- Costco sponsorship of various CMB events through the provision of free food and water (e.g. breakfast fundraiser; UNIDAD groundbreaking; City's prescription drug program launch; Washington Dog Park grand opening).
- Sponsorship of lunch for Community Development Week (Wrubel and Associates)
- Sponsorship of biodegradable beach litter bags (cost avoidance; $2,500 value) – Whopper Bar
- Sponsorship of prizes for youth events – Alf's Golf gift certificates (value - $2,000)
- Petco sponsorship of partnership with Cat Network for hookworm response program – donation of free cat food, tents and cat medication (value - $3,125)
- Sleepless Night – Additional sponsorships are pending, including title sponsor. Current confirmed sponsorships include: FORD Motor - $15,000 ; Classical South Florida $10,000; Whopper Bar $10,000; 5-hour energy $4,000
- 4th of July Celebration: Sponsorships in 2010 totaled $28,000 cash to offset City costs of this community event. Similar fundraising/sponsorship goals are expected this year.

ADVERTISING

The following initiatives have been or are being undertaken:

1) Parking mast arm advertising: Market research was conducted to identify options available to the City. Only one entity was identified that can provide a full service program, which would include the sales of advertising, and production and installation of the mast arms (at their cost). A revenue sharing component is proposed, with the City keeping 40% of revenues. Because of the capital investment, the company would like a contract for at least five years. Staff evaluated whether this program could be developed and implemented fully in-house (sell ads, secure company to produce and install mast arm ads). While a company was identified that could produce a mast arm product, the product by the full service company appears to be better suited for our parking system. Additionally, we do not have sufficient staffing to manage the necessary sales support for this program. This component has been included in the proposed RFP for advertising products.
2) Alton & 5th Bus Shelter advertising: Our efforts continue with regards to selling at least four panels during the current fiscal year. One ad panel space has been sold for the year ($12,000) with potential advertisers pending for the other three panels.
3) Elevator Advertising: We have researched numerous options, from digital advertising to panel advertising. Potential partner toured City facilities last week to assist us in gauging interest and potential. This has been included as a category in the proposed RFP for advertising products.
4) Parking Meter ticket stub advertising: Advertising is available tied to the reprint schedule of the tape. Two advertisers have been sold, with another three potential advertisers expected to be secured this fiscal year (value up to $30,000).
5) Other: Several other potential advertising opportunities have been researched or have been proposed to the City. The proposed RFP for advertising products includes a category to capture any other concept for advertising within our parking garages, such as parking stripes and pillars. Another proposal was considered last fall but could not be initiated due to marketing budget timelines for the company. This program involves the placement of clocks throughout high visibility public spaces in the City, at the cost of the advertisers. In addition to providing a public benefit, the advertiser's logo (which happens to be a jewelry-maker) would be incorporated in a tasteful fashion into the clock face. We have resumed discussions with this potential partner to determine if such a program is of mutual interest in their next marketing funding cycle.

As you may be aware, several revenue enhancement initiatives discussed last summer would require code modifications to be implemented. These include storefront advertising and light pole banner advertising. As we were developing the light pole banner advertising program, it was brought to our attention that the state prohibits advertising on light pole banners under their jurisdiction, which includes many of the high visibility roads that are popular in our City. We are researching whether this is an administrative rule or whether legislation is required to permit this program. The City would likely propose a revenue share with the State, with the City managing the program. A more modest light pole banner program for City-owned streets has been discussed and will be further reviewed with our Public Works and Planning Departments. We will bring this potential concept to the Committee if it appears to be implementable and financially beneficial.

Additionally, the ability to secure advertising sales support for City staff, through a contract basis, will assist in securing additional advertisers for our available products. At present, we have only one staff person that not only secures donations and sponsorships for events, but also is responsible for all advertising sales for MB Magazine, Rec Review, School Agendas, doggy bags, Alton and 5th bus shelter ads, parking meter ads, etc., while providing in-house staff support for corporate sponsorship initiatives. This staff person also provides support in developing media plans and in making media buys for city events. Advertising sales support was included in the proposed RFP as a category.

We will continue to keep you informed as we progress on both our Sponsorship and Advertising efforts.