

CITY OF WINDSOR AGENDA 02/26/2025

Consolidated Environment, Transportation & Public Safety Standing Committee Sitting as the Transit Windsor Board of Directors Meeting Agenda

Date: Wednesday, February 26, 2025 **Time:** 4:30 o'clock p.m.

Location: Council Chambers, 1st Floor, Windsor City Hall

All members will have the option of participating in person in Council Chambers or electronically and will be counted towards quorum in accordance with Procedure Bylaw 98-2011 as amended, which allows for electronic meetings. The minutes will reflect this accordingly. Any delegations have the option to participate in person or electronically.

MEMBERS:

Ward 2 – Councillor Fabio Costante (Chairperson)

Ward 3 - Councillor Renaldo Agostino

Ward 4 – Councillor Mark McKenzie

Ward 8 – Councillor Gary Kaschak

Ward 9 - Councillor Kieran McKenzie

ORDER OF BUSINESS

Item # Item Description 1. CALL TO ORDER

READING OF LAND ACKNOWLEDGMENT

We [I] would like to begin by acknowledging that the land on which we gather is the traditional territory of the Three Fires Confederacy of First Nations, which includes the Ojibwa, the Odawa, and the Potawatomi. The City of Windsor honours all First Nations, Inuit and Métis peoples and their valuable past and present contributions to this land.

- 2. DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF
- 3. ADOPTION OF THE MINUTES OF THE ETPS STANDING COMMITTEE SITTING AS THE TRANSIT WINDSOR BOARD OF DIRECTORS (previously distributed)
- 3.1. Adoption of the Environment, Transportation, and Public Safety Standing Committee sitting as the Transit Windsor Board of Directors minutes of its meeting held January 29, 2025 (SCM 35/2025)
- 4. REQUEST FOR DEFERRALS, REFERRALS OR WITHDRAWALS
- 5. COMMUNICATIONS
- 6. PRESENTATIONS AND DELEGATIONS
- 9. TRANSIT BOARD ITEMS
- 9.1. Reload Station Agreement with Keshan Windsor Convenience Inc. City Wide (\$ 13/2025) (previously distributed)
- 9.2. Transit Windsor Year-To-Date Service Report as of December 31, 2024 City Wide (\$ 14/2025) (previously distributed)
- 9.3 Advertising Agreement with 1333988 Ontario Inc. o/a Streetseen Media City Wide (S 12/2025) (attached)

- 11. NEW BUSINESS
- 12. ADJOURNMENT



Council Report: S 12/2025

Subject: Advertising Agreement with 1333988 Ontario Inc. o/a Streetseen Media - City Wide

Reference:

Date to Council: February, 26, 2025

Author: Stephan Habrun Executive Director (A) 519-944-4141 ext 2226 shabrun@citywindsor.ca

Transit Windsor

Report Date: February 4, 2025

Clerk's File #: SE/11996

To: Mayor and Members of City Council

Recommendation:

THAT the Environment, Transportation and Public Safety Standing Committee, sitting as the Transit Windsor Board of Directors, and City Council:

- APPROVE Transit Windsor entering into an advertising agreement with 1333988
 Ontario Inc. o/a Streetseen Media (Streetseen Media), with respect to bus shelter and bus advertising for a term of five years, beginning on January 1, 2025; and,
- II. **AUTHORIZE** the Acting Executive Director of Transit Windsor to sign the advertising agreement, satisfactory in form to the City Solicitor, in technical content to the Commissioner, Economic Development, and financial content to the City Treasurer.

Executive Summary:

N/A.

Background:

In 2014, the City issued Request for Proposal (RFP) 71-14 for Opportunities for Advertising in the Public Right of Way. The City ultimately entered into an agreement with Streetseen Media, as the successful proponent for advertising on bus shelters in the City of Windsor, per CR 228/2014 (the "Bus Shelter Advertising Agreement"). The Bus Shelter Advertising Agreement granted Streetseen Media advertising rights on all city-owned bus shelters for a duration of ten years, which expired on December 31,

2024. Further, it included an option to extend the term for an additional five years, upon mutual agreement of the parties.

Additionally, Streetseen Media holds advertising rights on all Transit Windsor buses (the "Bus Advertising Agreement"). Initially, Gateway Outdoor Advertising ("Gateway") held the exclusive rights for advertising. However, at the Transit Windsor Board of Directors meeting on June 10, 2004, a verbal update was given to inform the Board Gateway was given notice that the contract would be terminated if they failed to bring their contract up to date by June 7th, 2004. At the same time, Streetseen Media advised of their interest in taking over the contract with 55% of net revenue after guarantee, whereas Gateway's agreement offered 65%. On July 12th, 2004, the General Manager of Transit Windsor received approval to enter into an agreement with Streetseen Media, as the contract with Gateway was terminated. Since the initial agreement was signed, the agreement was extended for another two terms, as follows:

At the May 20, 2009 meeting, the Transit Windsor Board of Directors adopted Resolution T.W. 38/2009:

"That the Transit Windsor Board of Directors authorize the General Manager to extend the agreement with Streetseen Media for an additional five year term, all other terms and conditions remaining the same, save and except the annual guarantee will be increased to \$170,000.

and

Section 2 will be updated and replaced with the following:

- 2.1 This Agreement shall, unless it is terminated pursuant to the provisions of section 10. 1, remain in full force and effect for a period of five years commencing July 1, 2009 and terminating on June 30, 2014.
- 2.2 At the end of the term, this Agreement may be renewed for an additional five years, by mutual consent, under the same terms and conditions, save and except for the Guaranteed Payment defined under Section 4. 1 (ii) will be \$190,000 per year.
- 2.3 This agreement may, subject to mutual agreement and negotiation of the Guaranteed Payment defined under Section 4. 1 (ii) and other pertinent sections, be renewed for a successive multi year term.'

At the December 10, 2013 meeting, Resolution T.W. 91/2013 was adopted, which authorized the General Manager to extend the agreement with Streetseen Media for an additional five year term, all other terms and conditions remaining the same, save and except the annual guarantee will be increased to \$190,000.

AND

Section 2 will be updated and replaced with the following:

- "2.1 This Agreement shall, unless it is terminated pursuant to the provisions of section 10.1, remain in full force and effect for a period of jive years commencing July 1, 2014 and terminating on June 30, 2019.
- 2.2 This agreement may, subject to mutual agreement and negotiation of the Guaranteed Payment defined under Section 4.1 (ii) and other pertinent sections, be renewed/or a successive multi year term."

The initial five-year extension of the Bus Advertising Agreement was intended to conclude on June 30, 2019. However, as Transit Windsor, through the City, prepared to release the RFP in early 2020, the emergence of the COVID-19 pandemic forced a pause on that process. Consequently, the Bus Advertising Agreement with Streetseen Media transitioned to a month-to-month basis. As the pandemic progressed, Transit Windsor Administration proposed recommendations to both the Transit Windsor Board of Directors and City Council to extend the agreement until December 31, 2022, with a possibility of a two-year extension. This recommendation was approved on December 21, 2020, pursuant to CR 646/2020.

Although a formal extension agreement was not put in place, the parties continued to operate as though there was an existing agreement. Following the initial two-year term, the parties still continued to operate as though an agreement was in place. Given what has occurred to date, the understanding is that the Bus Advertising Agreement concluded on December 31, 2024, which aligned with the expiration of the Bus Shelter Advertising Agreement. This synchronization would enable the issuance of a single agreement for both bus and bus shelter advertising.

Discussion:

Transit Windsor's long-standing relationship with Streetseen Media has afforded it the ability to build a steady and consistent business model over the years that has benefited Transit Windsor by providing increasing revenue year over year, except during the pandemic that eroded business opportunities and Transit Windsor buses not operating for an entire month. Streetseen Media has been successful in rebuilding the business and Transit Windsor has benefited from this relationship.

Transit Windsor and the City's Purchasing Department strongly recommend entering into a new agreement with Streetseen, based on similar terms to that of the Bus Shelter Advertising Agreement which will assist in avoiding possible delays in revenue flow. Despite the Bus Shelter Advertising Agreement and the Bus Advertising Agreement having expired on December 31st, 2024, Streetseen Media has agreed to maintain the existing relationship and will be remitting payment as indicated in Appendix A.

Both parties have reached a proposed mutual agreement for a new five (5) year term that provides Transit Windsor with the most revenue, to date. The agreement is expected to provide Transit Windsor with a total revenue of \$1,565,000, over the life of the agreement, plus 3.75% net revenue share for year one (1) and increases to 5% by year five (5).

Administration believes it would be in the best interest of both parties to maximize revenue opportunities. Transit Windsor and Streetseen Media have mutually agreed on

this approach and the proposed agreement would provide Transit Windsor with annual revenue increases in the range of 4.5% to 6.8%. This equates to a revenue increase of \$15,000 to \$20,000 annually over the life of the agreement (plus net revenue sharing).

In addition, flexibility would be provided to Transit Windsor and the City of Windsor to utilize bus and shelter inventory in promoting communication messages as needed. Streetseen Media has been very successful in the Windsor market and is an excellent corporate citizen, working with Transit Windsor on all aspects of advertising and providing space for City advertising. Payments are made promptly and all other terms and conditions of the prior agreements were met. Streetseen Media is excited to be in the Windsor market and feels the market continues to have significant potential and looks forward to working with Transit Windsor to build the advertising market.

Further, the benefits of having one agreement would help to streamline administrative tasks, making it easier to manage advertising initiatives; allow for a standardized set of terms and conditions, ensuring smoother operations, compliance, and a cohesive marketing approach; and allow for the inclusion of provisions that reflect the evolving business scene, positioning both Transit Windsor and Streetseen Media for a continued successful relationship.

Risk Analysis:

Administration is not aware of many vendors in the marketplace who provide these services. In 2014, Administration received two submissions in response to RFP 71-14 Opportunities for Advertising in Public Right of Way. In 2024, RFP was issued for Arena, Landmark Signs Advertising Rights and only received one submission.

There is a risk of revenue loss and potential strain on the existing relationship between Transit Windsor and Streetseen Media if we do not proceed with this agreement. While the Bus Shelter Advertising Agreement and Bus Advertising Agreement have expired, Streetseen Media has expressed a willingness to maintain the current terms while increasing revenues. Additionally, since RFP 71-14 and CR228/2014 allowed for an extension to the Bus Shelter Advertising Agreement and Transit Windsor and Streetseen Media have arrived at mutually agreeable terms and revenues for both bus shelters and buses, proceeding with one agreement is beneficial to both parties. Administration does not recommend issuing a separate RFP for bus advertising at this time.

Climate Change Risks

Climate Change Mitigation:

N/A.

Climate Change Adaption:

N/A.

Financial Matters:

By entering into a five (5) year agreement for bus and bus shelter advertising, Transit Windsor is to receive consistent revenue of \$1,565,000 (plus net revenue sharing) over the course of the agreement.

Year	Annual Minimum Guarantee	Plus % of Net Sales Paid Annually
2025	\$280,000	3.75%
2026	\$295,000	3.75%
2027	\$315,000	4.25%
2028	\$330,000	4.25%
2029	\$345,000	5%
TOTAL	\$1,565,000	Plus net revenue sharing

As indicated previously in the report, this proposed contract provides consistent, increased advertising revenue for Transit Windsor with annual increases ranging from 4.5%-6.8% over the life of the proposed agreement.

Consultations:

Dawn Lamontagne – Purchasing Manager (A), City of Windsor

Joshua Meloche – Senior Legal Counsel, City of Windsor

David Calibaba – Manager, Sales & Marketing, Transit Windsor

Poorvangi Raval – Financial Planning Administrator

Conclusion:

Entering into a singular agreement for bus and bus shelter advertising is a proactive step to enhance operational efficiencies, optimize revenue opportunities, and foster a more resilient relationship. Transit Windsor Administration strongly recommends the approval of the recommendations as detailed in this report.

Planning Act Matters:

N/A

Approvals:

Name	Title
Mark Spizzirri	Manager, Performance Measurement & Business Case Development
Stephan Habrun	Executive Director, Transit Windsor (A)
Dawn Lamontagne	Purchasing Manager (A)
Jelena Payne	Commissioner, Economic Development
Mark Nazarewich for Wira H.D. Vendrasco	City Solicitor
Janice Guthrie	Commissioner, Finance/City Treasurer
Joe Mancina	Chief Administrative Officer

Notifications:

Name	Address	Email
Chris Ottman Streetseen Media		

Appendices:

1 Appendix A - Streetseen Media Proposed Payment Terms



Appendix A - Proposed Payment Terms

Year Annual Minimum Guarantee

2025 - Transit Bus

- Transit Shelter \$ 280,000.00

Plus 3.75% of Net Sales paid annually

2026 - Transit Bus

- Transit Shelter \$295,000.00

Plus 3.75% of Net Sales paid annually

2027 - Transit Bus

- Transit Shelter \$ 315,000.00

Plus 4.25% of Net Sales paid annually

2028 - Transit Bus

- Transit Shelter \$ 330,000.00

Plus 4.25% of Net Sales paid annually

2029 - Transit Bus

- Transit Shelter \$ 345,000.00

Plus 5% of Net Sales paid annually

Total - Transit Bus

- Transit Shelter \$ 1,565,000.00

Plus net revenue sharing



Additional Items

- 1) Revenue Sharing 3.75 5% of NET Revenues paid annually NET Revenues are Gross Sales less Sales Costs and Production costs.
- 2) Transit Windsor to engage in "Contract Agreement" for In-Kind Advertising on Buses and Shelters up to an agreed upon amount. **5 in kind deals per year**
- 3) Transit Windsor granted \$100,000 in Space Rental per year in Exterior Bus Ads or Shelter Advertising. Streetseen Media to handle the Production and Install of Advertisements based on a pre-negotiated price sheet or an alternative supplier.