



AGENDA REPORT

TO: Jestin D. Johnson
City Administrator

FROM: Fred Kelley
Director, Oakland
Department of
Transportation

SUBJECT: Approval Of First Phase Of Proposed
Locations To Install Digital Kiosks

DATE: October 9, 2023

City Administrator Approval 

Date: Oct 26, 2023

RECOMMENDATION

Adopt A Resolution:

- (A) Granting A Master Major Encroachment Permit To IKE Smart City For Forty (40) Digital Advertising Kiosks With Wayfinding Capabilities Within The Public Right-Of-Way, Located At Approximately 1807 Telegraph Ave, 831 Broadway, 826 Washington St, 2015 Broadway, 416 Water St, 1000 Oak St, Bellevue Ave (Lakeside Park Near Grand Ave. And Bay Pl.), 2417 Broadway, 2225 Telegraph Ave, 2228 Broadway, 3136 International Blvd, 3801 Telegraph Ave, 5859 Foothill Blvd, 1709 Webster St, 575 15th St, 490 Thomas L Berkley Way, 200 Broadway, 1000 Broadway, 150 Frank H Ogawa Plaza, 5110 Telegraph Ave, 2630 Broadway, 540 17th St, 383 11th St, 1398 Franklin St, 600 14th St, Bellevue Ave (Lakeside Park Near Harrison St. And 21st St.), 1011 Broadway, 274 19th St, 400 9th St, Bellevue Ave (Lakeside Park Near Lakeside Dr. And Harrison St.), 555 12th St, 2000 Franklin St, 1731 Franklin St, 274 19th St, 1423 Broadway, 2616 Broadway, 447 17th St, 1624 Franklin St, 2501 Harrison St And 1212 Broadway;
- (B) Approving An Associated Master Indenture Agreement; And
- (C) Adopting Appropriate California Environmental Quality Act Findings

EXECUTIVE SUMMARY

IKE Smart City (IKE), an advertising agency, was awarded a franchise agreement by the City of Oakland (City) to install fifty (50) digital wayfinding kiosks in the City's right-of-way. IKE has conducted community outreach and preliminary site planning for forty (40) proposed kiosks. Staff have determined that these locations (see **Map 1**) meet the land use and equity requirements specified in their franchise agreement. IKE is applying for a Master Major Encroachment Permit and associated Master Indenture Agreement at or near the following addresses:

1807 Telegraph Ave, 831 Broadway, 826 Washington St, 2015 Broadway, 416 Water St, 1000 Oak St, Bellevue Ave (Lakeside Park near Grand Ave. and Bay Pl.), 2417 Broadway, 2225 Telegraph Ave, 2228 Broadway, 3136 International Blvd, 3801

Telegraph Ave, 5859 Foothill Blvd, 1709 Webster St, 575 15th St, 490 Thomas L Berkley Way, 200 Broadway, 1000 Broadway, 150 Frank H Ogawa Plaza, 5110 Telegraph Ave, 2630 Broadway, 540 17th St, 383 11th St, 1398 Franklin St, 600 14th St, Bellevue Ave (Lakeside Park near Harrison St. and 21st St.), 1011 Broadway, 274 19th St, 400 9th St, Bellevue Ave (Lakeside Park near Lakeside Dr. and Harrison St.), 555 12th St, 2000 Franklin St, 1731 Franklin St, 274 19th St, 1423 Broadway, 2616 Broadway, 447 17th St, 1624 Franklin St, 2501 Harrison St And 1212 Broadway.

BACKGROUND / LEGISLATIVE HISTORY

In 2018, City of Berkeley entered into a fifteen (15) year franchise agreement with IKE to install and operate thirty digital wayfinding and advertising kiosks in their public right-of-way.

In August 2020, an unsolicited proposal from IKE for a franchise agreement to install fifty (50) digital kiosks in Oakland's right-of-way began to circulate.

In November 2021, City Council directed staff to study digital wayfinding kiosks and return to Council in March 2022 with recommendations, including the possibility of entering into an agreement with IKE.

In April 2022, the City Council received [an informational report](#) on IKE's unsolicited proposal and directed staff to begin negotiations with representatives from IKE.

In May 2022, staff began regularly meeting with representatives from IKE to develop the terms of a Franchise Agreement.

In September 2022, staff and representatives from IKE agreed on the terms of a proposed Franchise Agreement, including the funding of City staff time by IKE, how and when funding is distributed, equitable distribution of kiosks, maintenance of the kiosks by IKE, the number of in-kind slides to the City and privacy concerns including not utilizing the cameras.

In December 2022, the City Council [granted a non-exclusive franchise](#) to IKE for digital advertising kiosks with wayfinding capabilities within the public right-of-way ([Ordinance 13713 C.M.C.](#)) contingent upon execution of a franchise agreement. The City Council also directed staff to return to Council to request a Master Major Encroachment Permit to allow for the installation and encroachment into the public right of way of digital kiosks at up to fifty addresses to be determined.

In March 2023, the City Administrator executed a franchise agreement with IKE (Franchise Agreement).

In May 2023, IKE and the Department of Transportation (OakDOT) staff began public outreach for the program. Outreach has included a citywide survey to receive feedback on proposed locations, presentations at meetings of business improvement districts and chambers of commerce, and a public open house.

ANALYSIS AND POLICY ALTERNATIVES

In accordance with the Franchise Agreement (see **Attachment A**), IKE proposed installing, operating and maintaining kiosks that feature a large, interactive digital display that either shows advertising (when not in use) or allows for touch-based interaction. The kiosks will help to meet the Citywide priority of **vibrant, sustainable infrastructure** by providing information about a range of topics, including transit information, wayfinding, local business directories, and more. The kiosks also provide a free Wi-Fi hotspot that allows anyone with a Wi-Fi-enabled device to access the Internet with limited speeds.

Staff from IKE and OakDOT began community outreach in May to help gather input on proposed locations for the kiosks (see Public Outreach section below). Based on that feedback, IKE staff began preliminary analyses of potential sites in commercial districts. A total of forty (40) sites were then selected for preliminary site plan development. The Franchise Agreement specifies that kiosks cannot be located in front of single-family homes, duplexes, triplexes, or schools and that at least seven kiosks must be located in “highest priority and high priority neighborhoods” as determined by OakDOT’s geographic equity toolbox. Staff have determined that these locations meet the land use and equity requirements specified in their franchise agreement (see **Attachment B**). The closest addresses to the forty kiosks are shown in preliminary site plans (included as Exhibit A to the Resolution) and listed in the associated Master Indenture Agreement (included as Exhibit B to the Resolution). These forty kiosks are located in the public right of way in front of, or adjacent to, the following forty addresses (also shown in **Map 1**):

1807 Telegraph Ave, 831 Broadway, 826 Washington St, 2015 Broadway, 416 Water St, 1000 Oak St, Bellevue Ave (Lakeside Park near Grand Ave. and Bay Pl.), 2417 Broadway, 2225 Telegraph Ave, 2228 Broadway, 3136 International Blvd, 3801 Telegraph Ave, 5859 Foothill Blvd, 1709 Webster St, 575 15th St, 490 Thomas L Berkley Way, 200 Broadway, 1000 Broadway, 150 Frank H Ogawa Plaza, 5110 Telegraph Ave, 2630 Broadway, 540 17th St, 383 11th St, 1398 Franklin St, 600 14th St, Bellevue Ave (Lakeside Park near Harrison St. and 21st St.), 1011 Broadway, 274 19th St, 400 9th St, Bellevue Ave (Lakeside Park near Lakeside Dr. and Harrison St.), 555 12th St, 2000 Franklin St, 1731 Franklin St, 274 19th St, 1423 Broadway, 2616 Broadway, 447 17th St, 1624 Franklin St, 2501 Harrison St And 1212 Broadway.

Map 1: Proposed Kiosk Locations



IKE will perform further due diligence to determine the exact locations at each site and submit fully engineered plan sets and applications for any necessary permits, including excavation and electrical permits. Exhibit C to the Resolution includes a representative preliminary site plan of the kiosk proposed at 1807 Telegraph Ave.

FISCAL IMPACT

IKE will pay all fees associated with major encroachment permits and any other permits that staff determine are needed to install the kiosks. Those fees are designed to recover the staff time cost of reviewing and processing the permit applications.

Per the Franchise Agreement, IKE is responsible for installing, operating and maintaining the kiosks. Each approved kiosk will generate revenue sharing payments of at least \$10,000 per year. If installed, the 40 proposed kiosks would generate a minimum of \$400,000 per year in revenue to the General Purpose Fund.

PUBLIC OUTREACH / INTEREST

Staff from IKE and/or OakDOT attended, gave presentations, or received feedback at the following events or meetings:

- City of Oakland Community Engagement Working Group on May 23rd, 2023
- Citywide IKE Open House at Fluid 510 (1544 Broadway) on May 25th, 2023
- Jack London / Downtown / Chinatown Business Improvement Districts on July 18th, 2023
- Uptown / Lake Merritt Business Improvement Districts on July 18th, 2023

Staff from IKE are in the process of scheduling meetings or presentations with the following organizations or meetings:

- Temescal Business Improvement District
- Jack London Neighborhood Council (September 26, 2023)
- Asian Advisory Committee
- Chinatown Neighborhood Council
- Old Oakland Neighbors
- Uptown/Goldcoast Neighborhood Council
- Fruitvale Unity Council
- Eastmont Neighborhood Council (August 23rd, 2023)
- Laurel Neighborhood Council

Abutting Business Outreach

IKE will keep local businesses informed regarding locations planned to be adjacent to their business storefront, including noticing of planned construction for kiosk installation. Prior to and during the installation process, IKE will notify local businesses of the following:

- Proposed kiosk location adjacent to business storefront (IKE will not install kiosks directly in front of entrances or exits). IKE will notify businesses inclusive of the following ways:
 - Phone calls, email, in-person meetings/communication, physical flyer notice, through their business improvement district and/or neighborhood group
- Kiosk construction and installation schedule. IKE will notify surrounding businesses prior to and during construction and installation in the following ways:
 - Email, physical flyer notice, and through their local business improvement district and/or neighborhood group
 - IKE will provide notices and information detailing the construction timeline (utility trenching and kiosk installation construction) and expected completion
 - Noticing will be provided at least two weeks prior to construction start

Digital Outreach

IKE released a Citywide survey from May to August 2023 that received 69 responses. An average of 86% of those surveyed described the locations as being satisfactory. Common themes in the comments include:

- Kiosk locations should not be placed in bus loading areas
- Consideration of future developments, including bike and bus lane extensions
- More kiosk locations in areas such as Lake Merritt, Chinatown, Fruitvale, and Laurel
- Eastmont Transit Center location should consider future Black Cultural Zone Development
- Identification of specific locations for consideration by survey takers (e.g., 38th/International, locations around Lake Merritt, etc.)
- Near Frank Ogawa Plaza, directing users to city offices and services, along with helping visitors navigate the area
- Kiosks are a target for vandalism and should be properly maintained.

The Department of Transportation hosts a page on the City's website describing the IKE Digital Kiosk project at www.oaklandca.gov/topics/ike-digital-kiosk-program. This website will include city-specific information on the IKE program in Oakland, kiosk locations, kiosk features and capabilities, and more. IKE and City points of contact will also be included on the project page. IKE has committed to work with the City to ensure the project page is kept up to date.

COORDINATION

In preparing this report, OakDOT staff coordinated with the Budget Bureau, the Office of the City Attorney, the Economic and Workforce Development Department, the Department of Planning and Building, and the City Administrator's Office.

SUSTAINABLE OPPORTUNITIES

Economic: Digital advertising and wayfinding kiosks may help Oaklanders and visitors to discover and locate restaurants, bars, and retail options in commercial districts. The kiosks also provide revenue to the City's general fund through shared advertising sales.

Environmental: Digital advertising and wayfinding kiosks may help Oaklanders plan trips using public transit, such as Bay Area Rapid Transit (BART) trains or AC Transit buses. The use of public transit helps to reduce greenhouse gas emissions and air pollution.

Race & Equity: According to a 2018 AC Transit rider survey, the majority of AC Transit bus riders are people of color (thirty percent Black, twenty percent Latino, and twenty percent Asian). Sixty-five percent of riders are low-income. Improving access to real-time transit arrivals and wayfinding information will therefore benefit low-income communities and non-white Oaklanders. In addition, 27 of the 40 proposed kiosks are located in "high" or "highest" equity priority areas, as determined by the [OakDOT Geographic Equity Toolbox](#).

CALIFORNIA ENVIRONMENTAL QUALITY ACT

This action is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15301 (existing facilities), 15183 (projects consistent with General Plan and Zoning), and 15061(b)(3) (no significant effect on the environment); Section 15183 (projects consistent with a community plan, general plan, or zoning), Section 15302 (replacement or reconstruction), and Section 15309 (inspections), each of which provides a separate and independent basis for CEQA clearance and when viewed collectively provide an overall basis for CEQA clearance.

ACTION REQUESTED OF THE CITY COUNCIL

Adopt A Resolution:

(A) Granting A Master Major Encroachment Permit To IKE Smart City For Forty (40) Digital Advertising Kiosks With Wayfinding Capabilities Within The Public Right-Of-Way, Located At Approximately 1807 Telegraph Ave, 831 Broadway, 826 Washington St, 2015 Broadway, 416 Water St, 1000 Oak St, Bellevue Ave (Lakeside Park Near Grand Ave. And Bay Pl.), 2417 Broadway, 2225 Telegraph Ave, 2228 Broadway, 3136 International Blvd, 3801 Telegraph Ave, 5859 Foothill Blvd, 1709 Webster St, 575 15th St, 490 Thomas L Berkley Way, 200 Broadway, 1000 Broadway, 150 Frank H Ogawa Plaza, 5110 Telegraph Ave, 2630 Broadway, 540 17th St, 383 11th St, 1398 Franklin St, 600 14th St, Bellevue Ave (Lakeside Park Near Harrison St. And 21st St.), 1011 Broadway, 274 19th St, 400 9th St, Bellevue Ave (Lakeside Park Near Lakeside Dr. And Harrison St.), 555 12th St, 2000 Franklin St, 1731 Franklin St, 274 19th St, 1423 Broadway, 2616 Broadway, 447 17th St, 1624 Franklin St, 2501 Harrison St And 1212 Broadway;

(B) Approving An Associated Master Indenture Agreement; And

(C) Adopting Appropriate California Environmental Quality Act Findings

For questions regarding this report, please contact Michael Ford, Manager of the Parking and Mobility Division, at 510-238-7670.

Respectfully submitted,

Fred Kelley

Fred Kelley (Oct 26, 2023 14:32 PDT)

FRED KELLEY

Director, Department of Transportation

Reviewed by:

Megan Wier, Assistant Director, OakDOT

Michael Ford, Division Manager

Parking & Mobility Division, OakDOT

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Mobility Management Team, OakDOT

Attachments (2):

- A. Franchise Agreement with IKE Smart City
- B. Siting requirements