

# CRAIN'S

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## City street furniture plan could require makeover

Council moves to reconsider; judicial setback also possible

BY ANNE MICHAUD

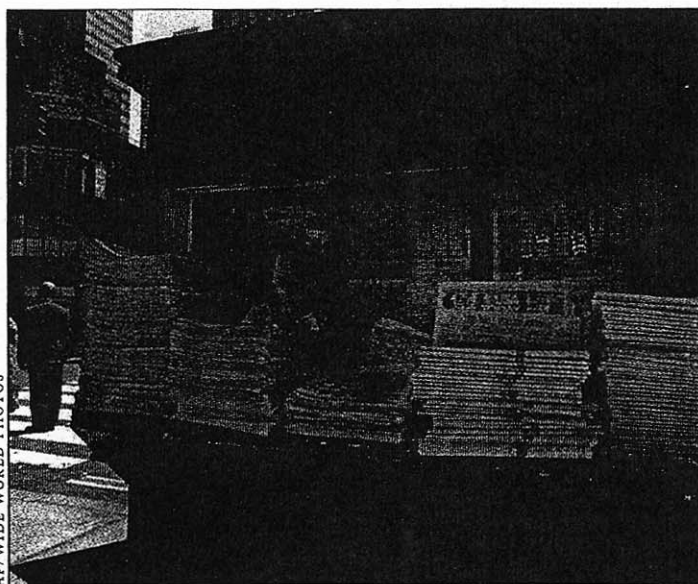
The Bloomberg Administration's much-touted street furniture plan is running into significant obstacles which could, over the next several weeks, send the \$1 billion deal back to square one.

Early next month, City Council will reconsider its vote to allow the administration to contract for advertising space on bus shelters, newsstands and public toilets—so-called street furniture. Momentum is building against the project: At least nine council members who voted in favor of the agreement in October 2003 now oppose it.

### Court ruling in June

By early June, a State Supreme Court judge is expected to rule on a lawsuit filed by the Newsstand Operators Association, which has delayed the contract by at least 18 months. Insiders anticipate that the judge will say the deal runs afoul of handicapped access laws.

The city hopes to sell the rights to advertise on street-side structures in exchange for a share of the profits, estimated at \$350 million over 20 years. The Bloomberg administration envisions a fleet of modern, European-looking booths to glamorize city streets for tourists and, possibly, the 2012 Olympic Games.



**CHANGING STANDARDS:** The Bloomberg administration's street furniture plan would require newsstands like David Hoffman's on Lexington Avenue to be rebuilt.

Both the City Council vote and the judge's ruling have the potential to force city officials to go back and rewrite the bid specifications, delaying a contract by months.

Robert Bookman, a lobbyist and lawyer representing the newsstand operators, says it would be best for the city to write his clients out of the contract and move forward with bus shelters and public toilets. His says the city would hurt itself by appealing an adverse court ruling.

"There is a practical response and a dogmatic response," he says. "I don't know which way they'll go."

The controversy involves several hundred newsstands. The city wants to replace them with uni-

form structures, moving some to better accommodate pedestrian traffic. The administration claims that only a handful would be moved, but Mr. Bookman estimates that some 60 or more would have to relocate or would go out of business.

The contract would give a single large advertiser the right to replace the city's often ramshackle newsstands. The former owners would become tenants in the new structures, but wouldn't pay any rent.

Former Mayor Rudy Giuliani abandoned a similar plan. Mayor Michael Bloomberg hoped to display his business acumen by completing the project in time for a February 2005 visit by International Olympics Committee judges. That didn't happen.

### 5 companies competing

During two days early this month, the five companies competing for the contract to build the sheds and sell advertising on them presented their architectural and financial proposals to a city Department of Transportation panel. The contract is so big that Viacom's co-president, Les Moonves sat in on his company's presentation. New York City marketing chief Joseph Perello attended the presentations.

When the City Council authorized the city to enter into a street furniture contract in October 2003, only three of the council's 51 members voted against it, including Hiram Monserrate, D-Queens. But he says the council is more skeptical these days.

"Clearly, we understand the concerns of the newsstand owners have not been met," says Mr. Monserrate. "No one's saying the administration shouldn't see to generate revenue for this city, but we cannot do it at the expense of the little guy. This speaks to how the administration has dealt with mom and pop shops throughout the city." ■

### OUTDOOR VENTURES

#### THE FURNITURE

- 20 public toilets
- 300 newsstands
- 3,300 bus shelters

#### THE BIDDERS

- JC Decaux
- Viacom
- Clear Channel
- Cemusa
- Van Wagner Outdoor