



CITY OF DALLAS

Memorandum

Date: July 31, 2009

To: City Council Economic Development Committee:
Ron Natinsky (Chair), Tennell Atkins (Vice Chair), Jerry R. Allen, Dwaine Caraway,
Sheffie Kadane, Linda Koop, Ann Margolin, Steve Salazar

Subject: Newsrack Ordinance Amendment

On Thursday, August 6, you will be briefed on a proposed amendment to the newsrack ordinance. A copy of the briefing is attached for your review.

If you need further information, please call Theresa O'Donnell at 214-670-4127.

A.C. Gonzalez
Assistant City Manager

c: The Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Thomas Perkins, City Attorney
Deborah Watkins, City Secretary
Craig Kinton, City Auditor
Judge C. Victor Lander, Judiciary
Ryan S. Evans, First Assistant City Manager
Forest Turner, Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Dave Cook, Chief Financial Officer
Theresa O'Donnell, Director of Development Services
Jeanne Chipperfield, Director, Budget and Management Services
Helena Stevens-Thompson, Assistant to the City Manager

Multi-Unit Newsrack Fees

Economic Development Committee

August 6, 2009





Background

- City Council authorized amendments to the Newsrack ordinance in May 2008
 - Provided for City to contract for installation and maintenance of multiple unit newsracks
 - Increased fee from \$15 to \$60 for publications located in multiple unit racks
- The Dallas Morning News selected as contractor in October 2008



Background Cont.

- The Dallas Morning News and City staff worked for several months to prepare a Newsrack Plan, as required by ordinance, for the multi-unit newsrack zone in the Expanded Central Business District
- The Newsrack Plan was presented to City Council on June 3, 2009 and contract revisions were authorized
 - Contract term from 7 to 5 years
 - Contract amount from \$340,200 to \$396,853



Status

- The Dallas Morning News began installation of multi-unit racks downtown in July
- Anticipate all multi-unit racks to be installed by October 2009
- High demand for location in units by both broadsheet and half sheet publications



Issue

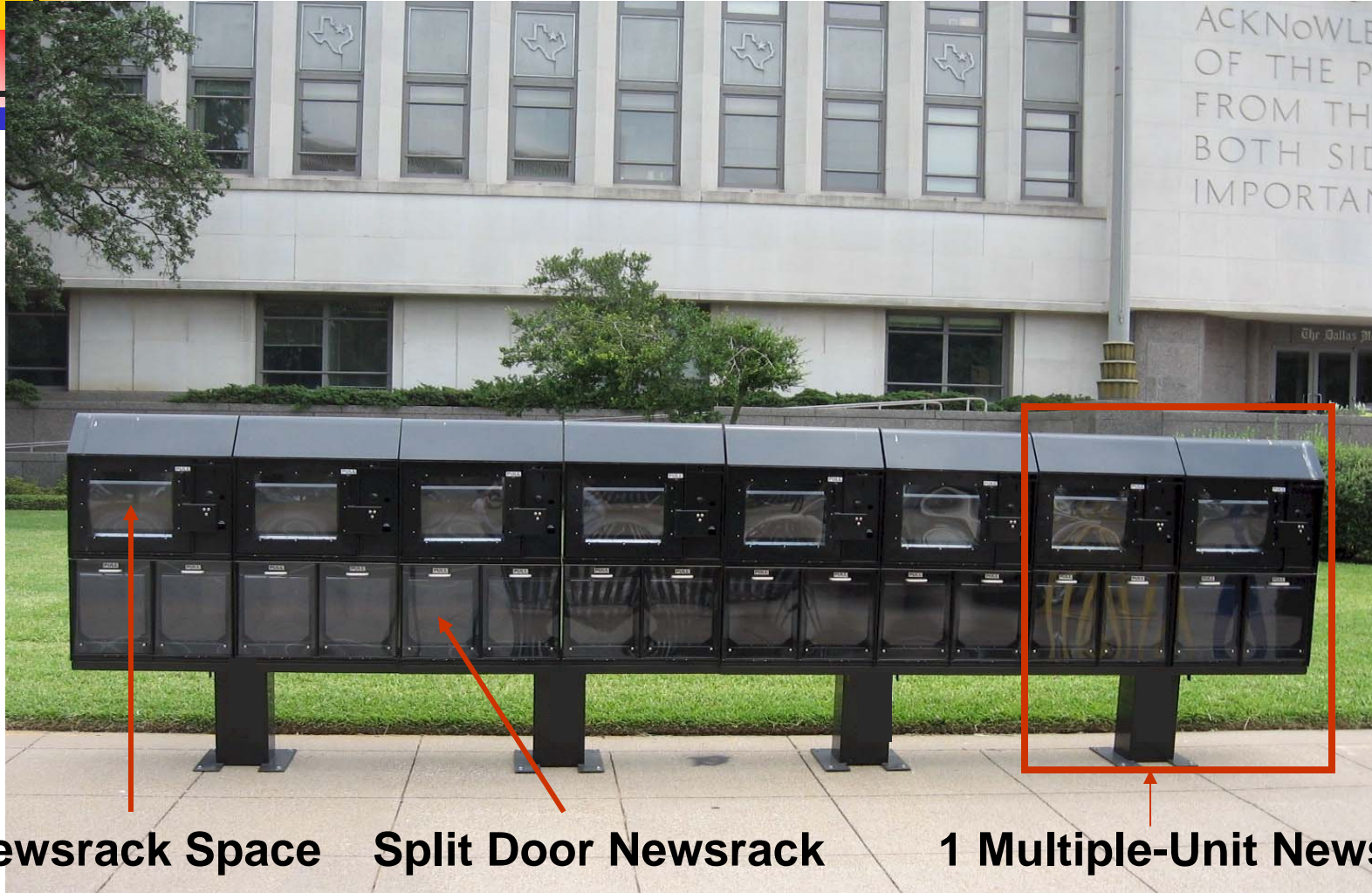
- The contract limits the total number of multiple newsrack units in the Expanded Central Business District to 1,104
- In order to accommodate the half-sheet publications within the allotted number of racks, a majority of newsrack units will be divided into two split-door racks



Ordinance Limitation

- Newsrack Ordinance currently states:
 - A newsrack space in a multiple newsrack unit may be split into two separate distribution areas
 - A split-door newsrack space may be used by one publisher
 - ½ of split-door newsrack for primary publication
 - Other ½ for any other publication published by same publisher
 - No additional license fee is required for a split-door newsrack

Newsrack Space in Multi-Unit



Newsrack Space

Split Door Newsrack

1 Multiple-Unit Newsrack



Further Ordinance Restrictions

- No more than two newsracks on any blockface may dispense the same publication
- The same publication may not be dispensed in more than one newsrack space in a multiple newsrack unit



Exceptions

- Exceptions allowed if DEV Director:
 - Determines it is necessary to fill vacant newsrack spaces in a multiple newsrack unit;
 - Determines there is lack of demand for the vacant newsrack spaces by other publications; and
 - Conducts a lottery to allocate the vacant newsrack spaces



Impact

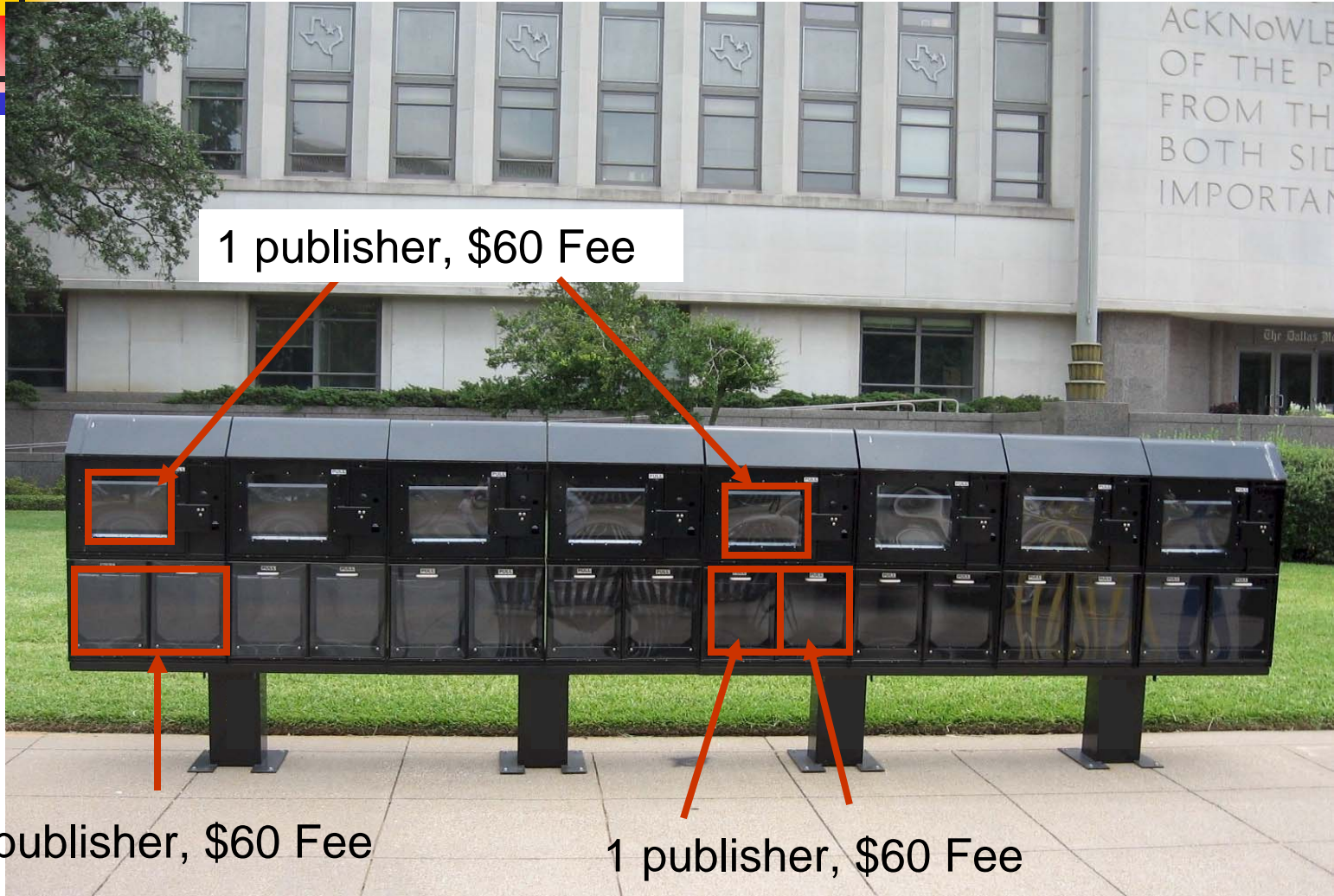
- There are more publishers with half-sheet publications than space allows with current split door limitations
 - Cannot accommodate all publications in desired locations in the Expanded Central Business District
 - Same-publisher requirement limits license fee revenues



Requested Amendment

- Revise Newsrack Ordinance as follows:
 - Remove requirement that a split door newsrack be used by only one publisher for a primary and a secondary publication from same publisher
 - Allow a separate \$60 license fee for each split door newsrack in a multiple newsrack unit

Current versus Proposed



1 publisher, \$60 Fee

1 publisher, \$60 Fee

CURRENT

PROPOSED



Next Step

- Council consideration of ordinance revisions in August 2009