

MANAGEMENT REPORT

Date: September 12, 2022
To: Mayor and Council
From: Michael Mousley, Manager of Transit
Report#: COU22-066
Attachments: Advertising on City Property Policy P.3.9
Location of Benches

Title: Management Report - Transit Bench Advertising Program 2022.docx

Objective: To provide information regarding the implementation of a no cost, revenue generating transit bench advertising program and to provide proposed locations of bench installations.

Background: Stratford Transit has in the past encountered many challenges to provide a comfortable, positive service experience for the customer while waiting for a bus.

With the new bus routes and stops implemented in 2019 and new stops and shelters installed in 2020 and 2021, the department finds itself in a most opportunistic position to install revenue generating benches at bus stops around the City.

At the May 11, 2020 Regular Council meeting, Council adopted the following recommendation of the Community Services Sub-committee:

THAT Council authorize staff to further pursue the opportunity of a revenue generating transit bench advertising program;

AND THAT staff work to create advertising guidelines including location and types of advertisers.

As a result, at the March 14, 2022, Regular Council meeting, Council adopted the following recommendation of the Community Services Committee:

THAT the Advertising on City Property Policy, be adopted.

Analysis: : The advertising vendor, Creative Outdoor Advertising, approached transit staff to supply transit benches at no cost to the City, for installation at the locations noted in the attachment. As the City will not own the benches, this proposal does not fall within the procurement requirements in the City's purchasing policy.

Outline of the program is as follows:

- Vendor would audit locations in Stratford and recommend the best sites. The final decision on locations will be made by the Transit Manager. General guidelines suggest approximately 1 bench for every 1000 population.
- Local small businesses will sponsor (advertise) each site by paying a monthly fee.
- Vendor would make inspections of each bench to clean, repair and maintain our units and the immediate area around them.
- The City of Stratford would receive 20% of the revenue.
- Vendor would fund all of the required capital investment.
- Vendor would visit Stratford to audit our urban and suburban areas and advise us on locations and the correct unit for each location. The City will also retain complete control over the placement or removal of all units placed under this program.
- Vendor would install each unit and implement a cleaning and maintenance program for all units.
- The City will have total control and approval over all sponsorship messages, and all installation locations as per the Municipality's Advertising Policy.
- Every bench unit is GPS coded by vendor and Transit can monitor the inspection program online. The vendor would dispatch a response team in the event of vandalism within 24 hours, and in the case of destruction or unsafe conditions, response within 4 hours, all at no cost to the City of Stratford.
- City of Stratford will be in complete control of all aspects of the program, from site selection to approval of all sponsors and sponsorship content.
- Advertising benches will not be placed at Residential bus stop locations. Any proposed bench location designated in the Heritage section of the City (Downtown) will follow the normal approvals through the Heritage Committee.
- Benches will be installed on municipal lands or private lands, with the approval of private landowners.

- Term of the agreement is ten years with an option to extend annually.
- An exit clause of 30 days does exist in the agreement.
- Upon termination of the agreement, the benches would be removed at the vendor's cost.

Bench advertising examples:



Under the Delegation of Authority By-law, Council delegated its signing authority to certain staff to enter into agreements for advertisement on City Property for a term of up to 12 months, with an option to renew for one (1) six-month period.

As this term with Creative Outdoor Advertising is for 10 years, Council approval of entering into the agreement is required.

Financial Implications:

City of Stratford will receive a revenue of 20%.

Financial impact to current year operating budget:

City of Stratford will receive a revenue stream of 20% of advertising space sold by the vendor for the duration of the agreement. There are no expected Capital/Operating costs to budget, as maintenance and replacement of the benches are the company's responsibility in the agreement. The program is expected to generate revenue for the Transit Division of \$17,000 annually, but would likely be nominal in the first year. The revenue will offset operational costs of the division.

Financial impact on future year operating budget:

At a minimum the program revenues of \$17,000 are expected each year. This amount may increase based on 100% of advertising space being sold. The agreement can be extended annually at the end of the term.

Legal considerations:

None identified.

Insurance considerations:

The Vendor shall provide the City with a certificate of insurance naming the City as an additional insured for not less than \$ 5million. This will assist in mitigating the liability risk for both parties.

Upon termination of the agreement, the benches would be removed at the vendor's cost.

Alignment with Strategic Priorities:

Mobility, Accessibility and Design Excellence

Improving ways to get around, to and from Stratford by public transit, active transportation and private vehicle.

Developing our Resources

Optimizing Stratford's physical assets and digital resources. Planning a sustainable future for Stratford's resources and environment.

Alignment with One Planet Principles:

Health and Happiness

Encouraging active, social, meaningful lives to promote good health and wellbeing.

Travel and Transport

Reducing the need to travel, encouraging walking, cycling and low carbon transport.

Staff Recommendation: THAT the Management Report titled Management Report - Transit Bench Advertising Program 2022.docx regarding the proposed installation locations be received;

AND THAT Council authorize the Mayor and Clerk to sign the agreement with Creative Outdoor Advertising for advertising on transit benches.

Prepared by:

Michael Mousley, Manager of Transit

Recommended by:

David St. Louis, Director of Community Services

Joan Thomson, Chief Administrative Officer