



The Corporation of the Town of Tecumseh

Development Services

To: Mayor and Members of Council

From: Brian Hillman, Director Development Services

Date to Council: July 26, 2022

Report Number: DS-2022-33

Subject: Tecumseh Transit Service
Bus Stop Bench Advertising Proposal
Agreement with Creative Outdoor Advertising
OUR FILE: T03 TTS

Recommendations

It is recommended:

That report DS-2022-33, entitled “Tecumseh Transit Service, Bus Stop Bench Advertising Proposal: Agreement with Creative Outdoor Advertising”, **be received**;

And that a by-law authorizing the execution of the “The Bench Press Ltd. o/a Creative Outdoor Advertising” License Agreement, satisfactory in form to the Town’s Solicitor, which allows for the introduction of transit stop benches that can accommodate advertising space, **be adopted**.

Background

Creative Outdoor Advertising (“COA”) provides a service to municipalities for the introduction of transit bus stop benches that accommodate advertising space. The benches are owned, fully installed and maintained by COA, at no cost to the Town. A portion of the advertising revenue is paid to the Town, which assists in offsetting the cost of the public transit system. COA currently provides this service to the City of Windsor, the Municipality of Chatham-Kent and the Town of LaSalle and is in discussions with other municipalities in the region to deliver this service. A survey of

staff from the municipalities currently using COA for this service has indicated a high level of satisfaction.

Administration is continually considering means to offset the cost of the Tecumseh Transit Service (“TTS”). This service recently converted from a fixed-route service with 43 stops to an on-demand transit service through a pilot project scheduled to operate until the end of 2022. Due to the nature of the on-demand service, the fixed route was removed while the network of bus stops remained. Currently, eight of the higher ridership stops have benches for the comfort of riders waiting for the bus. Engaging the services of COA offers an opportunity to increase the number of transit stop benches while providing a new revenue stream for the Town.

The purpose of this Report is to describe the COA transit bench advertising program and its benefits to the Town, and to recommend the execution of an agreement that would set the terms for COA to provide the service in Tecumseh.

Comments

The basic concept behind the transit bench advertising program is that COA will install and maintain transit benches and necessary concrete pads, at its expense, in exchange for the rights to advertise on those benches (see pictures below for examples). In addition to receiving free transit benches, the Town will receive a small portion of the advertising revenue.



Affected Bus Stops

Attachment 1 illustrates the existing network of TTS bus stops and highlights the stops that Administration is recommending for the placement of a COA advertising bench. The stops on Attachment 1 are categorized according to:

- bus stops without an existing bench that are being recommended for an advertising bench;
- bus stops with an existing bench that are being recommended for replacement with an advertising bench; and
- bus stops that are not being recommended for an advertising bench. It is noted that Administration will review this latter category of stops to determine whether they could be suitable candidates for the installation of a non-advertising bench.

The recommended stops for a transit advertising bench were based on the following criteria:

- located on an arterial or collector road or on a local road in the vicinity of a significant community park or community facility, regardless of zoning;
- located within areas zoned entirely for commercial purposes; and
- existing sidewalk access provided in all circumstances.

Based on the preceding criteria, 16 bus stops are being recommended for placement of a COA advertising bench.

Proposed Agreement with Creative Outdoor Advertising

The attached agreement (see Attachment 2) details the nature of the proposed relationship between COA and the Town. The following is a summary of the pertinent aspects of the agreement:

i) Installation and Maintenance

As noted above, COA will install the transit advertising benches and construct a mounting pad if necessary, at COA's expense and subject to the Town's approval. COA shall be responsible for ensuring that all mounting pads provide for the safe movement of pedestrians to, from and around the benches and meets *Accessibility for Ontarians with Disabilities Act* requirements. COA will maintain ownership of the benches and shall be responsible for their maintenance.

ii) Snow Removal

The Town will be responsible for the routine clearing of snow and the placement of sand and salt around the advertising benches in accordance with its standard operating procedures. COA will provide some limited support in this regard by way of snow clearing of fallen snow when attending the advertising benches on scheduled visits (approximately every two weeks).

iii) Revenue

The agreement establishes that the municipality will receive 5 percent of the revenue from advertising secured by COA. It is estimated that this percentage will, on average, generate approximately \$90 per bench per year. Accordingly, based on the 16 bus stops that are recommended for an advertising bench, the Town can anticipate receiving approximately \$1,440 per year through this arrangement.

iv) Regulation of Advertising

The advertising is to be aesthetically pleasing and fit into the surrounding environment. It must meet the Human Rights Code and comply with the Canadian Code of Advertising and shall not:

- contain inaccurate or deceptive claims or statements;
- present products prohibited from sale to minors in such a way as to appeal particularly to persons under legal age;
- present demeaning or derogatory portrayals of individuals or groups;
- take a stand on controversial societal issues;
- exploit violence or sexuality;
- promote tobacco and/or cannabis products;
- interfere with the operation of equipment or the provision of programs and services; and
- violate or conflict with any existing Town policies or any new policies which may be adopted.

The Town Transit Co-ordinator (Manager Planning Services & Local Economic Development) has the sole discretion to determine whether proposed advertising meets these criteria.

v) Term

The term of the agreement is 10 years from its execution, with the Town having an option to terminate the agreement after 10 years, provided written

notice is given one year in advance that indicates an intent not to extend the agreement. Otherwise, the term may continue in one-year increments after the initial 10-year term or as otherwise negotiated at that time. If the Town ultimately decides to discontinue the service at the end of the term, COA will remove its advertising benches from the bus stops and restore the sites to the condition they were in immediately prior to the installation of the benches, all at COA's cost.

Current Sign By-law

The Town's Sign By-law, under section 4.9 Prohibited Signs, establishes that offsite signs and signs on property owned by the Town are prohibited. Section 2.10 Exemption by Agreement, however, establishes that Council, by agreement, may permit any sign within the Town that does not otherwise comply with the provisions of the By-law. It is the opinion of Administration that if Council authorizes the entering into of the attached agreement, it would be invoking this provision of the Sign By-law thereby permitting the proposed transit bench advertising signs. Due to the small scale of the advertising, the public benefits of providing benches at more transit stops and the fact that this type of service is becoming commonplace for municipalities with transit systems, it is Administration's opinion that permitting the proposed transit bench advertising is reasonable and appropriate.

Conclusion

The agreement with COA presents an opportunity for enhancing the transit ridership experience while generating new revenue to off-set the cost of the TTS. The preceding, combined with the positive experience of peer municipalities with the service provided by COA, leads Administration to recommend the execution of the attached agreement, as reviewed and endorsed by Wolf Hooker Law Firm (Town Solicitor), which provides the terms for the introduction of advertising transit stop benches by COA in Tecumseh.

Consultations

Financial Services
Public Works & Engineering Services
Town Solicitor

Financial Implications

This will have a minimal impact on the Town's operating budget. The anticipated annual revenue generated is approximately \$1,440 per year.

There may be some additional Public Works operating costs regarding the provision of additional snow clearing around the benches, however it is anticipated that these costs will be manageable within the current operating budget as it is part of the Town's routine snow clearing service at transit stops that is provided regardless of bench installations.

The cost of a bench is approximately \$2,000 and the cost of constructing a cement pad is approximately \$1,000. Accordingly, this program enables the Town to enhance its transit service through the provision of transit benches while avoiding the costs related with that enhancement and providing a nominal alternative source of revenue.

Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input checked="" type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable ☒

Website ☐ Social Media ☐ News Release ☐ Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Chad Jeffery, MA, MCIP, RPP
Manager Planning Services & Local Economic Development

Reviewed by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Reviewed by:

Phil Bartnik, P.Eng.
Director Public Works & Engineering Services

Reviewed by:

Brian Hillman, MA, MCIP, RPP
Director Development Services

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
1.	Bus Stops Recommended for Bench Advertising Map
2.	Bus Stop Bench Advertising License Agreement

