

COORDINATED STREET FURNITURE INITIATIVE: STATUS REPORT

EXECUTIVE SUMMARY

This report responds to the direction provided by Council on 2013 November 18 for Administration to report back on the status of implementation activities related to the Coordinated Street Furniture (CSF) initiative, including results of stakeholder engagement, no later than 2014 April. To date, Administration has:

- Developed a Project Charter;
- Struck a Project Steering Committee;
- Initiated the development of an Engagement Plan in consultation with The City's Engagement Resource Unit;
- Undertaken initial meetings with representatives of six of Calgary's Business Revitalization Zones (BRZs);
- Undertaken discussions with Calgary Transit and Supply Management regarding a strategy to bridge the gap in the current bus bench and shelter advertising contracts expiring in 2014 and 2018, respectively; and
- Participated in the Kensington Public Realm Improvements project.

External stakeholder engagement is underway and is anticipated to continue through the balance of 2014. Initial meetings with representatives of six of Calgary's BRZs suggest that the stated objectives of a *coordinated* street furniture program (i.e. enhanced public realm; reduced/avoided operating costs; improved environmental performance) are generally accepted as desirable outcomes. However, a range of opinions exists regarding the potential of *street-level advertising* to meet program objectives, and concerns have been identified that may warrant the development of mitigation strategies.

ADMINISTRATION RECOMMENDATION(S)

That the SPC on Transportation and Transit recommend that Council direct Administration to report back on the status of implementation activities, including a Terms of Reference for an advertising-based street furniture program, no later than 2015 March.

RECOMMENDATION OF THE SPC ON TRANSPORTATION AND TRANSIT, DATED 2014 APRIL 16:

That the Administration Recommendation contained in Report TT2014-0248 be approved.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2013 November 18, Council adopted the SPC on Transportation and Transit Recommendations contained in Report TT2013-0581 as follows:

"That Council:

1. Approve the recommended next steps for implementing an advertising-based street furniture program.

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2. Direct Administration to report back on the status of implementation activities, including results of stakeholder engagement, no later than 2014 April.”

The ‘recommended next steps’ were identified in the body of the Report as follows:

“Engage external stakeholders to establish their support for street furniture program objectives and the potential of street-level advertising to meet program objectives. External engagement will include community associations located within the Centre City and other high-pedestrian areas, BRZs, newspaper vendors and advertising contractors.

Develop a Terms of Reference. Once stakeholder support is established, and program objectives confirmed, Administration would engage potential street furniture vendors in order to develop a robust and attractive Terms of Reference for an advertising-based street furniture program.

Develop a strategy to bridge the gap in the current contracts expiring in 2014 and 2018.”

BACKGROUND

Common street furniture elements include transit shelters, bus benches, waste and recycling bins, newspaper racks or ‘corrals’, bike racks, and advertising/information pillars. Most of The City’s street furniture is located in the Centre City, in BRZs, and along high volume transit corridors. It is anticipated that street furniture requirements will increase over time as the city’s population increases, as transit ridership increases, and as transit-oriented developments become more numerous.

Calgary Transit and Roads currently manage separate street furniture programs with various assets located throughout the city. Funding and maintenance mechanisms vary by business unit; in addition, Roads maintains and empties waste and recycling containers. The number of street furniture assets has increased over time with absorption of incremental operating costs by Calgary Transit and Roads.

Calgary Transit currently receives revenue from two street furniture advertising contracts: bus benches (expiring 2014 December) and bus shelters (expiring 2018 November).

The rationale for the coordinated street furniture initiative is based on the identification of a number of potential benefits that could result:

- Enhanced public realm as a result of improvements in furniture availability, design and consistency, and maintenance and cleanliness;
- Reduced/avoided operating, maintenance and cleaning costs;
- Increased revenue from advertising, primarily as a result of the provision of street level advertising displays in high-pedestrian areas; and
- Improved environmental performance as a result of an increase in the number of recycling opportunities provided in conjunction with new furniture elements.

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INVESTIGATION: ALTERNATIVES AND ANALYSIS

Status of Implementation Activities

Since last reporting to Council on 2013 November 18, and as of 2014 April 03, Administration has:

- Finalized a Project Charter
A project charter was produced for this initiative in accordance with Corporate Project Management Framework (CPMF) guidelines. Although not a capital project, Administration will continue to follow CPMF guidelines for the purpose of employing best practice methods.
- Struck a Project Steering Committee
The Steering Committee has met three times and includes representatives from Calgary Transit, Roads, Centre City Implementation, Supply Management, Urban Design & Heritage, Engagement Resource Unit, Waste and Recycling, and Community & Strategic Services.
- Development of an Engagement Plan
With the involvement of the Engagement Resource Unit, an initial stakeholder Engagement Plan has been developed, and a project webpage on calgary.ca has been published.
- Undertaken initial meetings with representatives of Calgary's BRZs
As of 2014 April 03, Administration has met with representatives from six BRZs; see section below for more details.
- Undertaken discussions with Calgary Transit and Supply Management development of an initial strategy to bridge the gap in the current contracts expiring in 2014 and 2018
Following discussions at Steering Committee, Administration is pursuing an extension of the existing bus bench contract for 24 months, allowing time for external stakeholder engagement, the development of a Terms of Reference for an advertising-based street furniture program, and a transition period (if required).
- Participated in the related Kensington Public Realm Improvements Project as an internal stakeholder
In 2013, Council approved one-time funding for public realm improvements in the Kensington BRZ. Administration's project lead for the CSF initiative participated in project planning for the Kensington project in order to ensure coordination occurs.

Stakeholder Engagement, Research and Communication

In accordance with the direction provided by Council on 2013 November 18, Administration is currently undertaking community stakeholder engagement as a necessary first step toward confirmation of the overall project objectives (see Attachment 1). As of 2014 April 03, project team members have met with representatives of six of Calgary's BRZs for the purpose of establishing the level of support for street furniture program objectives and the potential of

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street-level advertising to meet program objectives. Meetings with other BRZs have been scheduled and meetings with community associations in the Centre City and other high-pedestrian areas (e.g. activity centres and corridors) will be conducted.

The initial meetings with BRZs suggest that the stated objectives of a *coordinated* street furniture program (i.e. enhanced public realm; reduced/avoided operating costs; improved environmental performance) are generally accepted as desirable outcomes. However, a range of opinions exists regarding the potential of *street-level advertising* to meet program objectives, and concerns have been identified (see below).

Perceived Potential Benefits

- Establishment of stable, predictable funding for street furniture acquisition;
- Replacement of the aging street furniture currently installed in BRZs;
- Explicit provision for the complete lifecycle costs associated with street furniture elements;
- Opportunities for incorporation of BRZ branding into street furniture elements, for example medallions in benches and area-specific colour treatments;
- Opportunities for incorporation of BRZ programming information or advertising buys as part into the street-level advertising component;
- Provision of recycling receptacles; and
- Provision of equitable service levels amongst the BRZs.

Preliminary Areas of Concern

- The current abundance of signage and advertising within BRZs leaves little or no capacity for new advertising;
- The potential negative impact of national or regional market advertising on local, independent businesses within BRZs;
- The potential negative impact of additional advertising on the character of the areas that the BRZs are located in (i.e. the advertising will detract from the environment);
- The potential implications for BRZs if they don't wish to participate in an advertising-based street furniture program;
- The potential negative impact of homogenous branding; and
- The risk to corporate image of third party advertising without guidelines for content.

Next Steps

The project team will continue their work with external stakeholders for the balance of 2014. Provision is made in the process identified in Attachment 1 for provision of a report to Council in the third quarter of 2014 should the feasibility of achieving the street furniture program's fundamental objectives be called into question. Notwithstanding this, the development of a Terms of Reference for an advertising-based street furniture program is expected to be available by 2015 March for inclusion as an attachment to a status report to Council. The target date for a Request for Proposals (RFP) is first quarter 2016.

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Strategic Alignment

The project aligns with the following Council Priorities:

- Z5 Examine alternative mechanisms of service delivery, including the judicious use of technology;
- Z7 Continue to ensure that citizens are satisfied with the quality of services they receive
- P11 Improve new community and established community development standards in pursuit of MDP goals; and
- C4 Ensure people feel safe in public spaces and on public transit.

The project is aligned with 'public realm' improvement directions contained within the Calgary Transportation Plan and the Municipal Development Plan. The project is also aligned with the 2020 Sustainability Direction's waste management target of 80% diversion of waste from City-run landfills by 2020.

The project complements the following City programs/plans:

- Centre City Implementation;
- RouteAhead; and
- Interim Complete Streets Guide.

Social, Environmental, Economic (External)

As currently proposed, the program has the potential to:

- Enhance the public realm as a result of improvements in furniture availability, design and consistency, and maintenance and cleanliness;
- Reduce / avoid operating costs associated with street furniture maintenance and cleaning;
- Increase revenue from advertising, primarily as a result of the provision of street level advertising displays in high-pedestrian areas; and
- Improve environmental performance as a result of an increase in the number of recycling opportunities provided in conjunction with new street furniture elements.

Financial Capacity

Current and Future Operating Budget:

Adopting the recommendation will have no impact on the current operating budget. Ongoing stakeholder engagement, development of a strategy to bridge the gap in current contracts, and development of a Terms of Reference are funded through the existing operating budget.

Implementation of a coordinated, advertising-based street furniture program may provide operational savings by assignment of maintenance cost responsibility to the vendor (or vendors).

Current and Future Capital Budget:

Adopting the recommendation will have no impact on the current capital budget.

Implementation of a coordinated, advertising-based street furniture program may provide capital

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cost savings by assignment of fabrication and life-cycle renewal cost responsibilities to a vendor (or vendors).

Risk Assessment

There is a risk that stakeholders may not support an advertising-based street furniture program. Ongoing stakeholder engagement will identify stakeholder concerns and, if warranted, identify potential mitigation measures. If this risk is realized, Administration will return to Council in Fall 2014 with a revised recommended direction.

There is also a risk that vendors might not respond to a RFP for coordinated, advertising-based street furniture. As per previous Council direction, this risk will be addressed through appropriate industry engagement for the purpose of development of a 'robust and attractive' TOR.

Absent a street-level advertising basis for the program, The City will need to pursue alternative funding mechanisms in order to accomplish the stated objectives (enhanced design and maintenance; improved 'bottom line' through cost avoidance and revenue generation; improved environmental performance).

Increasing a vendor's responsibility for street furniture maintenance costs may reduce revenues relative to the existing bus bench and shelter advertising contracts.

Finally, there is a risk that the occurrence of a gap in the current contracts expiring in 2014 and 2018, the current bus bench inventory could be withdrawn without immediate replacement. As per previous Council direction, this risk will be addressed through the development of a strategy to bridge the gap in the contracts.

REASON(S) FOR RECOMMENDATION(S):

On 2013 November 18, Council directed Administration to report back on the status of implementation activities, including results of stakeholder engagement, no later than 2014 April.

Additional external stakeholder engagement remains to be completed, including engagement for the purpose of establishing the degree of industry interest in an advertising-based street furniture program.

It is estimated by Administration that a Terms of Reference for a program can be prepared by 2015 March.

ATTACHMENT

Attachment 1 – Process and Milestones