

REPORT OF GENERAL MANAGER


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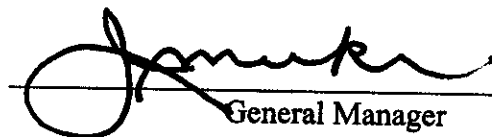
DATE September 1, 2004

CD 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PERSHING SQUARE PARK – APPROVAL OF A WIRELESS INTERNET NETWORK INSTALLATION BY THE COMMUNITY REDEVELOPMENT AGENCY AND DIRECTION TO DEVELOP AN OPERATIONAL PLAN

J. Combs _____
*G. Stigile  K. Chan _____
F. Mok _____ J. Kolb _____



General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the use of Pershing Square Park as one of several sites for a city-wide Wireless Internet Network (WiFi) pilot project lead by the Community Redevelopment Agency (CRA);
2. Authorize the General Manager to execute the attached Permit to Enter and Release of Liability provided by the CRA for the purposes of permitting construction of needed infrastructure or appurtenances to develop and implement a WiFi at Pershing Square Park; and,
3. Direct staff to collaborate with the CRA and other agencies as appropriate to implement the project and to report back on an Operational Plan for the Pershing Square WiFi.

SUMMARY:

In November of 2003, the CRA contacted the Department regarding the possibility of implementing a WiFi for free public use at Pershing Square Park. A demonstration project successfully implemented in Bryant Park in New York City was the preliminary model suggested. The WiFi would allow park visitors using laptops, personal digital assistants, and other connectivity devices with appropriate hardware to access the Internet without wired hook up through a signal which would be broadcast within an area or zone. Persons using this signal would enter the Internet through a start-up page that would at minimum show the service name and information; as introduced in some locations, this start-up page may integrate paid advertising which in turn offsets operating costs.

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CRA has committed to contribute up to \$25,000 to fund the development, implementation and operation of the Pershing Square project for the first two years; Pershing Square is one project site in a larger group that forms a pilot WiFi for the City, under the CRA's lead. The Department of Water and Power (DWP) will bring fiber optic cable in the street to an entry point in the Park, work preliminarily valued at between \$12,000 and \$25,000. At the Park itself, the project would require installation of wireless transmitters on top of existing light poles, a transmitter on top of the Pershing Square Park office building, some infrastructure below the Park level, and signage about the WiFi within and around the Park.

Staff has met with CRA representatives several times and has also met with DWP staff regarding the project. The Department is enthusiastic about this project and eager for it to proceed. Based on direction of the Board at its meeting of June 1, 2004, CRA staff pursued preliminary evaluation of the Pershing Square location and sufficiently defined the project to perform analysis as required under the California Environmental Quality Act (CEQA). As a result, the CRA filed a Notice of Exemption with the Los Angeles County Clerk for this project on June 9, 2004, under Article VII, Section 1, Class 1a(1) of the CRA CEQA guidelines, as a minor alteration.

CRA has taken responsibility to obtain a provider of the WiFi service through a competitive process. A Pershing Square WiFi Request for Proposals (RFP) was mailed on June 18, 2004, and 18 responses were received on Monday, July 12, 2004. A preliminary evaluation team, consisting of staff from CRA, DWP, the City's Information Technology Agency (ITA), and Recreation and Parks worked together on a preliminary review and selected the top five firms for interview, which are scheduled for August 26, 2004. CRA staff will be present to report to the Board as to the final selection and how the Pershing Square WiFi fits into the larger pilot project CRA is implementing in the City. At this time, dozens of cities around the world, and many in the Southern California area, are setting up WiFi's in key areas. With this project, along with the Marvin Braude Constituent Center, the City of Los Angeles will be in the forefront, as it joins Long Beach and Cerritos in testing different business plans for offering public WiFi services.

CRA plans currently call for development of the entry page of the WiFi site to be created by the ExperienceLA.Com website team. Further decisions in terms of operational and oversight responsibility once the WiFi installation is completed and functioning have not been finalized. Recreation and Parks proposes to operate and maintain the network, and to subsidize the approximately \$12,500 estimated annual cost for the service contract, at the end of the initial two year start-up period. Some discussion has taken place about the possibility of advertising revenues being generated in the future to off-set some or all of the costs of providing this WiFi service, but further research and analysis is needed in regard to that possible component. Recreation and Parks would propose to allocate a portion of net revenues from the Pershing Square Garage operation to fund the annual WiFi costs, since it is essentially a marketing strategy for the Park. The Downtown Center Business Improvement District (DCBID) was

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originally suggested to operate and maintain the network and assume responsibility for costs and advertising after the first two years. Pershing Staff works closely with the DCBID and will solicit their input as to potential formats and ancillary uses of the WiFi that may prove beneficial to the Department and the community. Because the WiFi is targeted as a Pershing Square Park service, and because the service can be a key element in marketing of activities at the Square, which is handled by the Department, staff immediately considered the alternative that we would collaborate directly with CRA to manage this project. In addition to handling marketing responsibilities, the Department has experience in managing networks and technology providers and also has an excellent relationship with the ITA. Direct involvement by the Department allows appropriate oversight for any WiFi advertising plan, both in terms of possible future revenue distribution, as well as policy decisions relative to possible advertising. The Pershing Square WiFi will be indisputably linked to Pershing Square and the Department of Recreation and Parks; therefore, at this time, staff recommends that we continue to work on the operational plan with CRA and report back with appropriate results or recommended actions required by the Board.

The proposed project provides a golden opportunity for the Department to partner cooperatively with CRA, DWP, and ITA to provide a new and innovative service at Pershing Square Park. The pilot project would provide a potential template for the provision of wireless services at other Department parks and facilities. The project will help the Department take a leadership role in the field of Recreation and Parks by incorporating the newest technology as part of the services we offer our patrons. Our direct and continued involvement in the project will allow Recreation and Parks to continue to be at the forefront of innovative park programs and services and to reach out to the community in new ways.

This report was prepared by Linda Barth, Administrative Resources Division