

Clause No. 2 in Report No. 3 of the Transit Committee was referred back to Committee, by the Council of The Regional Municipality of York at its meeting on March 26, 2009.

**2**  
**YORK REGION TRANSIT**  
**CO-ORDINATED TRANSIT STREET FURNITURE PROGRAM UPDATE**

*(Regional Council at its meeting on March 26, 2009 referred this Clause back to Committee along with the communications and requests for deputation.)*

The Transit Committee recommends:

1. Receipt of the following deputations:
  - a) David Gray, President, Creative Outdoor Advertising;
  - b) Jeremy Kramer, Principal and Creative Director, Kramer Design Associates Limited;
  - c) Brian McMurray, Manager, Transit Leasing, Pattison Outdoor Advertising;
2. Receipt of the presentation by Joshua Scholten, Facilities Supervisor, York Region Transit, Wai Ying Di Gorgio, STLA Design Strategies and Robert Millward, R.E. Millward & Associates Ltd.; and
3. Adoption of the recommendations contained in the following report dated February 26, 2009, from the Commissioner of Transportation Services, subject to Recommendation 2 d) being replaced with the following:
  - d) The ability of proponents to provide local advertising opportunities at rates lower than typical national advertising rates will be a key evaluation criterion.

**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) The requirement of 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 will be provided at a rate lower than the typical national advertising rate.
  - 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 presents the results of the industry consultation and feasibility study of the Co-ordinated Transit Street Furniture Program and requests Regional Council endorsement of the proposed final Co-ordinated Street Furniture Urban Design Guidelines.

In addition, staff are seeking Regional Council authorization to issue a revised, consolidated Request for Proposal (RFP) for co-ordinated transit street furniture, and to consult with local municipalities to install the street furniture at designated transit facilities on local road allowances.

## **3. BACKGROUND**

The Region currently has three advertising agreements under which the agencies provide operation and maintenance services and some capital assets, at no cost to the Region. In addition, the associated advertising revenues are shared with the Region. The two transit shelter advertising agreements expired on April 1, 2008, and have been extended on a month-to-month basis pending the implementation of a co-ordinated transit street furniture program with advertising. A waste-recycling advertising agreement expires on November 30, 2010.

### **An RFP for the supply, installation, maintenance and associated revenue opportunities of co-ordinated transit street furniture with advertising was issued in January 2008 and cancelled in July 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. Following the initial authorization by Regional Council, the current waste/recycling advertising contractor, Creative Outdoor Advertising, requested the Region to permit separate submissions for transit shelters with advertising and street furniture with advertising. In response, a subsequent report was submitted to the October 2007 Council meeting which recommended that staff be authorized to continue to pursue a single transit street furniture advertising program. Upon consideration, 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.

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.

### **Regional Council requested a further report concerning the visioning and design principles**

In September 2008, Regional Council requested that staff prepare a further report concerning the visioning and design principles and the matter of a future RFP for the co-ordinated street furniture program. This report responds to Council's September 2008 direction.

## **4. ANALYSIS AND OPTIONS**

### **Street Furniture and Urban Design consultants were retained in order to assist in development of the co-ordinated street furniture program**

The Region has retained R.E. Millward and Associates as Project Advisor and STLA Inc. as urban design consultants. Both consultants have been retained to assist with the Request for Information (RFI), local municipal consultation, urban design guidelines, business feasibility study and development of the RFP. Millward has worked on a number of co-ordinated street furniture programs for municipalities including Amman, Jordan; Calgary; Ottawa; and Toronto. STLA Inc. has extensive urban design experience including urban space design for the Brampton City Hall and the Sarnia Waterfront, as well as a number of community planning projects in the Greater Toronto Area.

## **4.1 FEEDBACK FROM INDUSTRY CONSULTATION**

### **Five responses to a Request for Information were received and follow-up interviews were conducted**

In order to prepare a successful program and RFP that the industry could respond to, consultations were held with the outdoor advertising industry. An RFI was released which contained 14 questions pertaining to the delivery of the program and the future RFP. This was a voluntary process for potential proponents to offer suggestions; firms that did not participate in the process are not precluded from responding to the RFP. A total of five industry stakeholders responded and the submissions were analyzed by staff. As part of the process, each of the respondents attended a respondent interview where they were given the opportunity to present their responses and the Project Team had the opportunity to ask clarification questions.

### **Comments from RFI respondents were fairly consistent**

The RFI respondents' key comments related to the following:

- Direction must be given regarding the design of the street furniture.
- Delivery of co-ordinated street furniture, both transit shelters and street furniture elements, is best handled by a consortium or one company.
- Collection and processing of waste-recycling is not a core service for most in the industry.
- A fifteen-year contract term is a reasonable timeframe to amortize capital commitments and endure fluctuations in the economy.
- Local advertising should be included as a requirement, but the plan for delivery of the advertising should be the responsibility of the proponent.
- One standard design for each element, with flexibility for customization, is preferred for continuity and ease of maintenance.
- RFP should state the basic requirements and allow for alternate ideas.
- Maintain a balance between the needs of the community, the Region and the private-sector respondent(s).
- RFP should remain open for a minimum of 90 days from the date of issuance.

## **4.2 URBAN DESIGN GUIDELINES**

### **Urban Design Guidelines build upon existing Regional policies and incorporate comments from the local municipalities**

In order to provide a framework to be used to guide the form and layout of street furniture elements, Urban Design Guidelines have been drafted (*Attachment 1*). The guidelines build upon existing Regional policies such as:

- Vision 2026 (2001).

- Regional Streetscape Policy (2001).
- Towards Great Regional Streets (2006).
- Regional Transit-Oriented Development (TOD) Guidelines (2006).
- York Region Official Plan (2007).
- York Region Pedestrian and Cycling Master Plan (2008).

As part of the process of developing the Urban Design Guidelines, each of the nine local municipalities was invited to review the draft document, ask questions about the program and process, and provide comments. These working meetings provided valuable input and helped to provide direction for the document.

The key comments from the local municipalities are as follows:

- Street furniture elements should be designed to suit their functional purpose with advertising as a secondary concern and not the primary driver for the design of the elements.
- All street furniture should be consistent along all routes, with opportunities for municipal or business improvement area identification.
- YRT and Viva need to share as many design elements and components as possible.
- Community information kiosks should be included as part of the street furniture program.
- Advertising should be limited to a single furniture element at each transit facility and not be permitted on benches.
- Urban Design Guidelines should include site specific layouts.

All of the comments received from the local municipalities have been considered and were included in the proposed final Co-ordinated Street Furniture Urban Design Guidelines wherever feasible.

**The Urban Design Guidelines will help to promote the Region as a high-quality community where there is a strong sense of pride in our public places including our streetscapes**

This will be achieved by addressing the following objectives:

- Promote and reinforce YRT as an identifiable transit service with the YRT/Viva family of transit services.
- Develop a unified image for the Region through streetscape design.
- Enhance the streetscape through the design of co-ordinated, high-quality street furniture.
- Create 'places' within the public realm that support a pedestrian environment.

### **4.3 BUSINESS FEASIBILITY STUDY**

#### **The business feasibility study indicates that the Region is an attractive market for outdoor advertising**

Through our consultant, a business feasibility study was conducted in which expert advertising resources assessed the current advertising market for the co-ordinated street furniture program.

It was concluded that the current economic climate is not seen as a deterrent to proceeding with an RFP, particularly as the Region is attractive to advertising companies since it is located in the Toronto Census Metropolitan Area (CMA) market, which is considered the top outdoor advertising market in Canada. Our experts concluded that the proposed scope, in terms of capital and operating and maintenance costs, and the 15-year contract length, is appropriate and feasible. However, given the current economic climate, advertising companies may try to make their proposal less capital-intensive at the front end of the roll-out and possibly offer lower financial guarantees in the early years of the contract.

It is therefore anticipated that most of the outdoor advertising companies that are active in the Toronto market are likely to participate in the RFP.

### **4.4 NEXT STEPS**

#### **Staff will issue a revised RFP with the Co-ordinated Street Furniture Urban Design Guidelines as an appendix**

In an effort to co-ordinate transit street furniture and consolidate expiring transit shelter and waste/recycling receptacle advertising contracts, staff are proposing to issue a revised RFP for a 15-year term. Based on the RFI with industry, and the business feasibility study, staff are proposing to revise the RFP as described below.

The scope of the Region's program is for the supply, installation, and maintenance of co-ordinated street furniture as listed in *Table 1* below.

**Table 1**  
Street Furniture Inventory

<b>Item</b>	<b>Current Inventory (2009)</b>	<b>Estimated Furniture Supplied Under Agreement</b>
Transit Shelters (with shelter seating)	718	400
Stand-alone Benches	0	100
Bicycle Racks	168	550
Waste-Recycling Receptacles	434	1,000
Newspaper box organizers	40	500
Multi-publication unit	0	250
Schedule Display Cases	65	75
Community information kiosks	0	10

Note: Custom Viva Shelters are not included.

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

Through the industry consultation, it was identified that the preferred 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 achieving a cohesive design. Therefore, a revised RFP, which would require submissions to include both transit shelters and street furniture elements, is preferred.

**One standard design, with flexibility for customization and size, for each element is preferred**

Through the consultation process with the local municipalities, it was acknowledged that one of the main purposes of the co-ordinated street furniture program is to provide a consistent and identifiable transit facility for passengers throughout the Region, while allowing the flexibility for identification of the local municipality or business improvement area. This sentiment was echoed in the industry consultation, as the design, installation, and maintenance of a single design, with flexibility for customization and size, is more cost-effective and efficient.

The standard design street furniture would be placed at all locations throughout the Region, including heritage and special character areas. From an urban design perspective, it is intended that the unique characteristics of these special areas will be further reinforced against the contemporary, timeless and simple designs proposed for the street furniture elements. Advertising will not be permitted in heritage areas in order to minimize visual obstructions and there will be an opportunity for municipal or business improvement area identification on the transit shelter (e.g. Village of Thornhill). This approach has been successful in European and North American cities alike.

### **Collection and processing of waste and recyclables is not a core service provided by the majority of vendors supplying co-ordinated street furniture**

The revised RFP would not require proponents to be responsible for the collection and processing of material from the waste/recycling receptacles. In place of this, the Region would seek to issue a separate contract for the collection and processing of waste and recyclables. However, the option would remain for proponents to offer the service as a value-added service.

### **Local advertising opportunities will continue to be provided on transit shelters and waste-recycling receptacles**

The industry consultation indicated that most of the transit shelter advertising companies currently provide local advertising and national advertising. It has also been demonstrated in the past that firms can partner in order to maximize the potential in both the national and local market. The RFP will ensure that local 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. Proponents will be asked to provide innovative ways to attract and include local advertising in their proposals.

### **Limiting advertising to a single element of street furniture at each transit facility will reduce clutter**

Current advertising arrangements involve separate companies providing distinct maintenance services and somewhat competing advertising formats. Accordingly, both of these advertising formats are deployed at many locations, adding to the perception of excess advertising and clutter. This grouping of ads may reduce the impact of the advertising and, thus, the value. Limiting advertising to a single element of street furniture at each transit facility would potentially increase the advertising rate per element and provide an improved streetscape. This will result in a reduction of the number of advertising faces currently available on waste-recycling receptacles. As the urban design guidelines limit the overall size of each element, it is expected that the size of the advertising face on the waste-recycling receptacles will also be reduced, thereby decreasing the advertising opportunities to waste-recycling advertising proponents.

Through the development process, and consultation with other jurisdictions, staff may make further revisions to the RFP as necessary.

## **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**

### **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**

An independent third party has reviewed the proposed scope of the co-ordinated street furniture program, and has concluded that the proposed scope, in terms of capital, operating and maintenance costs, and the 15-year contract length, is appropriate and feasible.

It is anticipated that the delivery of the co-ordinated transit street furniture program, with advertising limited to a single element at each bus stop, would provide the Region with a total net value of \$42 million over the term of the contract and could be delivered at no cost to the Region. It also has the potential for revenue opportunities.

The transit shelters and associated 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 (vandalism, emergency, wear and tear), relocation (due to construction, etc.) of the transit shelters, and associated street furniture elements, will continue to be included in the revised RFP and provide a cost avoidance to the Region of approximately \$38.0 million over the 15-year period, or approximately \$2.5 million annually.

The assumption of collection and processing of waste and recyclables by the Region would cost the Region approximately \$8.0 million over the term of the contract, or approximately \$0.5 million annually, based on preliminary projections on service levels and contracted collection costs.

### **The Region has the potential 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, it is estimated that revenue can be generated for the Region with advertising under a co-ordinated advertising program.

## **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.

Municipal staff has participated in the development of the proposed final urban design guidelines and will continue to be involved in the RFP preparation and evaluation process to ensure that the co-ordinated street furniture program is compatible with local interests.

## **7. CONCLUSION**

An extensive consultation process has been undertaken with industry and the local municipalities to develop the proposed final urban design guidelines and the business feasibility study. From this, staff has concluded that a single co-ordinated street furniture advertising program that includes both transit shelters and associated street furniture elements, has the potential to be delivered at no cost to the Region and also has the potential for revenue opportunities.

It is recommended that Regional Council endorse the proposed final Co-ordinated Street Furniture Urban Design Guidelines, that staff be authorized to issue a revised, consolidated RFP for the supply, installation, and maintenance of a co-ordinated transit street furniture RFP for a 15-year term, and that the local municipalities be requested to endorse the concept of a co-ordinated transit street furniture program on the road allowances under their respective jurisdictions.

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 attachment referred to in this clause is attached to this report.)*