



# City of San Antonio

## Agenda Memorandum

### File Number:

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**Agenda Item Number:** 20

**Agenda Date:** June 12, 2025

**In Control:** City Council A Session

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**DEPARTMENT:** Development Services Department

**DEPARTMENT HEAD:** Michael Shannon

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Proposal to create a Digital Media and Arts Pilot Program in the City of San Antonio.

**SUMMARY:**

This ordinance creates a Digital Media and Arts Pilot Program in the City of San Antonio. This ordinance accepts one-time funding for Public Art in the estimated amount of \$1,000,000 and an additional \$500,000 per year from a revenue-share agreement. Funds will be deposited into the Arts and Culture Fund.

**BACKGROUND INFORMATION:**

Development Services Department (DSD) staff were approached in January 2022 by OutFront Media and the Urban Activation Institute members to discuss to the creation of one or more downtown Art and Entertainment areas powered by outdoor digital media platforms in San Antonio. The parties presented their proposal as part of the 2023 Sign Code Update process in 2022. The intent would allow off-premise advertising and require changes to the City's sign code (City Code Chapter 28). The proposal is summarized below:

- The City would create one or more urban entertainment districts through an ordinance allowing digital platforms/screens to be installed on approved buildings within the

district. The proponents used similar programs established in Denver, CO, Atlanta, GA, and West Hollywood, CA, as examples.

- The digital screens would allow approved off-premise advertising that met specific civic and community-approved criteria.
- The program would also require a minimum amount of time for public messaging and approved digital art to be shown on the screens.

The City would receive a percentage of each digital platform's revenue, which the City could then use for whichever City programs are allowed by the approved policy.

The request to create a proposal for a Digital Media and Arts Pilot Program was discussed at the March 2023 Planning and Community Development Committee (PCDC) meeting as part of the 2023 San Antonio Sign Code Update. During that meeting, PCDC members instructed City staff to continue working with the Outfront Media and Urban Activation Institute representatives to review further and develop options for this program in San Antonio. In January 2024, DSD presented to PCDC and recommended holding a series of community meetings to obtain feedback on a Digital Media and Arts Pilot Program in San Antonio, including specific locations that should be included and restricted from making such an ordinance. Staff held a total of four community meetings: two in-person and two virtual. The PCDC supported the staff's recommendation and requested that the staff include key stakeholder groups in the meetings and consider safety and illumination standards.

In March 2025, DSD presented the survey and stakeholder meeting results to PCDC and recommended a pilot program. PCDC recommended developing 2-3 potential options for a pilot program and coordinating with TxDOT. The following locations are recommended for the pilot program:

- UTSA District
- Downtown West District
- Downtown East District
- Downtown South District
- Alamodome East District
- Port San Antonio
- Brooks City Base
- Toyota Field

## **ISSUE:**

The proposal aims to permit off-premises digital advertising in designated districts, necessitating amendments to the City's sign code.

### **Revenue & Benefit Structure:**

- Revenue Sharing: 10% gross revenue share to the City during the pilot phase, increasing to 15% upon successful completion and expansion approval.
- Revenue Allocation: City's revenue share to be allocated to support public arts initiatives.
- Time Sharing: 20% guaranteed time share for City use, with an additional 5% remnant time if available.

- Pilot Art Contribution: \$100,000 initial contribution towards public art for each permit.
- District Area: Eight proposed districts (see list above).
- Display Distribution: Up to three digital displays per district, with a maximum total of ten displays citywide.

**Program Requirements & Guidelines:**

1. Pilot Term: Two-year pilot program. At the conclusion, the City will evaluate outcomes to determine potential program expansion.
2. Display Cap: Limited number of digital signs allowed on existing buildings that permit off-premises advertising. City will receive both revenue and time share on these displays.
3. Art Requirement: Each digital display permit must include \$100,000 monetary contribution. Art must be approved by COSA Arts and Culture Department.
4. Size Restrictions: Display size may not exceed 25% of the building's side. Signs on regulated streets must comply with TXDOT requirements, which may require smaller sizes.
5. Sustainability: Displays must be carbon-neutral.
6. Lighting Regulations: Must adhere to specified maximum lighting intensity standards.
7. Location Restrictions
  - Prohibited on the Riverwalk.
  - Prohibited on historically designated structures.
  - In river improvement overlay district and any historic areas, permit requires HDRC Approval.

**ALTERNATIVES:**

City Council could modify staff's proposal for a pilot program or decline to initiate it.

**FISCAL IMPACT:**

This ordinance creates a Digital Media and Arts Pilot Program in the City of San Antonio. This ordinance accepts one-time funding for Public Art in the estimated amount of \$1,000,000 and an additional \$500,000 per year from a revenue-share agreement. Funds will be deposited into the Arts and Culture Fund.

**RECOMMENDATION:**

City staff recommends the creation of a pilot program by City Council.