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## M E M O R A N D U M

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**DATE:** September 19, 2006  
**TO:** City Council Members  
**FROM:** Russell Weeks  
**RE:** Briefing: Building and Maintaining Bus Shelters  
**CC:** Cindy Gust-Jenson, Rocky Fluhart, Louis Zunguze, Ed Rutan, Brent Wilde, DJ Baxter, Alex Ikefuna, Doug Dansie, Boyd Ferguson, Jennifer Bruno, Janice Jardine

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This memorandum pertains to the Administration's interest in discussing with the full City Council having a private company build and maintain bus shelters in Salt Lake City. A company would make a profit by allowing advertising on the shelters it builds.

The Administration has submitted a memorandum in connection with the issue, but it is seeking City Council direction on initiating a petition for an ordinance to allow bus shelters and related signage, according to the Administration memorandum. The Administration also would like City Council direction on initiating a request for proposals from companies to build and maintain bus shelters.

A key issue for the discussion appears to be: Who should build and maintain bus shelters? City ordinances do not prohibit bus shelters, but only 77 of the 1,612 bus stops in the City have shelters. The Administration estimates that it costs between \$2,000 and \$15,000 to build a bus shelter and between \$500 and \$30,000 to maintain one.

The Administration estimates that if a \$5,000 shelter were built at each of the 1,535 bus stops that have no shelters, it would cost \$7.67 million to build them. If it cost \$2,500 a year to maintain each of those shelters, it would cost \$4.19 million to maintain them all. According to the Administration memorandum, "Clearly, the installation and maintenance of bus shelters is an expense that UTA has not been able to fund, and it would be a major expense for the City to assume."<sup>1</sup>

According to the memorandum, Midvale, Ogden, Provo, Roy, South Salt Lake, Sunset, Taylorsville, West Valley City, and Salt Lake County have contracted with private companies to install and maintain bus shelters. The companies' revenues come from advertising on the bus shelters.

Administration research has determined that bus shelters in cities that have contracted with private firms to build and maintain shelters generally are well-designed and maintained. The research found that, typically, advertising on shelters consists of 4-foot by 6-foot signs at each end of the shelters.<sup>2</sup>

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<sup>1</sup> Please see Page 2.

<sup>2</sup> Please see Page 3.

# Communication to the City Council



**To:** Rocky Fluhart, Chief Administrative Officer

  
Department of Community Development  
Office of the Director

**From:** Louis Zunguze, Community Development Director

**Date:** August 15, 2006

**CC:** Brent Wilde, Community Development Deputy Director  
DJ Baxter, Senior Advisor to the Mayor

**Re:** Bus Shelters

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**Issue Origin and Policy Implications:** The lack of bus shelters in Salt Lake City is an issue of continuing discussion among many City residents, City Administration, and Utah Transit Authority (UTA) staff. Regular bus riders (particularly riders with disabilities) express concern with having to brave a snow storm or the heat of a summer day to wait for a bus and indicate such difficulties are a deterrent to their utilizing the bus system. Given the strong policy direction being pursued by both the Administration and City Council to ensure that the City's neighborhoods have accessible and convenient facilities to support walkability and public transportation, it is desirable that options to provide more bus shelters be considered. UTA has approximately 8,000 bus stops system wide. There are 1,612 bus stops in Salt Lake City but only 77 bus shelters. In response to ongoing discussions, the Administration has investigated options for increasing the number of bus shelters in the City.

**Financial Implications and Funding Options:** The cost to install and maintain a bus shelter is substantial, not only for the initial installation but for ongoing maintenance. Costs vary greatly, depending on the size and style of shelter, the amount of concrete work required, and related variables. Shelter installation costs range from \$2,000 to \$15,000. Annual maintenance expenses range from \$500 to \$30,000, depending upon the location, amount of use, extent of vandalism, and quality of the shelter.

As the means of putting these costs into perspective, if a bus shelter were installed at 1,535 bus stops in Salt Lake City (1,612 bus stops less the 77 existing shelters), with a low average cost of \$5,000, the total cost would be \$7,675,000. If the annual maintenance for each shelter were only \$2,500, the overall annual cost would be \$4,192,500.

Obviously, it is unreasonable to expect that a bus shelter be installed at every stop. Even installing shelters at a more reasonable number of locations exceeds UTA's financial

capacity, and if UTA were responsible for ongoing maintenance, the cost would reduce resources available for the provision of transit itself.

The financial challenge associated with bus shelter installation and maintenance is not unique to Salt Lake City. In response to the desire to provide bus shelters for citizens, many cities are contracting with private companies to install and maintain bus shelters at the company's expense, with revenue to support the costs coming from advertising on the shelter structures. Several cities along the Wasatch Front are currently using private companies to provide bus shelters under such a system, including West Valley City, Taylorsville, South Salt Lake, Provo, Roy, Ogden, Sunset, Salt Lake County, and Midvale. West Jordan and South Jordan are currently pursuing a Request for Proposal process to consider a similar approach to providing bus shelters.

If Salt Lake City decides to pursue an agreement with a private company to instigate a program similar to those of the cities mentioned above, the company would likely initiate a program to install 100 to 200 shelters at the busiest stops throughout the City and then assess the program further after evaluating the success of the initial installations. Installation of 100 shelters at cost of \$5,000 would total \$500,000. Annual maintenance of those 100 shelters at a cost of \$2,500 each would total \$250,000. Clearly, the installation and maintenance of bus shelters is an expense that UTA has not been able to fund, and it would be a major expense for the City to assume.

***Issues for the Council to Consider:*** Issues typically associated with advertising on bus shelters include the following:

- Clutter of additional advertising on the streetscape;
- First amendment issues associated with bus shelter signage (restricting undesirable advertising);
- Shelter signs in residential districts;
- Shelter design that is in character with the setting, is responsive to maintenance, and discourages criminal activity;
- Competition (a competitor's sign in front of retail business);
- Shelter maintenance;
- Willingness of the contractor to provide shelters in locations where advertising is less profitable (e.g., low-volume streets or residential areas); and
- Interface with City and State law regarding off-premise advertising.

City Staff contacted several of the local communities that are contracting with private companies as the means of determining their level of satisfaction with their private bus shelter programs. The general response was positive. Based on Staff research, communication with companies that are in the bus shelter business as well as local municipalities that are contracting for bus shelters, Staff concluded the following:

- Bus shelters are generally well designed (cities select their own design and color schemes), well maintained, and issues with graffiti and criminal activity are manageable.

- Bus shelter companies are sensitive to advertising in residential areas and are willing to locate a small percentage of signs in residential areas without advertising.
- Advertising offensive products or the use of messages that are inappropriate, based on predetermined City standards, is also regulated by the private company as defined in the agreement, and thus First Amendment issues are generally not a problem.
- Typically, shelter advertising consists of a 4 foot by 6 foot (4' x 6') advertising panel on each end of the shelter. While bus shelter signage does introduce additional commercial advertising along transit corridors, since the size of the signage is limited, the municipalities contacted indicate that the bus shelters tend to blend into the commercial environment and that they do not receive a large number of complaints.
- If the City considers a bus shelter agreement, the agreement should specify that shelter advertising shall not be within close proximity with a competitor's business. For example, a bus shelter sign advertising furniture should be required to locate a minimum distance (to be determined), from a competitor's furniture store.
- Since Utah State law, as well as City ordinances, regulates the location and spacing of off-premise signs, the potential for conflicts with the off-premise sign industry will likely be an issue. A viable solution for this concern is to define bus shelter signs as a unique type of signage with its own set of regulations that are independent of any other type of sign.

***Recommendation:*** Based on this staff analysis and issues associated with the costs of both the initial installation and ongoing maintenance, the Administration would like to brief the Council and request their support to initiate a petition to create an ordinance to allow bus shelters and related signage and support the Administration in initiating an RFP process to select a company to implement a bus shelter program.