

2017 Operating Budget: Proposed Common Council Amendments

Amendment No.

15

Amendment Title: Examine the Feasibility of Increasing the Number of Allowable Bus Wraps
Agency: Metro
Sponsor: Alder Phair
Co-Sponsor (s): Alder Cheeks, Alder Clear, Alder Hall

Discussion

Amendment

Direct the Transit and Parking Commission to examine the feasibility of increasing the number of allowable full bus wraps currently authorized on Metro buses.

Amendment by Funding Source

	General Fund	Other Funds
Revenue	0	0
Expenditure	0	0
TOTAL	\$0	\$0
<i>TOAH Impact</i>	\$0.00	n/a

Amendment by Major

Permanent Salaries	0
Fringe Benefits	0
Supplies	0
Purchased Services	0
<u>Other</u>	<u>0</u>
Total:	\$0

Discussion

Amendment Impact

Currently the Transit and Parking Commission (TPC) limits the number of Metro's full bus wrap contracts to an average of 20 annual contracts per year, which increased from 15 annual contracts in 2012. The estimated average revenue for a full bus wrap contract is \$1,800 per month, which at capacity results in \$432,000 of annual full bus wrap revenue. The time length of each full bus wrap contract provides variability in annual revenue received by Metro, as contract durations vary from monthly to annual. Current demand for full bus wrap advertising provides the expectation that an increase in the number of authorized wraps will result in additional advertising revenue. The new bus wrap revenue increase would be a net of the additional full bus wrap revenue less the loss of revenue for existing partial exterior advertisements on the buses that would be converted to fully wrapped.

In recent years the demand for this service has grown; in 2014 two advertisers utilized the service, in 2015 four companies, and in 2016 five companies. Utilization of the service varies by time of year.