

# City of Philadelphia



(Bill No. 180974)

## AN ORDINANCE

Authorizing the Procurement Commissioner and the Director of Commerce, on behalf of the City, to enter into a concession agreement for the development, management, and operation of an airport advertising program at Philadelphia International Airport, all under certain terms and conditions.

### *THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. The Procurement Commissioner and the Director of Commerce are hereby authorized to enter into a Concession Agreement on behalf of The City of Philadelphia, for a term of seven (7) years, pursuant to which the selected respondent will develop, manage and operate an airport advertising concession program at Philadelphia International Airport, substantially subject to the terms set forth in the document attached hereto as Exhibit "A"

SECTION 2. The Procurement Commissioner, the Director of Commerce and the City Solicitor are hereby authorized to take all actions and to review and approve all instruments and documents necessary to effectuate this Ordinance, which instruments and documents shall contain such terms and conditions as they may deem necessary and proper to protect the interests of The City of Philadelphia and carry out the purpose of this Ordinance.

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## Exhibit "A"

### Term Sheet

#### Philadelphia International Airport Advertising Concession Agreement

**Procurement Department Contract, managed by the Commerce Department, Division of Aviation**

**Scope of Services:**

In-Ter-Space Services, Inc. d/b/a Clear Channel Airports (Clear Channel), a wholly owned subsidiary of Clear Channel Outdoor, Inc., will develop, install, manage and maintain a new airport advertising program throughout the Philadelphia International Airport terminals and otherwise agreed upon outdoor locations including, roadways, bus shelters and exterior surfaces of the parking garages of the terminals. Clear Channel will establish, operate, service and maintain prime quality, expertly designed commercial advertising displays (including digital, illuminated and non-illuminated static wraps, and other media).

**Term:**

May 1, 2019 – April 30, 2026 (7 years).

**Minimum Capital Investment:**

\$4,033,653 in Year 1 and \$361,980 in Year 5

**Minimum Annual Guarantee:**

\$3,550,000 in Year 1, with an additional \$50,000 increase every year thereafter.

Total Minimum Annual Guarantee through the Term: \$25,900,000

**City Obligations:**

The City shall have no maintenance obligations or any other obligations to Clear Channel to expend funds during the Term of the Agreement.

**ACDBE Participation:**

This contract opportunity was issued under the regulations of the U.S. Department of Transportation ("U.S. DOT"), 49 C.F.R. Parts 23 and 26, as amended. The City and U.S. DOT agree that certified Airport Concession Disadvantaged Business Enterprises ("ACDBE(s)"), as defined in 49 CFR Part 23, as amended, will have a fair opportunity to participate in airport concessions contracts including this contract opportunity. Clear Channel will use its best efforts as set forth in its proposal to include participation by ACDBE's. Such ACDBE participation shall comply with 49 C.F.R. Parts 23 and 26, as amended.

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**Sustainability:**

Clear Channel will use materials, products, vendors, construction techniques and operational procedures that are energy efficient, recyclable, sustainable and whenever possible, locally sourced.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on November 29, 2018. The Bill was Signed by the Mayor on December 11, 2018.



Michael A. Decker  
Chief Clerk of the City Council