

Date: 2020-10-26

Subject: RM 41-2020 Revenue Generating Bridge Messaging Opportunities

Secondary Title: CN Rail Bridge Digital Message Boards

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Report Number: CAO's Office-2020-418

Recommendations:

1. That the report titled: RM 41-2020 Revenue Generating Bridge Messaging Opportunities R2020-418 to the Committee of Council Meeting of December 2, 2020 be received; and
2. That Staff proceed with negotiating terms with RCC Media – who have the exclusive advertising rights to CN Rail bridge overpasses in Brampton – for entering into a revenue generating agreement based on the installation of digital signs on CN Rail bridge overpasses for the purposes of commercial messaging; and
3. That a terms of reference for digital signs be completed by Staff and that a safety analysis be completed for each of the proposed CN Rail bridge overpass locations before entering into a revenue generating agreement with RCC Media for the proposed digital signs.

Overview:

- **RCC Media has exclusive advertising rights granted by CN to the CN Rail bridge overpasses in Brampton.**
- **RCC Media delegated to the Committee of Council meeting of June 17, 2020 with a cost savings and revenue generating proposal for the City through the installation of digital signs for commercial messaging (advertising) on the CN Rail bridge overpasses throughout the City, including downtown.**
- **The proposal requires an exemption to the Sign by-law, digital signs are not permitted for commercial messaging.**

- **By-law and Traffic Services Staff have identified the need for broader consideration towards digital signs for commercial messaging that address safety concerns. Staff are working on a terms of reference for digital signs to be able to assess traffic safety concerns. Anticipated completion is end of Q1 2021.**
- **RCC Media will be submitting a proposed application for a site specific amendment to the Sign by-law that is recommended not be approved by Staff until the terms of reference for digital signs and safety analysis for each location is complete and has been evaluated.**
- **The RCC Media proposal is supported by Staff and will advance the development of the City's advertising strategy and commitment to finding non-tax revenue generating sources, in addition to increasing City messaging to residents and providing new advertising channels for businesses.**

Background:

RCC Media is a third-party advertising company that has a license with CN Rail for the rights to sell advertising on their rail bridges in Brampton and across Canada. Refer to Appendix A for the authorization letter.

The City of Brampton has had an advertising agreement in place with RCC Media since May 31, 2007 for exclusive rights to both sides of the CN Rail bridges on Queen and Main Streets to produce, install and maintain vinyl advertising banners on the Bridges. The vinyl banners mark an entrance to the downtown and promote community City messaging.

The existing agreement costs the City \$108,000 plus HST per year and ends December 31, 2022 – total cost \$540,000 plus HST.

An exemption to the Sign By-law is in effect for the agreement, it expires December 31, 2022. The exemption, Section 9 (10), allows for a sign on a bridge which is otherwise prohibited. The permitted signage under the exemption is for the limited purpose of community messaging communicating service of the City.

The Proposal presented by RCC Media to Committee of Council meeting on June 17, 2020 will terminate the annual fee owed to RCC Media and provide the City with annual guaranteed revenue (\$210,000 per year proposed), in return RCC requires an exemption to the Sign By-law to allow for digital signs for the purpose of commercial messaging. Refer to Appendix B to view the proposal.

By-law and Traffic Services Staff have identified the need for broader consideration towards digital signs for commercial messaging that address safety concerns and adopt learnings from other municipalities that permit digital signs.

RCC Media has installed digital signs on the CN Rail bridge overpasses in Pickering and Vaughan and is in progress in Markham and London. Mississauga has similar signs on the CP Rail bridge overpasses through a different third-party advertising company.

Current Situation:

The City of Brampton Sign by-law does not permit any form of third-party digital signage for advertising.

RCC Media submitted a proposed amendment application to Sign by-law for each of the nine (9) proposed locations for the digital message boards. The application proposals were reviewed by City staff and have not been approved.

1. Main Street N/O Queen Street – existing vinyl banners
2. Queen Street E/O Main Street – existing vinyl banners
3. Rutherford Rd. N/O Steeles Ave.
4. McLaughlin Rd. N/O Queen St.
5. Finch Ave. S/O Steeles Ave. – Regional road
6. Airport Rd. N/O Williams Pkwy. – Regional road
7. Steeles Ave. W/O Goreway Dr. – Regional road
8. Dixie Rd. N/O Steeles Ave. – Regional road
9. Kennedy Rd. S/O Queen St. – Regional road

Staff are currently working to develop a terms of reference that will allow the City to properly assess all proposed digital sign locations from a traffic safety perspective to ensure the installation does not create safety concerns for road users. The anticipated completion date for the terms of reference is the end of Q1 2021.

RCC Media will be required to submit a traffic safety analysis that will adhere to the terms of reference.

The above requirement aligns with Term of Council Priority – Healthy and Safe City, specifically Streets for People, that incorporates the Vision Zero framework into transportation planning, design and operations to prevent fatal and serious injury from motor vehicle collisions within the City Right of Way.

The majority of the proposed locations are over Regional roads. Staff followed-up with the Region to understand the process with the digital rail bridge signs that are in Mississauga. The Mississauga digital rail bridge signs are on the Crown Lands of CP Rail and involve a different media company. The Region had little to no say in the project due to the belief at the time, that signs on CP Rail land had the same immunity provided to crown corporations. Based on a recent legal opinion that these signs are not exempt, they will review each application internally and provide comments accordingly.

Corporate Implications:

Financial Implications:

There are no financial implications directly associated with this report. Any future financial implications will be discussed in a forthcoming recommendation report to Council, pending Council approval.

Strategic Communications Implications:

City messaging will continue on the vinyl banners located on the CN Rail bridge overpasses in the downtown until December 31, 2022 or until a new agreement with RCC Media is reached for digital signs.

Digital signs on the nine (9) CN Rail bridge overpasses will benefit the City by increasing the channels available to communicate City messages to residents and by providing additional exposure for the City brand.

Economic Development Implications:

The business community will not benefit until a new agreement for digital signs on the CN Rail bridge overpasses with RCC Media is reached.

Digital signs on the nine (9) CN Rail bridge overpasses will benefit the business community by increasing the channels available to advertise to residents, which is key to increasing sales and growth.

Term of Council Priorities:

The pursuit of a new revenue generating agreement with RCC Media based on digital signs on the CN Rail bridge overpasses is aligned with the Term of Council Priority "Well Run".

The recommendation that a terms of reference and a safety analysis be completed for each proposed digital sign location before entering into an agreement, aligns with Term of Council Priority "Healthy and Safe City". Specifically, the Streets for People priority that incorporates the Vision Zero framework into transportation planning, design and operations to prevent fatal and serious injury from motor vehicle collisions within the City Right of Way.

Conclusion:

It is recommended by Staff to proceed with negotiations based on the proposal presented by RCC Media, which will terminate the annual fee owed to RCC Media (\$108,000 + HST), provide the City with annual guaranteed revenue (\$210,000 per year proposed), and increase the opportunity for promoting City messaging to residents. In

return RCC requires an exemption to the Sign By-law to allow for digital signs for the purpose of commercial messaging. It is also the recommendation of Staff that a terms of reference for digital signs be completed by Staff and that a safety analysis be completed for each of the proposed CN Rail bridge overpass locations before entering into a revenue generating agreement with RCC Media for the proposed digital signs.

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Submitted by:

[Commissioner/Department Head]

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Attachments: Appendix A