



## City Council Staff Report

**From: City Manager**

**Report Type: CONSENT CALENDAR**

**Lead Department: Community Services**

**Meeting Date: December 9, 2024**

Report #:2409-3534

### **TITLE**

Approval of Professional Services Contract Number C25192694 with A3-Immersive in an Amount Not to Exceed \$275,692 for Projection Mapping Production Services for the 2025 Code:ART Interactive Media Public Art Festival for a period of One Year; and Approval of a FY 2025 Budget Amendment in the Public Art Fund; CEQA Status: Exempt under section 15061(b)(3).

### **RECOMMENDATION**

Staff recommends that the City Council:

1. Approve and authorize the City Manager or their designee to execute Contract No. C25192694 (Attachment A), with A3-Immersive, for the projection mapping production services for the Code:ART Interactive Media Public Art Festival for a term of one year, and a total amount not-to-exceed \$275,692;
2. Amend the Fiscal Year 2025 Budget Appropriation for the Public Art Fund (requires a 2/3 approval) by:
  - a. Increasing the Community Services Department Contract Services Appropriation by \$225,693; and
  - b. Decreasing the Ending Fund balance for the Public Art Fund by \$225,693.

### **BACKGROUND**

Code:ART is an interactive public art festival placing playful interactive temporary installations throughout downtown activating downtown alleys, plazas, and spaces through art. The Public Art Program began producing the Code:ART festival in 2017 and has seen growing audiences and support for each presentation of the biannual three-evening event. By conservative estimates, the 2023 Code:ART event drew over 13,000 people to downtown Palo Alto, and the feedback staff received through surveys and from what the Commissioners gathered was overwhelmingly positive, with 98% of those 243 people surveyed wanting to see more events like this in Palo Alto, 73% of those surveyed visited a downtown business, indicating an economic impact of \$550,000 over the three nights (Attachment B).

After considerable research into similar art and technology festivals in the United States and abroad, staff has seen the significant draw that immersive projection mapping artwork can have on raising numbers of visitors and the resulting positive economic impact for their city. For example, Napa, California hosts an annual Napa Lights festival with ten nights of large-scale projections and reported an economic impact of \$3.2M in 2023. Let's Glow SF is a similar initiative that takes place each winter. Originally launched in 2021, Let's Glow SF has reported continuously growing attendance and economic impact to local businesses. Year 2021 reported 40,000 visitors and \$2.1M economic impact; Year 2022, the event was visited by 51,000 who brought in \$3.1M. Year 2023 the festival reported that 67,000 people attended and an economic impact of \$8 million (Attachment C).

## **ANALYSIS**

The Public Art Program is moving forward with plans for the fourth Code:ART festival to take place October 16-18, 2025. In order to have an even greater impact at the next Code:ART and extend part of the festival experience over a longer period of time, staff is exploring bringing a large-scale 3-D projection mapping installation to the façade of City Hall that would debut at the Code:ART festival and remain on view each night for an extended period, commencing on October 16 through October 25 the following weekend. Since the projection's scale is expected to be a draw for visitors, the installation will be in place for a total of nine nights, instead of three nights which is the duration the other Code:ART installations are active. This is funded by private development funds; the Public Art Commission approved the use of funds from the Art in Public Spaces Capital Improvement Project (CIP) fund for five art installations and the use of the private development funds to support the additional projection mapping artwork on August 28, 2024<sup>1</sup>. Private development funds are in lieu fees collected from developers for larger projects that meet certain criteria and choose not to commission art on their property. The funds are pooled for the purpose of funding public art projects.

Projection mapping is a specialized technique and equipment that digitally maps an uneven surface, such as the front façade of a building and allows artists with digital mapping skills to create custom artwork that will display on that surface without distortion of the shapes providing for an immersive visual experience. The specialized equipment and multiple high-powered projectors allow for the artists to visually experiment with the building surface to highlight or animate the architecture and occasionally make the wall seem to disappear or have objects emerge from the surface. There are several qualified companies in the United States with experience producing large scale outdoor 3-dimensional projections on a building similar to Palo Alto City Hall.

## **Solicitation Process**

CSD Staff released a Request for Proposals (RFP) for projection mapping companies with the skills and experience to facilitate the projection mapping portion of Code:ART and help curate a

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<sup>1</sup> Minutes from the August 28, 2024 Public Art Commission Special Meeting; Agenda Item #1;  
<https://cityofpaloalto.primegov.com/Portal/viewer?id=0&type=7&uid=cfd7e98a-cca5-4e25-8fa2-d6af37a983be>

selection of three artists qualified to create custom content to debut in Palo Alto. CSD Staff sent the solicitation to four companies and received three applicants. Of the three companies that submitted proposals, A-3 Immersive was the best qualified company to implement an immersive video project to Code:ART. As a local company that had the most complete and thorough application, they have a strong record of 3-D projection mapping artworks on buildings of similar scale and complexity to City Hall, the portfolio of artists they work with is diverse and strong, and their pricing was competitive. CSD Staff issued a Notice of Intent to Award a contract to A-3 Immersive on October 22, 2024.

Table 1: Summary of Request for Proposals	
<i>Proposal Description</i>	Large-Scale Projection Mapping Production Services for Code:ART 2025
<i>Proposed Length of Project</i>	Dec 2024 – Nov 2025
<i>Number of Vendors Notified</i>	4
<i>Number of Proposal Packages Downloaded</i>	N/A
<i>Total Days to Respond to Proposal</i>	27
<i>Pre-Proposal Meeting</i>	N/A
<i>Pre-Proposal Meeting Date</i>	N/A
<i>Number of Proposals Received</i>	3
<i>Proposal Price Range</i>	\$275,692-\$285,504
<i>Public Link to Solicitation</i>	<a href="https://www.cityofpaloalto.org/CodeART">https://www.cityofpaloalto.org/CodeART</a>

As part of their contract, A-3 Immersive will bring in and assemble all necessary equipment, including four high powered projectors, processing servers and inclement weather housing, support structures, lighting and sound equipment and labor, projectionists to run the show each evening, crowd control barricades, commission three artists to create new projection artworks for Code:ART, prepare the front windows of City Hall for the projections, and remove everything upon the conclusion of the festival.

As a key partner in the expansion of Code:ART into large-scale projection, Panasonic has offered to sponsor the use of two of the projectors and lenses for the event, saving an estimated \$13,110. Additionally, A-3 Immersive found several cost-saving opportunities reducing the window covering budget and labor costs by an additional \$10,330 to reduce their estimate for the run of the projections.

## **FISCAL/RESOURCE IMPACT**

Generally, Municipal Code Chapter 16.61<sup>2</sup> requires commercial development projects over 10,000 square feet to either incorporate public art into their project or pay the equivalent in-lieu fee. The in-lieu funds are restricted for the commission of public art projects and art experiences within Palo Alto and partially funds one Public Art staff position.<sup>3</sup> In FY 2022 the Council approved an ongoing allocation of \$60,000 from the Public Art Fund (\$10,000 for professional services to verify the private development construction valuation amounts and \$50,000 for temporary projects such as Code:ART). This request is for an additional \$225,693 one-time use to support the large-scale projections by three digital mapping artists on City Hall for the 2025 event.

The Public Art Commission approved allocation of funds in an amount up to \$300,000. Staff worked with A-3 Immersive to reduce the overall cost and Panasonic is sponsoring the use of two projectors resulting in further cost savings. If additional sponsors come forward for the individual artworks, the cost will be further reduced.

There is adequate funding in the Public Art Fund to cover the costs associated with this request. In addition to this project, a sub-committee of the Public Art Commission is exploring permanent public art acquisitions that would be funded by the Public Art Fund. The sub-committee will provide a report to the full Commission at their annual retreat in January 2025.

Staff anticipates the 2025 Code:ART festival to exceed the number of visitors from the previous festivals, resulting in a significant amount of foot traffic in the University Avenue downtown area. Since the projection mapping installation will be on display for nine consecutive nights, it is expected to have a large draw through promotions and word-of-mouth resulting in an economic benefit to downtown businesses.

## **STAKEHOLDER ENGAGEMENT**

During each Code:ART event, teams of volunteers and staff circulate through the crowds and gather survey responses. Last year, 243 visitors took the survey. Additionally, the Public Art Commissioners volunteer their time to lead tours, work the information table, assist artist teams, and gather feedback through hundreds of conversations and interactions with the public. The Commission and staff compile the feedback and input from the previous Code:ART in order to plan the next one.

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<sup>2</sup> City of Palo Alto Municipal Code Section 16.61, Public Art for Private Developments, [https://codelibrary.amlegal.com/codes/paloalto/latest/paloalto\\_ca/0-0-0-75098#JD\\_Chapter16.61](https://codelibrary.amlegal.com/codes/paloalto/latest/paloalto_ca/0-0-0-75098#JD_Chapter16.61)

<sup>3</sup> Uses of Public Art Fund are regulated by PAMC section 16.61.110.

**ENVIRONMENTAL REVIEW**

This action is exempt under the California Environmental Quality Act (CEQA) pursuant to CEQA regulation 15061(b)(3) because it can be seen with certainty that there is no possibility that this project will have a significant effect on the environment.

**ATTACHMENTS**

Attachment A: A3 Immersive Contract, C25192694

Attachment B: Code:ART Survey Results 2023

Attachment C: Economic Impact Metrics for Napa Lights and Let's Glow Festivals

**APPROVED BY:**

Kristen O'Kane, Community Services Director