Below is the procedure for the allocation of newsrack locations in the Downtown Commercial Special Newsrack Area of Palo Alto (DSNA). The process for applying for a permit is set forth in Sections 9.79.080 and 9.79.040 of the Palo Alto Municipal Code. This allocation process will be used in the inevitable event that the number of newsracks for which applications have been received exceed the number of available locations. This handout is an effort to help understand the process and streamline the application process.

As of November 5, 1999 (the baseline survey date), 355 newsracks were in use in the Downtown Commercial Special Newsrack Area (DSNA). As of the effective date of the Newsrack Ordinance (Chapter 9.79 of the Palo Alto Municipal Code), only 252 newsracks will be accommodated in the DSNA. The DSNA is bounded by Alma, Lytton, Middlefield and Hamilton, on both sides of the street. All permitted DSNA newsracks will be located in containers provided by the City. All other newsracks will be subject to removal.

**Original Placement**

The process for the original allocation of newsracks in the DSNA will give priority to publications published more frequently, as follows:

i. **First priority category:** those published more often than once a week.

ii. **Second priority category:** those published weekly. Sunday editions of daily publications will be in this category.

iii. **Third priority category:** those published more often than monthly.

iv. **Fourth priority category:** those published monthly or less often.

However, the number of newsracks allocated to each category shall be limited to the relative percentage of newsracks that existed as of November 5, 1999:

- First priority ...............61 percent
- Second priority ............18 percent
- Third priority .............11 percent
- Fourth priority ..........10 percent

Therefore, each category will be entitled to the following number of racks:

- First priority ..............151
- Second priority ............46
- Third priority ..............29
- Fourth priority .............26

As part of the application process for the DSNA newsracks, the City Engineer will provide permit applicants with a plat or map showing where all permitted newsrack containers will be located. The plat or map will show the location of each group of containers as well as the relative location of each individual container within a group.
After all completed applications have been received (see '9.79.080(b)(2)(ii)'), the City Engineer will sort the requests for permits by individual location/container and determine how many requests have been made for each location/container. If the City has received requests for more permits than the number of available newsrack containers, the following process will be used:

1. The City Engineer will conduct, in turn, meetings for each of the priority categories. Those publications in each category that filed applications will be notified by mail of the date and time for the meeting for that category. The First priority category will meet first.

2. The City Engineer will conduct the meetings, with the help of other staff members. The purpose for the meeting will be to determine the allocation of the 151 First priority publications, by location/container. Applicants will be expected to cooperate in this group effort. In the allocation process, the following considerations will apply:

   (a) Reasonable efforts will be made to accommodate, to the extent feasible, the locations requested by each publication.

   (b) To the extent a conflict exists, preference for a particular location will be given based on historical (i.e., November 5, 1999) presence at that location.

   (c) No publication that is prepared to comply with the applicable regulations will be denied the right to locate at least one newsrack in the DSNA whether or not that publication had been located in the DSNA previously.

3. If the applicants, with the help of staff members, cannot reach consensus on how to allocate 151 newsrack locations/containers among the applicants in the First priority category, the following process will be used:

   (a) Applicants will be limited to the relative proportion of their newsracks as were located in the DSNA as of November 5, 1999. Any applicant that had no newsracks in the DSNA as of November 5, 1999 shall be entitled to one (only) newsrack in this allocation process. The relative proportion for the remaining publications shall be determined after subtracting the one newsrack for each of those entitled to only one.

   (b) No applicant will have more choices than the number of locations it applied for.

   (c) The name of each applicant will be placed in a container, and a staff member will draw names in random order. The first applicant whose name is drawn will make a selection of one location/container. Then each applicant will take a turn as its name is drawn. When the last applicant has made its first choice, a new round of names will be drawn from those applicants who have applied and qualify for more than one location. At the end of each round, another drawing will be held to determine the order for making choices, until all locations are chosen.

4. The process for publications in the Second, Third and Fourth priority category, respectively, will be the same as for the First priority category.

5. The following considerations will apply in addition to those described in 3 (a) through (c) above:

   (a) Any applicant for a Sunday publication, which needs two container spaces in a group, may choose two spaces when its turn arises, but will be "charged" with two spaces out of its allotted number of spaces. Proportional allotments will have been made on the basis of one space per newsrack existing on November 5, 1999.

   (b) Any applicant may place more than one publication in a single newsrack and be "charged" for only a single newsrack. (This would likely apply to certain "freebies.")
6. Within ten (10) days after the allocation has been made for each priority category, the publications in that category shall submit to the City Engineer satisfactory documentation to prove that they have ordered the number of modular newsracks for their allocation. Satisfactory documentation shall include a receipt for payment made to the manufacturer for the number of racks allocated.

7. If any publications fail to submit such satisfactory documentation within the required time period, the City will recalculate the allocations for each priority category, subtracting those for which satisfactory documentation was not submitted, and begin the allocation process again.

8. After all allocations have been made, the City Engineer will issue permits to applicants accordingly. Each permit shall be nontransferable and will be valid for three years from the date of issuance.

**Subsequent Placement**

The City staff will enforce the provisions of the Newsrack Ordinance on an ongoing basis and will provide a status report to the City Council at the end of the first year after the DSNA newsracks have been installed.

The City Engineer will accept applications for newsrack permits at any time, and will hold such applications if the locations requested in the applications are occupied by a permitted newsrack.

During the three year permit period, if the City determines that any newsrack or newsrack container for which a permit was issued has been abandoned, the City Engineer shall consider the applications then on file, and issue permits for the space as follows:

1. If one or more of the applications on file is for a publication or publications that had no permitted newsrack in the DSNA, and if such publication(s) have not violated Chapter 9.79 within the prior three (3) years, the City Engineer shall give preference to such "new" publication(s) for the available location. As among such "new" publications, the City Engineer will give preference to applications in the order they were received.

2. If no "new" publications have submitted applications for DSNA newsrack locations, and more applications have been filed than space available, the City Engineer will conditionally allocate the available space(s) by drawing lots from among all applications on file.

3. Within ten (10) days from the date the conditional allocation is made, the selected applicant(s) shall submit to the City Engineer satisfactory documentation to prove that the selected applicant has ordered a modular newsrack for each allocated location. If a selected applicant does not submit such documentation within the required time period, the City Engineer shall remove that application from consideration, and shall repeat the process.

Applications must be made by the Permittee for subsequent permits (i.e., for continued use of a location or locations beyond the initial three year permit). In case of multiple applications for a single location, preference will be given to the then current Permittee, provided the Permittee is in compliance with Chapter 9.79.

These allocation regulations are subject to initial City Council approval. The City Engineer may make non-substantive changes to regulations approved by the City Council without further Council approval.

*This publication is intended to be an informal means of informing the public about a City process. Although it is assumed the information provided is accurate, this sheet only provides an overview and is not intended to create any sort of legal obligation on the City’s part. The actual process is governed by City ordinances, regulations and procedures.*