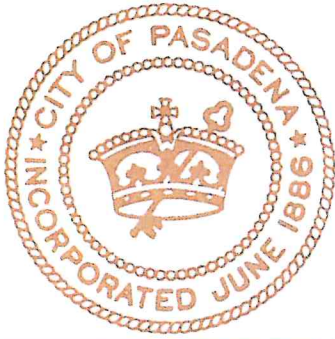




Agenda Report

September 15, 2026

TO: Honorable Mayor and City Council

FROM: Department of Transportation

SUBJECT: AUTHORIZE THE CITY MANAGER TO EXTEND CONTRACT 17,409 WITH OUTFRONT DECAUX STREET FURNITURE, LLC TO CONTINUE BUS SHELTER MAINTENANCE AND ADVERTISING THROUGH AUGUST 31, 2028

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is not a "project" subject to the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21065 and within the meaning of State CEQA Guidelines Sections 15378;
2. Authorize the City Manager to extend contract 17,409 with Outfront Decaux Street Furniture, LLC through August 31, 2028 for an estimated annual revenue generation of up to \$360,000 based on a monthly rate of \$300 per shelter; and
3. Grant the proposed extension an exemption from the competitive selection process of the Competitive Bidding and Purchasing Ordinance, pursuant to Pasadena Municipal Code Section 4.08.049(B), contracts for which the City's best interests are served.

BACKGROUND:

The City has a contract with Outfront Decaux Street Furniture, LLC (Outfront) to provide shelters with advertising at bus stops in Pasadena, that expired on August 31, 2026. This contract, originally awarded in 2000, requires Outfront to pay the City \$300 per month for each installed shelter with advertising in a bus zone, up to 100 shelters, generating up to \$360,000 per year to support Pasadena Transit operations. As part of this agreement, Outfront provides all of the maintenance and upkeep at the shelters, including trash removal, regular cleaning, and emergency repair or cleaning requests. In addition, the City is able to use up to ten percent of the advertising space for public service announcements. The equivalent value of the public service announcement advertising space that is actively used by several departments is between \$108,000 and

\$120,000 per year.

The current shelters are designed and constructed to be very long-term infrastructure amenities and have endured well over the years. However, the Department has determined that an assessment is needed to evaluate new and updated furniture options for the City's bus zones, including additional shade amenities. Therefore, as part of the Short Range Transit Plan (SRTP) update that was adopted by City Council on July 20, 2026, a bus stop amenities analysis was conducted to inform the preparation and release of a Request for Proposal (RFP) for a new contract agreement for the provision and maintenance of bus shelters (and/or other bus stop furniture).

Per the analysis done as part of the SRTP, it was determined that a more extensive analysis is needed to inform the City's comprehensive approach to its bus stop furniture program. Subsequently, a consultant was contracted in February 2026 to conduct a program assessment which is currently underway. This assessment includes reviewing Pasadena's current conditions and opportunities for the program, conducting a revenue valuation to understand the current market demand, studying available advertising elements and technology, evaluating the competitive landscape, and supporting development of a scope of work for a bus stop furniture amenities RFP.

Over the course of this contract extension period with Outfront, the program assessment and revenue valuation will be completed, a scope of work for a bus stop furniture amenities RFP will be developed, the RFP will be released, and the associated procurement process will occur.

Contract Renewal

To retain the City's current bus shelter revenue stream, as well as the ongoing provision of essential maintenance performed as part of this revenue contract, Department staff worked with Outfront to secure the current bus shelter revenue rate and contract terms via an extension of the current contract through August 31, 2028. The current rate that the City receives is favorable and the City would greatly benefit from continuing the existing contract and predictable revenue bus shelter revenue rate and contract terms via an extension of the current contract through August 31, 2028.

The table below compares Pasadena's revenue rate to several other peer entities, illustrating Pasadena's continued favorable revenue agreement.

AGENCY	PER SHELTER MONTHLY REVENUE	Annual Average Revenue/Shelter
Pasadena	\$300 guarantee – flat rate	\$3,600
Burbank	\$230 guarantee against 20% net revenue	\$2,788
Glendale	20% net revenue	\$1,428
Inglewood	\$116.81 guarantee against 11% net revenue	\$1,456
Long Beach	\$149 guarantee against 20% net revenue	\$1,675
Temple City	\$140 guarantee against 15% net revenue	\$1,924
Torrance	\$140 guarantee against 20% net revenue	\$1,871
UCLA	\$125 guarantee against 20% revenue	\$2,056

2025 data

Pasadena's contract with Outfront calls for a flat monthly guarantee of \$300 per advertising shelter which yields up to \$360,000 in annual revenues. At \$300 per shelter per month, Pasadena has one of the highest per shelter revenue contracts in the region. This revenue is used to help fund the Pasadena Transit system. Annual revenues received from this contract are budgeted and recognized in the Proposition C Local Transit Fund (Fund 209).

COUNCIL POLICY CONSIDERATION:

This project supports a City Council Guiding Principle of the General Plan, to promote Pasadena as a city where people can circulate without cars. The project directly addresses Policy 2.3 of the Mobility Element of the General Plan – Provide convenient, safe and accessible transit stops. The extension of the contract allows for the transit shelters to remain in place, maintained and cleaned, with revenue generated by the shelter advertising to be utilized for the transit system.

The proposed action also aligns with the City's priorities. Specifically, it addresses the priority of moving Pasadena decisively toward a carbon-free future. By leveraging bus shelter advertising revenue back into transit operations costs, this action enhances local transit funding to support operations as well as the deployment of zero-emission fleet assets and supporting infrastructure.

ENVIRONMENTAL ANALYSIS:

CEQA excludes, from environmental review, actions that are not "projects" as defined by Public Resources Code Section 21065 and within the meaning of CEQA Guidelines Section 15378. Sections 21065 and 15378 define a project as an action which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Section 15378(b) excludes from the

definition of “project” continuing administrative or maintenance activities, such as securing supplies and services. The actions proposed herein, authorizing the City Manager to enter into an extended contract for the continued maintenance and advertising at existing shelters, is an administrative activity for the securing of services, and therefore is not a “project” as defined by CEQA. Since the action is not a project subject to CEQA, no environmental document is required.

FISCAL IMPACT:

The fiscal impact of extending the existing contract with Outfront will generate up to \$360,000 in annual revenues for the Pasadena Transit system and will not impact the General Fund. Annual revenues received from this contract are budgeted and recognized in the Proposition C Local Transit Fund (Fund 209).

Respectfully submitted,



JOAQUIN T. SIQUES
Director, Department of Transportation

Prepared by:



Britt Card
Senior Planner

Approved by:



MATTHEW E. HAWKESWORTH
Interim City Manager