

Appendix C: Information on the Contract with Pattison Outdoor Advertising and the Number of Benches that Exist in the City

Consistent with many other municipalities across Canada, the City of Regina contracts with advertising companies for advertising on transit shelters, benches and buses (see Appendix – D showing transit bench types in Regina and Saskatoon). The City selects vendors through an open Request for Proposal process. The current contracts are both with Pattison Outdoor Advertising (Pattison), though in the past, the City has also contracted with Rawlco and Creative Outdoor Advertising.

The contract covering advertising on transit shelters and buses provides Pattison with exclusive advertising rights on the shelters and buses. The contract generally allows for advertising on only one side of the shelter, with occasional exceptions made depending on the situation. There are 272 transit shelters in Regina, with shelters added each year dependant on budget (in a typical year, there may be four shelters added). The City receives revenue from this contract of \$780,000 per year. The contract expires on March 31, 2023.

The contract covering transit benches operates differently from the contract dealing with transit shelter and bus advertising. Under this contract, Pattison provides approximately 257 benches and garbage receptacles in locations identified by the City (based on ridership levels), including the right to advertise on those benches. Pattison is also responsible for maintaining and emptying the garbage cans in these locations. The contract requires that Pattison provide an additional 10 benches each year of the contract, conditional upon the City's identification of appropriate placement locations. The City receives approximately \$117,000 annually from this contract. The contract expires on June 30, 2023.

Both contracts provide significant benefits to the City and to transit users. The revenue generated by both contracts equals approximately \$897,000 per year. As the transit system does not operate at 100 per cent cost recovery (currently 37 per cent), this revenue is vital to keep property tax increases or transit fares low. The loss of this revenue would require that the City make it up with revenue from other sources. Additionally, without the bench providers, the City would be responsible for this seating and the maintenance of the garbage bins.