

DIGITAL BILLBOARDS IN VAUGHAN - FAQ

Q: What are digital billboards?

A: Digital billboards are a form of digital signage. Also known as digital advertising signs or electronic billboards, digital billboards are used to display information in public places and are found indoors and outdoors. While these billboards are primarily used for advertising, they can also be used for public service purposes.

Q: How many billboards are there in Vaughan?

A: There are currently more than 200 billboards in the city of Vaughan, which include digital signs owned and operated by the City of Vaughan, as well as static and digital signs owned and operated by private entities. These can be freestanding ground signs or signs affixed to railway overpasses, such as the CP/CN rail digital bridge billboards.

Q: Why is the City of Vaughan erecting digital billboards?

A: Digital billboards are an alternative revenue-generating solution that supports the City in providing a high quality of life and enhanced resident services, while also maintaining one of the lowest property tax rates in the GTA. Digital billboards also offer the opportunity to expand the City's communication network.

Q: What do these digital billboards look like?

A: The three digital billboards currently in operation are permanent, freestanding, double-sided digital signs. All three signs have a similar design and functionality and have been built to ensure compatibility with the surrounding areas. Two of the signs are 10.7 metres (35 feet) high and one is 8.7 metres (28.5 feet) high. One of the signs has a traditional screen size of three metres (10 feet) by six metres (20 feet) to respect the nearby residential communities. The other two signs have slightly larger sign faces at three metres (10 feet) by 10.5 metres (35 feet), which considers the scale of the surrounding area and other sign competitors near these locations. Sign design strives to integrate the signs into the context and landscape of the surrounding areas, and the signs comply with relevant codes and regulations.

Q: How many signs have been installed and where are they located?

A: Three signs have been installed and are operating on Vaughan property. They are located at 2800 Rutherford Rd. in Ward 1, 2268 Highway 7 (northwest of Keele Street) in Ward 4 and 50 Queen Filomena Ave. (northwest of Bathurst Street at Mill Street Pond) in Ward 4. The signs display a combination of City-driven public service messaging, emergency messaging (when required) and digital out-of-home advertising.

Q: How were the three digital billboard locations selected?

A: The three digital billboard locations on City-owned property were recommended by Vaughan staff after an extensive evaluation involving multiple stakeholders that considered availability and traffic counts, as well as location, construction, operations and maintenance suitability. The final locations were approved by Council in June 2020.

Q: Who owns the land on which the digital billboards are located?

A: The City owns the land. The small parcels of City-owned land on which the digital billboards are located are being leased to a third-party vendor.

Q: How much did the City pay to install and operate the signs?

A: The City did not pay to install or operate these signs. A third-party vendor has been contracted to design, finance, build, operate and maintain the digital billboards — all at zero cost to the City. This is called a revenue-share model. As per the terms of the contract, the City receives a guaranteed annual sum from the vendor and/or a percentage of advertising sales (whichever is greater). Any new digital billboards that will be installed and operated in the future will be done so under a similar, if not the same, revenue-share model.

Q: Exactly how much guaranteed annual revenue does the City make from these three digital billboards?

A: The three digital billboards are currently generating non-taxation revenue annually with potential for commission based on advertising sales. The annual revenue varies based on traffic, size and surrounding inventory. Phase 1 in Vaughan will generate a minimum of \$6 million in non-taxation revenue for the City over the contract term.

Q: Where does the revenue made from the digital billboards go?

A: The monies will be allocated back to the community through the City's annual budget process.

Q: What currently funds the City's budget?

A: The main sources of the City's revenue are:

- Property taxes. These are paid by property owners (residential and business).
- User fees and service charges. These are paid by residents and businesses when accessing services (e.g. recreation programs, permits).
- Development charges. These are paid by developers and are used to help fund capital projects (e.g. roads, pipes, libraries, fire halls).
- Water and wastewater rates and stormwater charge. These are paid by residents and businesses for water-related services.

Q: Who is the third-party sign vendor and how long is the contract?

A: Pattison Outdoor Advertising is the vendor that was chosen through a competitive bid process. The City has leased the land at all three locations to this vendor for 15 years (Jan. 1, 2022 until Jan. 1, 2037).

Q: Why is the contract for 15 years?

A: The contract is for 15 years with the option to renew for two additional five-year terms, which is typical for large projects like this. Since a significant amount of money is invested in the initial development of the billboards, it takes several years to generate enough revenue to recover that investment.

Q: How many more signs does the City want to install?

A: The City is exploring four new sites for digital billboards as part of phase two of this initiative:

- Maple Reservoir Park (Keele and Teston) in Ward 1
- Al Palladini Community Centre (Islington and Rutherford) in Ward 2
- Rainbow Creek Park (Highway 7 and Highway 27) in Ward 2
- Jean Augustine District Park (Bathurst and Centre) in Ward 5

Phase three will include additional locations that are yet to be determined.

Q: How much guaranteed annual revenue would the City stand to make from these four additional digital billboards?

A: As of now, the exact guaranteed annual revenue from these digital billboards is unknown as it is dependent on market conditions. It will be determined by the financial model used as part of phase one of this initiative, which considers various factors such as market demand, location and advertising rates.

Q: What will be the duration of the contract for the four additional digital billboards?

A: Based on industry standards, a contract term of 15 years is anticipated for phase two, with two options to renew at five years each. This is in line with common practices in the industry for large asset development projects. The 15-year initial term allows for the recuperation of the extensive capital investment required for these billboards, while the renewal options provide flexibility for potential future phases of the program and changing market conditions.

Q: What will these four new digital billboards look like?

A: The City will undertake a competitive bid process to secure a sign vendor to design, finance, build, operate and maintain the four new digital billboards. Through that process, the vendor will propose a sign design that not only integrates best-available digital billboard technologies, but also strictly conforms to all relevant codes and regulations, including, but not limited to, the City's **Sign By-law 140-2018 (Consolidated)** (PDF), regulations under the Electrical Safety Authority and the Ontario Building Code as appropriate.

Q: What codes and regulations must the digital billboards adhere to?

A: The current digital billboards, and any future ones, must strictly conform to all relevant codes and regulations, including, but not limited to:

- Canadian Electric Code (and applicable local electric code)
- Electrical Safety Authority
- Hydro One Inc.
- International Electrotechnical Commission
- Occupational Safety and Health Administration
- Ontario Building Code
- Ontario Fire Code
- Ontario Gas Code
- Technical Standards and Safety Authority
- Underwriters Laboratories of Canada
- Vaughan's building permit process
- Vaughan's city-wide Urban Design Guidelines
- Vaughan's **Sign By-law 140-2018 (Consolidated)**(PDF)

Q: Who makes the final decision on whether to proceed with the four new digital billboards?

A: Vaughan Council will make the final decision. First, the City will undertake a public consultation process to collect feedback about the proposed digital billboard signs and locations from local residents, business owners and other interested and impacted parties and stakeholders. Then, a staff report will be presented at a future Committee of the Whole meeting. Council is expected to make a final decision by the end of 2023.

Q: Who decides what information will be displayed on the digital billboards?

A: The sign vendor manages all the information displayed on the digital billboards, including advertising messages, and has an internal screening process for upholding the Canadian Code of Advertising Standards as per the contract agreement developed in partnership with the City. The signs currently in operation display a combination of City-driven public service messaging, emergency messaging (when required) and digital out-of-home advertising.

Q: Can I get my message or advertisement published on the digital billboards? How much will it cost?

A: Parties interested in advertising on the digital billboards may inquire about opportunities and pricing with Pattison Outdoor Advertising at NCampney@pattisonoutdoor.com or NJankowski@pattisonoutdoor.com.

Q: How bright are the digital billboards permitted to be?

A: The City's **Sign By-law 140-2018 (Consolidated)** has requirements that regulate how signs like digital billboards can operate. During the day, the maximum brightness permitted is 5,000 NITS (a standard measurement for brightness). After sunset, digital billboards must dim to no more than 300 NITS or lower and maintain this level until sunrise the following day. All three of the digital billboards currently in operation are equipped with LED technology, including modern brightness controls and configured with dual redundant photocells, which are capable of sensing ambient light and intuitively managing the output brightness even in the event of a hardware failure.

Q: Do digital billboards cause an increase in traffic accidents due to driver distraction?

A: Road safety is of utmost importance and a serious consideration when selecting the locations. Additional research was also conducted to investigate if digital billboards lead to increased traffic accidents. Many studies on this subject have been undertaken worldwide and the common conclusion is that only digital billboards that display full-motion copy led to increased attention from drivers. The digital billboards the City has in operation display static copy (content that remains still as a fixed image for a set period of time). In the case of the City's billboards, each message is displayed for 10 seconds at a time, allowing for passing traffic to see only one at a time, on average, with seamless transitions.

Q: How many digital billboards will the City allow?

A: According to the City's **Sign By-law 140-2018 (Consolidated)** (PDF), there is no specific limit on the number of digital billboards allowed. However, each billboard is considered as a standalone application, and must meet a series of requirements to be approved. These include setbacks to fixed points (such as driveways, lot boundaries, residential uses, other billboards, etc.) and set maximums for attributes like size, height, illumination and hours of operation. These regulations are in place to ensure that the placement of digital billboards is done in a manner that is compliant with safety, aesthetics and community considerations. The City is committed to carefully managing the location of digital billboards to minimize any potential negative impacts on the community while maximizing their benefits.

Q: Can political parties purchase election ads?

A: The sign vendor is responsible for upholding any City policies and by-laws that pertain to selling third-party ads on City property as per the terms and conditions of our partnership agreement. With regards to municipal, provincial or federal election ads, there are unequivocally NO political ads permitted whatsoever, including election and/or partisan political ads on the digital billboards as they are prohibited under the City's **Sign By-law 140-2018 (Consolidated)** (PDF) and Use of Corporate Resources for Election Purposes Policy.