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**YORK REGION TRANSIT**  
**CO-ORDINATED TRANSIT STREET FURNITURE PROGRAM –**  
**SUPPLEMENTARY REPORT**

*(Regional Council at its meeting on April 23, 2009 amended Recommendation 4. to this report as follows:*

- 4. Referral of the following report dated April 14, 2009 to the Commissioner of Transportation Services for a report back to the June 18, 2009 Transit Committee meeting presenting options and methodologies for structuring the RFP for the Co-ordinated Transit Street Furniture program to allow for both a consolidated and split bid submission.)**

The Transit Committee recommends:

- 1. Receipt of the presentation by Joshua Scholten, Facilities Supervisor, Transit Branch, Transportation Services Department, Wai Ying Di Gorgio, STLA Design Strategies and Robert Millward, R.E. Millward & Associates Ltd.;**
- 2. Receipt of the following deputations:**
  - i) Jeremy Kramer, Principal & Creative Director, Kramer Design Associates Limited;**
  - ii) David Gray, President, Creative Outdoor Advertising;**
  - iii) Chris Paterson, Broker/Manager, Royal LePage;**
  - iv) Maxine Povering, Resident, City of Vaughan/Street Furniture Advertiser;**
  - v) Sid Catalano, Pattison Outdoor Advertising;**
  - vi) Paul Arato, Arato Design Associates, Inc.;**
- 3. Receipt of the following communications:**
  - i) David Diamond, Diamond & Diamond Law Offices, March 19, 2009;**
  - ii) Anthony (Tony) Barone, Royal LePage Maximum Realty Corp. Brokerage, March 20, 2009;**
  - iii) Paul Arato, Arato Design Ass. Inc., March 23, 2009;**
  - iv) David Gray, President, Creative Outdoor Advertising, March 25, 2009, with an attachment containing 26 letters from businesses;**
  - v) Chris Paterson, Broker/Manager, Royal LePage, March 25, 2009;**

- vi) **Maxine Povering, City of Vaughan resident/Street Furniture Advertiser, March 25, 2009;**
- vii) **Luc Beaulieu, Vice President Street Furniture, Astral Media Outdoor; and**

- 4. **Referral of the following report dated April 14, 2009 to the Commissioner of Transportation Services for a report back to the June 18, 2009 Transit Committee meeting presenting options and methodologies for structuring the RFP for the Co-ordinated Street Furniture program to allow for either consolidated or split bid submissions.**

## **1. RECOMMENDATIONS**

It is recommended that:

- 1. Regional Council endorse the proposed final Co-ordinated Street Furniture Urban Design Guidelines (*Attachment 1*).
- 2. Staff be authorized to issue a revised Request for Proposal for the supply, installation, maintenance and associated revenue opportunities for co-ordinated transit street furniture with advertising for a 15-year term; such Request for Proposal to include the following key revisions:
  - a) Proponents are required to bid on both transit shelters and street furniture elements.
  - b) One standard design for each element.
  - c) Collection and processing of waste and recyclables will be the responsibility of the Region.
  - d) Local advertising be a mandatory requirement and the ability of proponents to provide local advertising opportunities at rates lower than typical national advertising rates will be a key evaluation criterion.
  - e) Advertising will be limited to a single element at each facility.
- 3. The local municipalities be consulted to review opportunities to install transit street furniture at designated transit facilities on road allowances under local municipal jurisdiction.
- 4. Staff report back to Regional Council for final approval.

## **2. PURPOSE**

This report supplements the attached March 2009 report (*Attachment 2*) and presents pros and cons regarding splitting the delivery of the Co-ordinated Transit Street Furniture

Program. In addition, the report reviews concerns raised with respect to advertising opportunities for small and local businesses.

### **3. BACKGROUND**

#### **An RFP for co-ordinated street furniture, with options to bid on transit shelters and/or street furniture elements, failed in 2008**

Regional Council, at its June 2007 meeting, authorized staff to issue an RFP for co-ordinated street furniture with advertising for a 15-year term. Upon further consideration in October 2007, Regional Council instructed that the RFP process incorporate three bid options, as follows:

- Option A - Supply of Transit Shelters with advertising only.
- Option B - Supply of Street Furniture Elements with advertising only.
- Option C - Supply of both Transit Shelters and Street Furniture elements with advertising.

#### **Notwithstanding the direction to provide options for a split contract, no split submissions were received**

On January 7, 2008, staff released the RFP with the three options listed above. In March 2008, the RFP submissions were received and subsequently evaluated by York Region and Local Municipal evaluation teams. The RFP was cancelled as the bid submissions did not meet the Region's design and operational requirements.

In September 2008, Regional Council requested that staff prepare a further report concerning the visioning and design principles associated with the matter of a future RFP for the Co-ordinated Street Furniture Program. This report (*Attachment 2*) was submitted to Transit Committee in March 2009 and was recommended for adoption to Regional Council.

#### **Regional Council requested a report regarding the pros and cons of splitting the program**

At the March Regional Council meeting, a number of deputation requests and communications were received particularly regarding the local advertising component. Regional Council requested that staff prepare a further report considering the pros and cons of splitting the street furniture advertising component from the bus shelter advertising component of the Co-ordinated Street Furniture Program. This report responds to Council's March 2009 direction.

#### **4. ANALYSIS AND OPTIONS**

**The main purpose of this program is to deliver a family of high quality, well-designed, functional and sustainable co-ordinated street furniture that enhances the streetscape and public realm**

Urban design, through the Co-ordinated Street Furniture Program, is important to the Region because it will unify and bring consistency to a disparate collection of transit-related street furniture while enhancing both the function and aesthetics of the public realm. The program will help contribute to an improved image of the Region as an attractive, pedestrian-friendly and distinctive community. In order to provide a framework to guide the form and layout of the street furniture elements, Urban Design Guidelines have been drafted (*Attachment 1*).

**A single, co-ordinated program will create attractive and safe streets by minimizing visual clutter and interference**

In a broader Regional context, it is imperative that the design of the transit facilities and transit stops focus on co-ordination, consistency and overall character of the streetscape, in order to bring a common design to the different local municipalities that make up the Region. This is particularly important at the street level of our communities. The notion of creating attractive and safe streets is underscored by the need to minimize or eliminate visual clutter and interference. Visual clutter detracts from the image of the community, renders the streetscape uncomfortable and uninviting, and also poses obstacles to wayfinding and orientation. Street furniture co-ordination can play an important role in eliminating this clutter.

##### **4.1 PROS AND CONS OF SPLITTING THE DELIVERY OF STREET FURNITURE ELEMENTS**

A single contract will deliver furniture that is co-ordinated by design, functionality and placement, and will create a cohesive and recognizable image for YRT and its users. It will also streamline contract management. In the event that the contract is split, the Region may lose the opportunity to have waste-recycling receptacles that are properly co-ordinated with other street furniture at transit stops. It should be noted that staff has found no evidence of another jurisdiction that has split this type of contract. It is recognized that there are more benefits to a single contract as splitting the contract would diminish overall program viability. Table 1 below identifies the pros and cons of splitting the Co-ordinated Street Furniture Program.

**Table 1**  
Pros and Cons of Splitting the Contract

	<b>Pros</b>	<b>Cons</b>
<b>Urban Design</b>		<p>Varying level of co-ordinated design due to the possibility of different designers and design interpretation.</p> <p>Inconsistent quality of materials and production due to the possibility of different manufacturers and facilities.</p> <p>Departs from objectives of Urban Design Guidelines.</p> <p>Does not promote modular design and discourages maintenance efficiency.</p>
<b>Competition</b>	Creates opportunities for companies who feel they do not have the scope to carry out all of the work.	<p>Discourages partnership and competition which may diminish overall value to the Region.</p> <p>Not as attractive to bidders as a single contract.</p>
<b>Contract Administration</b>		<p>Inefficient installation and maintenance of street furniture based on inability to co-ordinate installations and maintenance activities due to separate vendors.</p> <p>Additional Regional resources, paid for out of the tax base, required to co-ordinate and administer separate contracts.</p> <p>Two points of contact and accountability.</p>
<b>Financial</b>	Potential for increased advertising revenue due to advertising on both transit shelter and a street furniture element at most locations. However, this benefit depends on administration costs with split contract.	<p>Potential for decreased revenue to the Region due to installation and maintenance inefficiencies not seeing the benefits of economies of scale.</p> <p>Increased costs due to inefficiencies with separate contractors.</p> <p>Introduction of competing ads will reduce the appeal, marketability and value of advertising in the Region.</p>
<b>Local Advertising</b>	Potential for predictable and affordable format for some local businesses.	<p>Local advertising can be addressed as part of an overall marketing strategy.</p> <p>May continue to have competing advertising on various elements at each transit stop.</p> <p>May discourage bidders from pursuing innovative advertising options for small businesses.</p> <p>Diminishes long term program objectives as set out in Urban Design Guidelines.</p>

### **From a design perspective, a comprehensive and integrated approach through a single contract best achieves the objectives of the Co-ordinated Street Furniture Program**

Urban design is important to supporting an attractive, functional and pedestrian-scaled streetscape and thereby promoting the image of the Region as a first-class community. Street furniture co-ordination deals with design, form, materials, colours and technologies associated with each element so as to bring about a complementary and harmonious relationship of parts to create a whole.

From a process perspective, design is always better served by a comprehensive and integrated approach – one that assesses, applies and implements parameters, principles and strategies in the same manner. This is best achieved by a single contract where one proponent or a consortium is designing and implementing all street furniture elements.

A split contract, where the street furniture elements are separated, would introduce the variable of more than one vendor designing and implementing the street furniture elements. This model of delivery would require more co-ordination and there would be great difficulty in achieving the desired level of co-ordinated design. This scenario would also introduce the element of varying design interpretation of the guidelines which could potentially result in inferior quality and service.

### **Single contract encourages competition and therefore ensures the best overall value to the Region**

Through the RFI process and best practices review, a single contract receives the most support from advertising companies likely to bid. Staff have been unable to find any municipality that has split their street furniture contracts into separate contracts at the same time; all have engaged in a single contract. There are, of course, many jurisdictions where separate contracts for different street furniture elements exist, given that they were initiated at different times, similar to the current scenario in the Region.

The result of the RFI process indicates that delivery of co-ordinated street furniture, both transit shelters and street furniture elements, is best handled by a consortium or one company.

### **Single contract allows for efficient contract management and administration**

Managing two contracts with two different vendors would be more complex, time-consuming and costly. The Region would have to co-ordinate and consult with different vendors on the design, placement, installation, maintenance and repair of different elements rather than having one point of contact. A single contract approach would streamline management and administration in terms of addressing service issues, complaints and contractor responsibilities.

### **Split contract would require departing from the urban design principles established for program**

A split contract would require the Region to depart from the aesthetic principle of limiting advertising to a single element at each location. Advertising on both the transit shelter and a street furniture element at the same location would be required in order to generate sufficient revenue for the street furniture advertising vendor to cover the additional administration and maintenance costs of a split contract.

## **4.2 OPPORTUNITIES FOR SMALL AND LOCAL BUSINESSES**

### **Over 30 communications were submitted to Regional Council expressing identical concerns in similar language**

Six individuals submitted correspondence directly to Regional Council. A communications submission from a single company included 26 letters from businesses. Table 2 below identifies some of the shared concerns as well as comments from staff.

**Table 2**  
Communication Concerns and Staff Responses

<b>Communication Concern</b>	<b>Staff Response</b>
Local advertising price will be increased.	Local advertising rates will continue to be offered at rates lower than typical national advertising rates as has been demonstrated in similar programs.
Local advertising opportunity will be eliminated.	The ability to provide local advertising will be a mandatory requirement and a key evaluation criterion.
Allow street advertising on recycling bins and benches.	Advertising will be permitted on waste-recycling receptacles at locations where there is no shelter advertising. Advertising will not be permitted on benches as per stakeholder consultation and urban design requirements.
Advertising on recycling containers will soon be gone.	Advertising will be permitted on waste-recycling receptacles at locations where there is no shelter advertising.

Street furniture advertising opportunities will be limited to national companies.

Street furniture advertising opportunities will be available to both local and national companies.

Significant increase in local advertising rates in Toronto.

Rates submitted in communication are incorrectly highlighted.

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### **Interested advertising companies have well-established local advertising programs**

The responses to the Request for Information (RFI) and the submissions to the previously cancelled RFP indicated that most of the interested advertising companies currently provide both local advertising and national advertising. The local advertising component was an integral part of the previous submissions and will continue to be required in the revised RFP.

### **It is planned that the local advertising sales plan submissions will be a key evaluation criterion**

The revised RFP will ensure that advertising opportunities for local business will continue to be provided on transit shelters and waste-recycling receptacles at an advertising rate lower than the typical national advertising rate. The local advertising component will be a key evaluation criterion where proponents will be asked to provide innovative ways to attract and include local advertising in their proposals.

### **Local and small business advertising opportunities are also available through bus advertising**

Bus advertising is another medium that is currently available to local and small businesses. There are opportunities to advertise on the outside of the bus, as well as inside the bus.

## **4.3 NEXT STEPS**

### **A single RFP, for transit shelters and street furniture elements, is proposed to be issued for a 15-year term**

Based on the RFI with the industry, the business feasibility study, input from local businesses and a review of best practices, staff are proposing to issue a revised RFP for a 15-year term with the Co-ordinated Street Furniture Urban Design Guidelines as an appendix. The following will form the key evaluation criteria:

- Safety and accessibility.
- Aesthetic, functional and urban design.

- Operations and maintenance plan.
- Sustainable design.
- Value-added services.
- Financial return.
- Ability to provide local advertising opportunities in addition to national.

**Submissions will be required to include both transit shelters and street furniture elements in order to achieve a cohesive design**

Through the best practices review and the industry consultation, it was identified that the optimal delivery of this program would be through a consortium or one company. This would facilitate the effective and efficient delivery of the varying connected products and services required, while at the same time achieving a cohesive design. Therefore, a revised RFP, which would require submissions to include both transit shelters and street furniture elements, is considered most likely to achieve the ideal result.

**Regional and local municipal staff will evaluate the submissions and report back to Regional Council for final approval**

The Region staff evaluation team will perform evaluations of all components of the submissions. The local municipalities will participate specifically in the evaluation of the design component. Upon completion of the evaluations, staff will report back to Regional Council with the results and a recommendation.

**5. FINANCIAL IMPLICATIONS**

**The projected total net value of capital assets and operating and maintenance to the Region is approximately \$42.0 million over the 15-year term of the contract**

The transit shelters and street furniture to be supplied through the 15-year term of the revised RFP have an estimated capital value of \$12.0 million, based on current market prices from recent tenders and the business feasibility study.

Ongoing maintenance, including cleaning, repair and relocation, of the transit shelters and street furniture elements will continue to be included in the revised RFP and provide cost avoidance to the Region of approximately \$38.0 million over the 15-year period. The maintenance is best delivered by a single contract as efficiencies can be achieved by having the same employees or contractors service all street furniture elements, including transit shelters, at the same time.

The assumption of the collection and processing of waste and recyclables by the Region would cost the Region approximately \$8.0 million over the term of the contract based on preliminary projections on service levels and contracted collection costs.

## **The Region has the opportunity to receive revenue in addition to capital assets and operating and maintenance services**

Based on a best practices review, the business feasibility study, and the existing transit shelter and waste-recycling receptacle agreements, there is a revenue opportunity for the Region under a Co-ordinated Street Furniture Program with advertising.

### **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, thereby improving the appeal of the public transit system.

### **7. CONCLUSION**

Based on the best practices review, the previously cancelled RFP, and consultation with industry and local municipalities, staff have concluded that a single co-ordinated street furniture program, which includes both transit shelters and associated street furniture elements will best achieve the desired result. It can be delivered at no cost to the Region and has the potential to be a revenue source. It will also provide ongoing advertising opportunities for local businesses.

Staff recommends a single contract as the preferred scenario to achieve the Region's long-term program objectives. A single contract will deliver furniture co-ordinated by design, functionality and placement that will create a cohesive and recognizable image for YRT and its users. It will also streamline contract management. In the event the contract is split, the Region may lose the opportunity to have waste-recycling receptacles that are properly co-ordinated with other street furniture at transit stops. It is also felt that splitting the contract would diminish the overall program viability.

For more information on this report, please contact Joshua Scholten, Facilities Supervisor (ext. 5696) or Rick Takagi, Manager, Capital Assets (ext. 5624) in the Transit Branch of Transportation Services.

The Senior Management Group has reviewed this report.

*(The two attachments referred to in this clause are attached to this report.)*