

Staff Report

Report To: Operations Committee
Report From: Heidi Jennen, Supervisor of Environmental Services
Meeting Date: September 14, 2026
Report Code: OP-26-044
Subject: Pattison Outdoor Advertising Amending Agreement

Recommendations:

THAT in consideration of Staff Report OP-26-044 respecting Pattison Outdoor Advertising Amending Agreement, City Council directs staff to bring forward a by-law to authorize an extension of the City's existing agreement with Pattison Outdoor Advertising as outlined in the report.

Highlights:

- The City's previous advertising agreement with Pattison Outdoor Advertising ended on August 31, 2026.
- Staff have negotiated a one-year extension of the existing agreement to August 31, 2027.
- Staff recommend a one-year extension of the existing Pattison Outdoor Advertising agreement to August 31, 2027, to maintain transit advertising services while staff complete a comprehensive review of the agreement in accordance with the City's Agreement Development Policy. Following the review, staff will consider a new agreement effective September 1, 2027.

Vision 2050 - Strategic Plan Alignment:

[Strategic Plan](#) Priority: The recommendation contributes to core service delivery or a corporate initiative that enables service delivery for one or more strategic priorities.

Previous Report/Authority:

[OP-22-034](#) – Contract Extension – Pattison Outdoor Advertising

[OP-22-014](#) – Contract Extension – Pattison Outdoor Advertising

[OP-21-038](#) – Contract Extension – Pattison Outdoor Advertising

Background:

The City's advertising agreement with Pattison Outdoor Advertising expired on August 31, 2026. The agreement provided Pattison with the exclusive rights to install and manage advertising on City transit bus shelters, at the Transit Terminal, and on the interior and exterior of City transit buses.

The original agreement was for a 10-year term ending August 31, 2016, and included extension provisions. Through subsequent extensions, in 2021, Council approved a third amendment to extend the agreement to August 31, 2026.

As part of the previous extension, the City's share of net revenue for bus shelter, bus interior, and Transit Terminal advertising was increased from 25% to 32%. Revenue sharing for exterior bus advertising remained at 50%.

In addition to managing the advertising program, Pattison supplied and installed nine transit shelters throughout the City, which have been maintained by Pattison under the agreement.

Analysis and Options:

Staff are recommending a one-year extension of the existing agreement with Pattison Outdoor Advertising, from September 1, 2026, to August 31, 2027, to continue transit advertising for passengers.

The agreement provides the city with advertising on transit assets, generates annual revenue, and avoids the costs of maintaining and potentially replacing the nine transit shelters supplied by Pattison.

The proposed one-year extension would allow the existing agreement to continue under its current terms while staff conduct a comprehensive review in accordance with the City's Agreement Development Policy. The review will allow staff to assess the current arrangement, including the terms of the

agreement, revenue-sharing provisions, operational requirements, and overall value to the City.

Following the review, staff intend to consider a new agreement with Pattison for transit advertising services, effective September 1, 2027.

Resource Alignment:

Financial Resources

The revenue generated from transit advertising helps offset the overall cost of providing transit services.

Transit advertising revenue received by the City over the past three years:

- 2023: \$26,137
- 2024: \$22,498
- 2025: \$29,051

Under the current revenue-sharing provisions, the City receives 32% of net revenue from bus interior, bus shelter, and Transit Terminal advertising, and 50% of net revenue from exterior bus advertising.

Human Resources

N/A.

Time and Scheduling

Approval of the proposed extension will extend the agreement from September 1, 2026, to August 31, 2027.

Technology and Infrastructure

N/A.

Climate and Environmental Impacts:

There are no anticipated climate or environmental impacts.

Communication and Engagement:

No public communication or engagement is required as a result of the proposed extension.

Report Developed in Consultation With:

- Manager of Legislative Services
- Purchasing and Claims Coordinator
- Director, Leasing and Legislation Pattison Outdoor Advertising

Attachments:

None.

Reviewed by:

Mason Bellamy, Manager of Public Works and Engineering

Michelle Palmer, Interim Director of Public Works and Engineering

Submission approved by:

Tim Simmonds, City Manager

For more information on this report, please contact Heidi Jennen, Supervisor of Environmental Services at hjennen@owensound.ca or 519-376-4440 ext. 3223.