

2

YORK REGION TRANSIT CO-ORDINATED STREET FURNITURE AT TRANSIT FACILITIES

The Transit Committee recommends the following:

- 1. The presentation by Rick Takagi, Manager, Operations, York Region Transit, be received;**
- 2. The recommendations contained in the following report, May 31, 2007, from the General Manager, Transit be adopted:**

1. RECOMMENDATIONS

It is recommended that:

1. York Region Transit staff be authorized to issue a Request for Proposal for the supply, installation, maintenance and associated revenue opportunities of co-ordinated street furniture with advertising at York Region Transit facilities for a fifteen-year term and report back to Regional Council with respect thereto.
2. Staff be authorized to consult with staff from the local municipalities in the Region to review opportunities to install street furniture at designated transit facilities on the road allowances under local municipal jurisdiction.
3. The Regional Clerk circulate this report to the local municipalities.

2. PURPOSE

The purpose of this report is to seek Transit Committee and Regional Council authorization to issue a Request for Proposal (RFP) for the supply, installation, maintenance and associated revenue opportunities of co-ordinated street furniture with advertising at transit facilities throughout the Region.

3. BACKGROUND

3.1 Transit Shelter Advertising

The Region assumed all transit shelter advertising agreements from the City of Vaughan and the Towns of Markham, Richmond Hill, Newmarket and Aurora in January 2001, when transit services were amalgamated. In September 2006, all of these agreements (with CBS Outdoor Canada), were consolidated into a single agreement between the Region and CBS. At the same time, an agreement with Pattison Outdoor, which was

originally executed by the Town of Aurora, was extended. Both agreements will expire on April 1, 2008.

The agreements give the advertising agencies the exclusive right to place advertising faces on transit shelters located within the Region. In exchange for the right to install the advertising faces, the advertising agencies provide the following at no cost to the Region:

- Scheduled and unscheduled cleaning and maintenance of 710 conventional transit shelters.
- Installation of ten new transit shelters per year throughout the term of the agreements to accommodate the growing need for customer amenities at bus stops.
- Guaranteed revenue dollars of \$400,000 or 13 percent of advertising net revenues, whichever is greater, to be paid to the Region on an annual basis.

3.2 Waste-Recycling Receptacles & Newspaper Box Organizers

In September 2004, York Region Transit (YRT) staff were authorized by Regional Council to issue an RFP for the supply and installation of waste-recycling receptacles with advertising at YRT facilities.

In June 2005, a contract was awarded to Creative Outdoor Advertising (COA) for the exclusive right to place advertising faces on waste-recycling receptacles at bus stop locations throughout the Region. The contract is scheduled to expire on November 30, 2010.

In exchange for the right to install the advertising faces, COA provides the following at no cost to the Region:

- Scheduled and unscheduled collection and disposal of waste and recyclable materials.
- Cleaning and maintenance of waste-recycling receptacles and accessories.
- Installation of a minimum of 400 waste-recycling receptacles throughout the term of the agreement to accommodate the growing need for customer amenities at bus stops.
- Installation of accessories such as newspaper box organizers and bench attachments at not more than twenty per cent of the receptacles.
- Minimum monthly payment of \$8 per unit or five percent of advertising net revenue dollars, whichever is greater, to be paid to the Region on an annual basis.

3.3 Other Street Furniture

In January 2001, the Region assumed contracts for various advertising and other benches placed at bus stops. The benches are currently being replaced where warranted and new benches are being installed in the interior of bus shelters by the Region.

In 2005, staff initiated the installation of bicycle racks at bus stops that were identified as high bicycle usage locations. Currently there are 200 bicycle racks at 96 locations which were installed, and are being maintained, by the Region.

There are 65 transit schedule information display cases at high traffic bus stop locations. These are installed and maintained by the Region.

4. ANALYSIS AND OPTIONS

The existing transit shelter advertising agreements with the Region will expire on April 1, 2008, and the waste-recycling receptacle advertising agreement will expire on November 30, 2010. Staff wish to seek out opportunities to improve the appearance and functionality of transit facilities, as well as maximize the capital and revenue benefits to the Region, by permitting advertising at transit facilities under a new RFP.

4.1 Benefits of Co-ordination

Co-ordinated street furniture represents an opportunity to improve the look, feel, functionality and image of Regional transit facilities. Street furniture consists of a variety of amenities installed in the public right-of-way for the use and convenience of the public. Examples include: transit shelters, waste-recycling receptacles, and benches.

After consulting with other transit systems, it was determined that it would be preferable to have one contract encompassing all elements, which may involve one company or a consortium of smaller companies with a lead proponent. A central point was that one contract would address YRT's desire of achieving a cohesive design standard which would ensure that all elements work together. In turn, this improvement would encourage the reduction of bus stop clutter and facilitate efficient maintenance.

Administration and management of a single contract would be more efficient in terms of tracking contractor responsibilities, co-ordinating construction, addressing concerns and service issues, as well as overall accountability. A single contract would also assist in avoiding varying levels of service compliance.

The Region's interests, in terms of co-ordination and placement, service, and contract management, are best served by one contract encompassing all of the specified street furniture elements.

4.2 Street Furniture

The RFP will require the new furniture to be of a high-quality design, using proven durable materials, incorporating functionality, accessibility, safety, universal design principles, environmental elements, and ease of maintenance and repair. All street furniture supplied and installed under this contract (see *Table 1* below) will have to meet the requirements of the Accessibility for Ontarians with Disabilities Act 2005 (AODA).

The scope of the program will be for the supply, installation, and maintenance of:

- Transit shelters.

- Waste-recycling receptacles.
- Benches.
- Bicycle racks.
- Newspaper box organizers, and
- Schedule display cases.

Table 1
Street Furniture Inventory

Item	Current Inventory (2007)	Projected Inventory (2023)	Estimated Furniture Supplied Under Agreement
Conventional Transit Shelters	710	1,000	400
Viva Shelters	60	70	0
Waste-Recycling Receptacles	345	1,000	1,000
Benches	592	1,110	1,100
Bicycle Racks	200	750	550
Newspaper Box Organizers	18	750	750
Schedule Display Cases	65	150	150

It is proposed that the elements of street furniture be placed at conventional bus stops, Viva stations and terminals. Therefore we will be seeking input from the proponents for opportunities to integrate the elements to all facility types.

Since the transit shelter advertising agreements expire in 2008 prior to the waste-recycling receptacle advertising agreement, the RFP would state that the installation of the waste-recycling receptacle program would begin after the expiration of the existing agreement in 2010.

4.3 Maintenance

The RFP will require that maintenance be performed on all existing and new street furniture including cleaning, preventative maintenance, repair (including vandalism, emergency, wear and tear), replacement, relocation (due to construction, etc.), scheduled and unscheduled waste-recycling collection and disposal.

4.4 Term of Agreement

The RFP must encompass an economically viable package in order to solicit reasonable bids. While the main goal of the Region is to achieve an overall improvement of the public realm through the provision of a high-quality street furniture program, it is also important that the successful bidder in the RFP have a reasonable business case to invest in this opportunity.

It is important to note that the first few years of the agreement will be capital-intensive for the vendor due to the installation of a number of new elements and the replacement of some dated street furniture. Staff research indicates that a 15-year agreement is appropriate in order to attract bidders who are willing to invest in a project that provides the Region with significant capital assets and operating cost savings. This is consistent with terms offered in recent agreements outside of the Region (see *Table 2*) and comparable to past transit shelter advertising agreements within the Region (see *Table 3*).

Table 2
Term of Recent Transit Shelter Advertising Agreements

Municipality	Term	Start Date
City of Mississauga	18 Years	2000
City of Toronto	20 Years	2007
City of Hamilton	15 Years	2002
City of Winnipeg	15 Years	2003
City of Halifax	15 Years	2002
City of Ottawa	7 Years	2003

Table 3
Term of York Region Shelter Advertising Agreements

Area	Original Term	Term with Extension	Start Date
Aurora	10 years	11 years	1997
Markham	15 years	18 years	1990
Newmarket	10 years	10 years	1998
Richmond Hill	10 years	11 years	1997
Vaughan	10 years	11 years	1997

4.5 Local Municipal Endorsement

Many of the existing street furniture elements are situated at transit stops on local municipal road allowances. The street furniture initiative would require the replacement of some of this inventory or installation of new furniture. It will be necessary for Regional staff to consult with the local municipalities to discuss placement of these items and, where appropriate, be a partner in the proposed street furniture agreement. Special consideration might be necessary in heritage and streetscaped districts.

The local municipalities will benefit from the increased number of waste-recycling receptacles on the boulevards which should reduce the amount of waste left behind on the boulevard requiring pickup. In addition, the newspaper box organizers will assist in the licensing and enforcement of local newspaper box by-laws.

4.6 Relationship to Vision 2026

The supply, installation, and maintenance of co-ordinated street furniture at transit facilities supports Vision 2026 by utilizing the guiding principle of: “Partnerships: Co-ordinating, supporting and enhancing services through partnerships with area municipalities, other governments, community agencies and the private sector” as well as supports the goals of “infrastructure for a growing region” and “managing and minimizing waste.”

5. FINANCIAL IMPLICATIONS

5.1 Capital Cost Savings

Under the proposed 15-year term of a new street furniture agreement, it is anticipated that the Region will receive approximately \$6.7 million in capital assets at no cost. This information is based on current market prices from recent tenders and are summarized in *Table 4* below.

Table 4
Projected Capital Cost Savings to the Region Over 15-Year Term

Item	Quantity	Capital Savings
Conventional Transit Shelters	400	\$4,300,000
Waste-Recycling Receptacles	1,000	\$1,500,000
Benches	1,100	\$570,000
Bicycle Racks	550	\$100,000
Newspaper Box Organizers	750	\$190,000
Schedule Display Cases	150	\$40,000
Total		\$6,700,000

5.2 Operating Cost Savings

In terms of ongoing maintenance, it is anticipated that the successful bidder will conduct cleaning, repair (including vandalism, emergency, wear and tear), relocation (due to construction, etc.), scheduled and unscheduled waste-recycling collection at no cost to the Region. With a projected inventory value of \$6.7 million for new capital assets, and \$7.3 million for existing capital assets, the annual operating cost savings to the Region would be approximately \$1.4 million based on a value of ten percent of capital assets.

5.3 Revenue Opportunity

Based on the known parameters of the transit shelter and waste-recycling receptacle agreements, it can be established that there is a value associated with advertising under a street furniture program. Both agreements currently generate sufficient revenues to cover all capital and annual maintenance and operating expenses and, over and above, provide

a cash payment to the Region. Based on a twenty percent guarantee of estimated net revenue, the Region can be expected to receive \$6 million over the term of the agreement.

5.4 Total Benefits

The projected capital cost savings, operating cost savings, and revenue opportunity will have a total benefit to the Region of approximately \$33.7 million (*see Table 5*).

Table 5
Projected Financial Benefits to the Region Over 15-Year Term

Consideration	Amount
Capital Cost Savings	\$6.7 million
Operating Cost Savings	\$21.0 million
Revenue Opportunity	\$6.0 million
Total Financial Benefit	\$33.7 million

6. LOCAL MUNICIPAL IMPACT

The co-ordination of street furniture at transit facilities will assist with the organization of amenities within the municipal right-of-way while providing a safe, clean, and comfortable environment for the transit rider, improving the appeal of the public transit system. Increased transit ridership reduces the number of personal vehicles using local and Regional roads.

7. CONCLUSION

YRT staff have concluded that co-ordinated street furniture will improve the look, functionality and image of Regional transit facilities through a cohesive design that will be both efficient and effective, and which could potentially be one-hundred percent funded by advertising revenues.

It is recommended that staff be authorized to issue an RFP for the supply, installation, and maintenance of co-ordinated street furniture with advertising at York Region Transit facilities for a fifteen-year term, and that the local municipalities be requested to endorse the concept of co-ordinated street furniture at designated transit facilities on the road allowances under their respective jurisdictions.

Report No. 5 of the Transit Committee
Regional Council Meeting of June 21, 2007

For more information on this report contact Rick Takagi, Manager, Operations (Ext. 5624) or Joshua Scholten, Facilities Supervisor (Ext. 5696) of the Transit Branch in the Transportation and Works Department.

The Senior Management Group has reviewed this report.