



**CITY OF
NORCO**

HORSETOWN USA

POLICIES & PROCEDURES SIXTH STREET GATEWAY SIGN

**ADOPTED BY NORCO CITY COUNCIL JULY 15, 2015
AMENDED AND ADOPTED FEBRUARY 1, 2017
FURTHER AMENDED AND ADOPTED AUGUST 18, 2021**

Introduction

This document provides specific guidelines for the use of the electronic advertising capabilities of the City-owned and -operated Sixth Street Gateway Sign, just east of Sierra Avenue. These policies and procedures were originally adopted by the Economic Development Advisory Council (EDAC) on June 23, 2015 and subsequently adopted by the Norco City Council on July 15, 2015. The first EDAC-adopted revisions were ratified by City Council on February 1, 2017. A desire for greater clarity on some provisions in this document have led to further revisions, adopted by EDAC on June 22, 2021 and ultimately approved by City Council on August 18, 2021.

Potential Citywide Application

While the guidelines presented in this document specifically apply to the Sixth Street Gateway Sign, they are intended to provide guidance related to the administration of street banners over Sixth Street, other City-regulated advertising programs and all existing or proposed City-regulated electronic signs. The City of Norco maintains an inclusive policy related to all nonprofits, including faith-based organizations for community events.

Statement of Purpose

The Sixth Street Gateway Sign is designed to enhance Horsetown USA's sense of place, benefitting both residents and visitors. For the City of Norco and its local nonprofit organizations, the LED electronic display offers a cost-effective means of promoting community programs and events. It represents an attractive alternative to purchasing over-the-street banners.

Impact

An average of approximately 30,000 vehicles pass on Sixth Street every day. Based on the standard of 1.38 adult passengers per vehicle, established by the American Automobile Association (AAA), more than 1.25 million viewers see this sign every month, and approximately 15 million per year. LED sign specialists recommend 3-8 seconds per impression and, for this format, 20-45 "ad slots." Based on anticipated demand and local conditions, EDAC recommends 30 ad slots with 6-second durations. If all slots are purchased by a different advertiser, it would mean each impression would appear 480 times every day, based on 24-hour operational days. As a result, this electronic LED sign provides a dynamic opportunity to communicate to the public.

General Operational Notes

- The LED message board is fully illuminated 24 hours per day.
- Programming occurs off-site by City staff, Samsung or an alternative qualified programming firm, pursuant to direction by City Manager. Currently, Samsung is contracted for programming for a modest fee.
- Pre-programmed messages may be interrupted by public service or public safety announcements (e.g. Amber alerts, emergency announcements).

- Individual messages/images (impressions) are displayed for six (6) seconds per appearance.
- The City of Norco is financially responsible for all maintenance, cleaning and upkeep of the sign.
- All message requests shall be submitted on a City contract, delivered in-person, by mail or email.
- Contracts must be received at least ten (10) working days prior to the requested start date of message or advertisement. Exceptions are made for public announcements relating to a specific event.
- All advertisements must run a minimum of fifteen (15) days. Exceptions are made for a public announcement promoting a specific event.
- The sequence in which messages appear is at the discretion of the City and/or its designated programmer.
- The City of Norco maintains an inclusive policy related to all nonprofits, including faith-based organizations for community events.

Eligible Advertisers

Use of the sign is available to the following parties:

- **City of Norco**, for City-sponsored events and programs
- **Corona/Norco Unified School District (CNUSD)**, for school events or programs occurring within the City of Norco
- **Norco College**, for school events or programs occurring within the City of Norco
- **Nonprofit Organizations**, for events or programs in the City of Norco or adjoining municipalities/communities
- **For-Profit Entities**, for generic messages, not expressly to sell or promote a specific product. Eligible businesses are not restricted to those located in, or conducting business in, the City of Norco.
- **Individual Norco Residents**, for messages that are consistent with these Policies & Procedures
- **Local, State & Federal Public Safety Agencies**, for public service/public safety alerts only

Nonprofit organizations and for-profit businesses located in the City of Norco receive discounted advertising rates. If all advertising slots are full and a waiting list is established, Norco-based nonprofits and businesses shall receive priority.

Prohibited Messages

The following types of messages are not permitted:

- Commercial advertisements highlighting current specials or specific products/prices. For example, “Coca-Cola Welcomes You to Horsetown USA” or generic product promotions such as “Enjoy Refreshing Diet Coke” are acceptable. However, messages such as “Six-Packs of Coke on Sale at Joe’s Market” are not permissible.
- Political advertisements or messages
- Personal messages (e.g., birthday wishes, marriage proposals, congratulations on anniversaries or personal achievements), except for achievements that rise to countywide, statewide, national or international acclaim and thereby enhance the City of Norco’s image.
- Messages with provocative or sexual content
- Promotion, direct or indirect, of alcohol, marijuana or tobacco products
- Any content deemed by the City to be in poor taste or not suitable for families

All advertisements and messages must be approved by the City Manager or his/her designee before being loaded by the programmer, except for religious messages. Any disputes will be resolved by a designated committee of EDAC Members and when, necessary, input from the City Attorney.

Programming Issues/Expenses

Based on current technology, all ads are presented on a continuous loop throughout the 24 hours per day the LED screen is operational. There are two components to programming: 1) scheduling; and 2) content creation. Scheduling determines the sequence and duration of each advertisement, while content creation refers to the graphics and captioning of each ad. Both of these services are offered by Samsung and other vendors, and software programs are sold to assist with proper programming. It is recommended that Samsung and a local graphics designer manage the scheduling and content creation, respectively.

Marketing Expenses

To generate a sufficient revenue stream to cover all anticipated expenses, it is necessary to sell advertising time to commercial entities which pay the highest rates.

Allocation of Time Slots

As reflected in the following table, the 30 ad slots are allocated to the following categories, based on anticipated demand and revenue required to keep the sign a viable, self-sustainable project:

<u>Type of Advertiser</u>	<u>Number of Slots</u>	<u>Percentage of Slots</u>
City of Norco Announcements	2	7%
Public Service Announcements	2	7%
Nonprofit Organizations	6	20%
For-Profit Businesses	20	66%
Total:	<u>30</u>	<u>100%</u>

Note: These above percentages, established to ensure a diversity of messages, are simply guidelines. Multiple slots paid for by a single advertiser are not restricted, and are in fact encouraged to increase exposure.

Pricing

The pricing structure for the sign is designed to recoup all monthly expenses and generate enough additional revenue to cover anticipated maintenance costs, which should be modest in the first five years but could accelerate significantly after that.

The following guidelines are recommended, subject to prices identified in the Rate Schedule:

1. City- and School District-sponsored public service messages: free of charge
2. Nonprofit agencies based in Norco, as well as City- or School District-sponsored revenue-generating events, receive a discount.
3. For-profit companies: Rates depend on frequency of appearance. Local businesses receive a discount.
4. Business Appreciation Initiative honorees receive free advertising for one (1) month.
5. Sponsors of City events meeting stated requirements receive free advertising for one (1) or more months.

Summary

If effectively marketed, Gateway Sign revenues should outpace expenditures, barring any unforeseen major issues. All surplus revenues will continue to be deposited into a City of Norco trust account dedicated to future operational and capital needs related to the sign. If there is sufficient demand for advertisements and the sign is operated efficiently, the Gateway Sign should remain a financially sustainable asset for the City of Norco.