



Committee of the Whole Report

For the Meeting of March 22, 2018

To: Committee of the Whole **Date:** March 14, 2018
From: Fraser Work, Director of Engineering and Public Works
Subject: Sightseeing Vehicle Parking Stands – Management Review Update

RECOMMENDATION

That Council direct staff to:

1. Amend and implement the City's procurement process for bus sightseeing stands to include allocation to buses with at least 1998 emissions performance, with incentives towards zero-emissions, as outlined in this report
2. Continue to promote Streets and Traffic Bylaw compliance with other on-street parking types/times related to bus tours;
3. Amend the Vehicles for Hire Bylaw to reflect the successful proponents of the procurement process; and
4. Report back to Council during the 2019 financial planning process, or after one year after implementation, to report on program issues, performance, considerations and investment priorities.

EXECUTIVE SUMMARY

Through the *Vehicles for Hire Bylaw*, the City rents public space at four locations near the Inner Harbour to private motor sightseeing vehicle tour companies. The four parking stands provide valuable access to downtown tourist locations, where sightseeing tour companies can advertise and sell tickets for their services on the public sidewalk.

As directed by Council in March 2017, staff has been exploring opportunities to adjust the procurement process for these stands in such a way to incentivise improved exhaust emissions and noise performance. The goal of this exercise is to develop a new process for awarding access to these public parking stands to operators that pose the most benefit to social, health, environmental and economic well-being.

The vehicles currently accessing the parking stands represent approximately 25% of the overall number of buses operating in the City, and a portion of those total bus emissions. In 2017, approximately 31 of the estimated 105 buses (~30%) that accessed the parking stands were built to pre-1998 standards, which have relatively poor emissions performance, when compared to newer, cleaner-burning engines. Council has expressed their desire to provide access to these stands to cleaner-burning vehicles, while still providing important tourism services within the community. During the March 2017 committee report, Council endorsed the intent to limit access to the bus stands, for vehicles with at least 1998 emissions performance standards.

Staff's recommended bus-stand selection framework in this report proposes an increasingly stringent emissions performance target for vehicles with the following key highlights:

- All vehicles must be registered with engines/technology achieving 1998 emissions performance or better (EPA emissions standards),
- In-year incentives for operators that achieve better than 2004 emissions performance,
- Increasingly stringent emissions standards each two years,
- Zero emissions performance standards for the bus stands after 2022,
- Option for operators to extend term if continual performance is better than City targets,

This arrangement reflects the values of the City, and seeks to provide a predictable, reasonable and increasingly stringent emissions for vehicles that enjoy exclusive access to City real estate for street-side tourist sightseeing operations. Management of this particular procurement process aims to select the proponents that offer the most sustainable balance of economic, social and environmental well-being for the City.

Additional efforts may be required to promote compliance amongst other tour bus operators in the City who utilise parking zones as part of their sightseeing businesses. Staff will manage communications, enforcement, and operational design and management of parking restrictions and will also progress analysis and review as part of the City's Sustainable Mobility Strategy development.

Future efforts and refinement of incentivised programs will continue to improve and strengthen the City's sustainability performance to minimize impacts to air quality and community noise levels.

PURPOSE

The purpose of this report is to provide Council with a recommended amendment to the Vehicles for Hire Bylaw, specific to motor sightseeing vehicle parking stands, to promote more sustainable use of public space.

BACKGROUND

Through the *Vehicles for Hire Bylaw*, the City rents public space at four prime tourist locations near the Inner Harbour to private sightseeing vehicle tour companies. The licensee is allowed to park their vehicles at the stand, load and unload passengers, and advertise and sell tickets for sightseeing tours on the sidewalk adjacent to the stand. The four parking stands are the only locations in the City where private tour operators can advertise and sell tickets for their sightseeing tours on the public sidewalk.

For each stand, Schedule D of the *Vehicles for Hire Bylaw* provides the name of the licensee, the allocation period and the monthly rental fee. The current allocations, which expired December 31, 2017, were allocated as follows:

- Parking Stand 1 (Government) - CVS Cruise Victoria Ltd.
- Parking Stand 2 (Government) - Wilson's Transportation Ltd.
- Parking Stand 3 (Belleville) – The Rolling Barrel
- Parking Stand 4 (Belleville) - Wilson's Transportation Ltd.

The value of the City's parking stands has historically been linked to parking revenue, rather than any assessed business economic value. The maximum parking revenues, and the resulting City revenue is set at approximately \$70,000 per year for all 4 stands, as detailed below:

Currently, the City is charging the following monthly rental fees (including taxes) for the Motor Vehicle Parking Stands, which were based on an economic assessment completed in 2011:

- Parking Stand 1 (Government): \$1,755/month
- Parking Stand 2 (Government): \$1,755/month
- Parking Stand 3 (Belleville): \$1,170/month
- Parking Stand 4 (Belleville): \$1,170/month

A better understanding of the stands' value would be important when considering the appropriate financial price and incentives for these stands. An analysis and estimate of the economic value of the stands is yet to be completed, therefore, assumptions of value still guide the current suite of recommendations.

At its March 09, 2017 meeting, Council directed staff to:

1. Amend Schedule D of the *Vehicles for Hire Bylaw* to extend the current Motor Sightseeing Vehicle Parking Stand 1, 2 and 4 allocations to December 31, 2017.
2. Conduct a competitive process for the allocation of Motor Sightseeing Vehicle Parking Stand 3 from April 1, 2017 to December 31, 2017 using the current criteria.
3. Obtain bus operating and technical data from Motor Sightseeing Vehicle Parking Stand users and use this data to assess the relative impact of emissions from the buses using the parking stands on air quality.
4. Complete a bus-stand economic assessment to define the value of the parking stands to inform the 2018 management plan and determination of fees.
5. Consult with the key stakeholders using the results from the operational and economic assessment, on the development of a new process for allocating the Motor Vehicle Parking Stands that balances the triple bottom line of social responsibility, environmental stewardship and economic prosperity.
6. Report in October 2017 with recommendations for a new process for allocating the Motor Sightseeing Vehicle Parking Stands.



Figure 1 - Parking Stand Locations (1,2,3 and 4).

Motion 1 and 2 were completed in the spring of 2017. Following the competitive process for allocation of Stand #3, the Rolling Barrel offered pedal-bike tours from that location.



Figure 2 - Rolling Barrel Tour – Government Street

Motions 3 and 4 were not able to be completed in the above timelines, although several meetings did take place with the current operators, to better understand their issues and concerns, before any proposed changes to the bylaw. These considerations are discussed in more detail below.

ISSUES AND ANALYSIS

As was detailed in the Sightseeing Stand 2017 COTW report, the sightseeing tourist buses that enjoy access to these stands make up a small portion of overall bus and heavy duty commercial traffic in the City, and a portion of the overall emissions footprint from this class of vehicle. The City is in the position to strengthen the emissions and noise performance of this sample of buses using the parking stands, to promote sustainable transportation and business, and better human and environmental health in the community.

Review of Diesel Engine Emissions Performance and Regulation History

Emissions and noise from buses are related to the age of the technology in services. Diesel engines older than 1998 have relatively high emissions, as they were built prior to the introduction of modern emissions control technologies. Between 1998 and 2009, emissions control technologies gradually improved to increasingly stringent 2010 standards.

Engine Emissions Standards for Heavy-Duty Vehicles

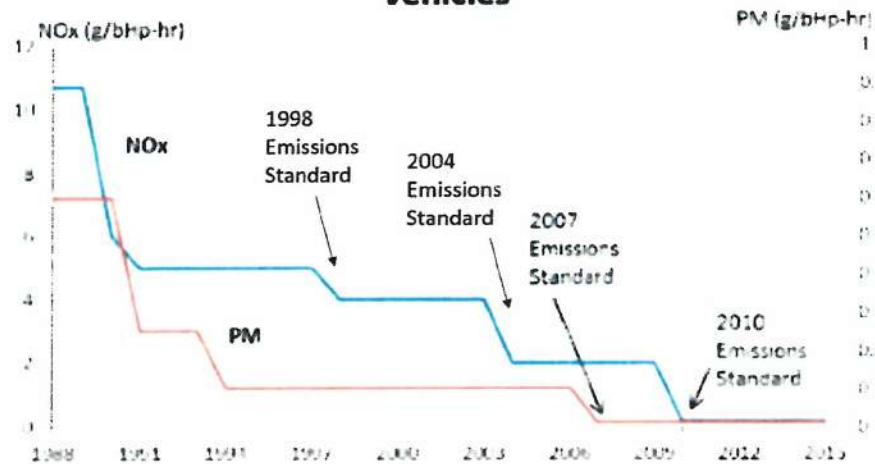


Figure 2 – Federal Emissions Standards for Diesel Engines.

The exhaust gas components of primary concern are greenhouse gases, oxides of nitrogen and sulphur, and fine particulate matter (clusters of carbon and other particles), all of which pose risks to human and environmental health. While clean transit vehicles may offer the potential of less emissions per passenger when compared to personal motor vehicles, older engines have very poor combustion quality due to lack of modern emissions technology or sophisticated engine fuel injection and air management systems.

Figure 2 shows the increasingly stringent emissions standards for particulate matter and nitrogen oxides, with milestone dates in 1998, 2004, 2007 and 2010 (note particulates are controlled partially by limiting the sulphur in fuels). Diesel engines with US EPA certification prior to 1998 pose more than 3 times the emissions burden from engines manufactured in the 1980s. Diesel engines with US EPA certifications of 2010 or newer are considered to have much lower emissions, at only a small fraction of their 1998 counterparts. Bus noise emissions data is vehicle specific and depends on engine, exhaust, and auxiliary system design. Note: The average age of BC Transit's fleet is 8.8 years (Ref: *Review of BC Transit*, BC Ministry of Finance, 2015).

Current users of the Motor Sightseeing Vehicle Parking Stands have taken action to modernise and upgrade their bus fleets, which also improved noise and emissions performance. The following overview summarizes the 2017 fleet make-up:

- In 2017: 31 of the 105 buses that accessed the parking stands in 2017 were pre-1998 buses (4 double decker buses, and 27 other buses).
- In 2018: 7 vehicles would be older than 2004, without a single bus in use, built to pre-1998 engine emissions standards (note: these 7 buses represent ~1.5% of the total number of overall buses operating in the City), and
- In 2019, the companies plan to eliminate these pre-2004 vehicles from operations.

The operator's that currently utilise the stands have the following fleet breakdown planned for 2018:

Parking Stand 1 - CVS Cruise Victoria Ltd.

CVS provided the following information regarding their fleet intended for use at Parking Stand 1 in 2018 (Note: any pre-2004 vehicles is labelled in red):

- Double Decker Buses (4)

- Electric (1) 2016
- Diesel (2), 2010 or newer
- Diesel (1), 2006
- Coach Buses (21)
 - Diesel (14), 2010 or newer
 - Diesel (2), 2004-2009
 - Diesel (5), **1998-2003** (3 of these coaches are to be replaced with 2017 vehicles. The remaining two 2003 coaches are to be replaced in 2018 and 2019)
- Mini-Coaches (2)
 - Diesel (1), **2002** (to be sold in 2018)
 - Diesel (1), **1997** (to be replaced with 2006 vehicle in 2018)
- Sprinter Van (1)
 - Diesel (1) (2010 or newer)

Parking Stand 2 - Wilson's Transportation Ltd.

Staff also met with representatives of Wilson's, who provided the following information regarding the fleet planned to be used at Parking Stand 2 in 2018:

- Double Decker Buses (3)
 - Diesel (1) - 2011 Alexander Dennis Enviro 400,
 - Diesel (2) - 2011 Van Hool TD925 buses

These Wilson buses all meet or exceed EPA 2010 standards.

Parking Stand 4 - Wilson's Transportation Ltd.

Wilson's also provided the following information regarding their fleet planned to be used at Parking Stand 4 in 2018:

- Coach Buses (70)
 - Diesel (70): 2010 (EPA10) or newer.

Introducing more stringent emission and noise standards for the operators accessing the parking stands will require potentially significant investment in technologies with higher performance standards, and will take time to fully implement; however, the current companies utilizing the on-street parking stands are close to meeting 2004 standards for their entire fleets.

Sustainability Considerations

The Motor Sightseeing Vehicle Parking Stands support tourism, economic development and the vibrancy of the downtown core. The City has been allocating the four motor sightseeing vehicle parking stands for many years in the tourist-rich Inner Harbour. Allowing the service to be provided from the public space provides an unplanned opportunity for tourists to use the service.

The community and Council have raised concerns regarding the impact of the noise and air emissions from commercial tour buses on the health and well-being of the community. Specific concerns have been expressed regarding the visible, plume of exhaust emitting from vintage (1960's) double decker bus exhaust.

Air Quality

Vehicle emissions from the combustion of fossil fuels and their impact on human and environmental health remains a concern within our City. Engine exhaust emissions are a function of the fuel type, the quality of the combustion process, and any after-treatment process that cleans the harmful constituents from the exhaust gases. A shift towards electric vehicles completely removes tailpipe emissions and greatly reduces overall vehicle noise.

Noise

Buses add significant noise to the City and the community, which impacts human health and well-being. Adding or upgrading noise control technologies (exhaust design, silencers, attenuation systems etc.) or electrification of the vehicle's propulsion systems could vastly reduce airborne noise.

Economic Considerations

The Motor Sightseeing Vehicle Parking Stands are difficult to quantify in terms of financial or other sustainability value. The economics of bus stands and their associated business case also remains undefined, and challenge the design of any procurement system.

That being said, any changes to the parking stand management plan should seek to balance tourism and societal benefit, against the other sustainability issues of noise, and human health.

Management Uncertainties, Considerations and Approach

- **Actual bus emissions data:** Actual emissions data for each bus that uses the stand would be based on the particular vehicle emissions performance and the engine dynamics over the kilometres travelled, both which remain unknown to the City.
- **Lack of Economic or Social Value Estimation:** The true value of the stands was not able to be assessed in the timescales since the last report, and thus remains undefined for this stage of review. It is reasonable to suggest that the true value is related to access to markets rather than only parking revenues. It is therefore not possible to assess and compare applicants that wish to bid for the stands, based on measures of benefit to tourism, which could offset relatively poor emissions performance.
- **Balanced Sustainability Performance Measures:** The City does not have a method/process to quantify and compare total sustainability benefits and risks, nor to measure specific tourism benefit, which is a central element, material to the planning of the site. For example, we are not able to compare the relative benefits of a service with poor emissions that reaches 100's of tourists, against that of a service with stronger emissions performance that only reaches 10's of tourists.

Based on these issues and uncertainties, it remains difficult to quantify the actual risks and benefits related to various buses and their bus-stand proposals. A simple, yet defensible model would be reasonable at this time, based primarily on engine emissions data, until such time that a more sophisticated assessment of sustainability performance measures are in place. It is also difficult to develop any detailed emissions limitations/goals, due to the lack of data related to the assets in question. Due to those uncertainties, it is recommended that a semi-quantitative / qualitative balance be sought, to achieve the aim of the exercise, and move towards an incentivised transition to zero-emission vehicles with access to prime tourist parking locations.

In order to be successful in reducing noise and emissions and sustaining the tourist benefit provided by the parking stands, a system should follow the key management components highlighted in the previous COTW report:

- **Be Values-Based:** Promote equity, community health and well-being, affordability, and prosperity and sustainability.
- **Provide a Tourism Benefit:** Allocation of the parking stands should ensure that a valuable service is being provided to as many people as possible.
- **Set Minimum Requirements:** Requirements for reduced social, health and environmental impacts must be absolute and not comparative, so that the City is able to achieve the desired reductions in noise and emissions.

- **Provide an Incentive for Innovation:** Allow for incentive based fees where higher fees are paid for more polluting buses, and the ability to obtain a discount for reductions beyond the minimum requirement.
- **Provide Sufficient Advance Notice:** The operators require sufficient time to plan their operators for the following and subsequent seasons.
- **Be Predictable and Consistent:** Provide the ability to obtain a long term (5 year minimum) lease with opportunities to extend if requirements are met or exceeded.
- **Set a Suitable Term of Agreement:** A longer term provides more business certainty and drives innovation and investment.
- **Be Affordable:** Proposed changes to the process of allocating the parking stands should be feasible and financially viable so that the commercial bus industry will be able to meet the new requirements and continue to provide the tourist services that support the City's long term goals.
- **Be Competitive:** Improved criteria in the request for proposal process for allocating the stands will open the parking stands up to increased competition and the opportunity to drive innovation towards more sustainable options.
- **Be a Leader:** In order to provide leadership, the City's requirements for private bus operators should be consistent with the timelines for modernization of the City's own fleet.

OPTIONS AND IMPACTS

The 2017 report also outlined the main options available for Council's considerations, which have focussed on the establishment of minimum emissions standards, at least 1998 or better. The approaches and options for continual review are as follows, where staff recommend implementing a set of the below approaches, for adoption in 2018:

- **Remove Motor Sightseeing Vehicle Parking Stands:** This option would remove tourist amenity and remove the City's ability to promote improve emissions performance.
- **Create additional Motor Sightseeing Vehicle Parking Stands to meet demand:** Other tour companies currently operating in the City have expressed interest in securing on-street space. These companies sell their tours from private space or on-line, and typically utilize on-street loading spaces to pick up and drop off passengers (Passenger Loading Zones, Hotel Zones). Additional on-street Motor Sightseeing Vehicle space could be created to address this latent demand. Managing these companies through a procurement process could also enable the City to influence city bus fleet age and vehicle emissions, something currently outside the City's regulatory authority for these companies, and potentially reduce enforcement/localized traffic congestion issues associated with current operator practices. Council is also considering the management options for other parking stands in the zone, which include horse drawn carriages, which should be considered holistically alongside this program to ensure system wide benefits are realized.
- **Establish a Minimum Requirement for Emissions Based on Actual Emissions Measurements:** This would involve the City determining, measuring, and enforcing a specific, minimum emissions limit for buses. This is not commonly done as most jurisdictions are establishing minimum requirements based on the US EPA Standards, or they are banning diesel buses altogether. There would be significant staff resource requirements to go to this model for limited additional benefit over using the industry standard model.
- **Establish a Minimum Requirement for Emissions Based on Industry Standards:** As a first step, establish a minimum 2004 US EPA Standard for diesel buses. This would provide an immediate benefit of eliminating the highest polluting buses from the parking stands and stop the black plume of smoke from the 1960's vintage double decker buses.
- **Phase in Increasingly Stringent Emissions Standards:** Predictably increase the emissions standards until zero-emissions is achieved.

- **Establish Incentive Based Fees and Rebates:** Set parking stand rental fees such that higher fees are paid for vehicles with higher emissions and lower fees or rebates for vehicles meeting or exceeding the highest standards.
- **Long-term Licence Agreements:** Parking stand allocations have historically been extended by one year at a time in order to provide time for the City to develop a new allocation process. Longer term agreement would provide greater business certainty for tour operators with the intent of encouraging investment in buses with reduced noise and emissions. The agreements would include an allowance for license extensions based on the ability of the licensee to meet or exceed commitments for reduced noise and emissions.

As per the 2017 report, Council supported the intent and signal to move towards a minimum acceptable standard of 1998 emissions for all fleet vehicles that access these stands. Discussions with operators regarding their fleet makeup suggests that their own modernization programs are moving beyond a 2004 average emissions standard.

RECOMMENDED APPROACH

Staff recommend amending the current procurement process in 2018, to incentivise improved emissions for vehicles that can access these spots:

Engine Emissions Standards: No bus shall be permitted to access the sightseeing parking stands with an emission standard below 1998. Vehicles accessing the stands will meet or exceed the minimum standards, and are incentivised to meet the targeted emissions standards, as follows:

Table 1: Proposed Incentivised Emissions Standards

Timeframe	Minimum Acceptable Emissions Standard (US EPA)	Targeted Emissions Performance (US EPA)
2018-2020	1998	2004
2020-2022	2004	2010
2022-2024	2010	Zero emissions

Incentivisation Scheme: This plan aims to promote better emissions performance through economic measures, awarded if the vehicles meet or exceed the next level of emissions standards, as follows:

- 50% Incentive:** If at least half of the registered vehicles achieve the next period's emissions target (i.e. if 2018 bus meets or exceeds the 2020-2022 US EPA emissions standard target (2010)), then the proponent is subject to a 50% reduction in monthly fees.
 - Proponents in this category would be eligible for an automatic 2-year bus-stand access agreement.
- Full Incentive:** If at least half of the registered fleet achieves two steps above the current year emissions target (i.e. if half of the registered vehicles achieve the 2022-2024 targets of zero emissions), then access to the stands is free of charge.
 - Proponents in this category would be eligible for a 5 year bus-stand access agreement, if they continue to achieve the same performance levels, to be verified each year in the via their contract.
- 10% Incentive:** If 10% of the registered fleet vehicles exceed the in-year target, then the proponent is able to access the stands at a discounted rate of 10% of the minimum charge.
- Adjusted Bus Stand Price:** Staff assess that the current price for these stands, based on parking revenues alone, are undervalued, as they do not reflect value related to access to the marketplace. Even without an economic analysis, staff recommend adjusting the price upwards, to reflect a more appropriate price. The following changes are proposed for 2018, which would be subject to adjustments to support continual emissions improvements:

- a. Parking Stand 1 and 2:
 - i. April to October: Raising the rate from \$1755 per month, by 1.5x, to \$2633.
 - ii. November to March (low month rate): Maintain current rate of \$1755 per month.
- b. Parking Stand 3 and 4:
 - i. April to October: Raising from \$1170 to \$1755 per month.
 - ii. November to May (low month rate): Maintain current rate of \$1170 per month.
- c. Parking Stand Seasonal Use: The City will give the operator the option of contracting the use of the sightseeing parking stands for only the seasons they wish, which will allow the City to allocate this public space to other sustainable uses, with the associated revenues.
- d. By the Numbers:
 - Stands 1-4 full price (including both high and low rates, without incentives) would equal: \$90,700 without GST (~\$20k more than 2017).
 - 50% incentive (over half of fleets meet 2010 standards), equals 50% discount in rates.
 - Stand 1 and 2 operator would be eligible for a 2018 annual savings of \$7500 dollars, if the majority of their fleet met 2010 emissions standards.
 - Stand 3 and 4 operator would be eligible for a 2018 annual savings of \$5000 dollars, if the majority of their fleet met 2010 emissions standards.
 - Operators with zero tailpipe emissions would be eligible for 100% savings on parking stand price.

Additional Management Proposals:

- **Registered Vehicle Signage and Communication:** All fleet vehicles able to access the stand under the contract must be registered with the City's program, and are identified at the location via a sign, designed, installed and managed by the City. No unregistered vehicle can access the stand without formal approval by the City Director of Engineering & Public Works.
- **Noise and Idling Improvements:** The City is currently examining fixed sensors that can monitor idling and noise emissions at these locations, which could be installed to ensure compliance with City bylaws, and will be explored as part of the City's Smart City programs.
- **800 block Government Street:** To address bus parking compliance issues on the 800 block of Government Street, staff would recommend the following actions:
 - Written notification to the owners of Big Bus Victoria, reiterating requirements relative to stopping/loading at this location.
 - A one-month period of increased monitoring/enforcement carried out by Parking Services/Bylaw Services to ensure compliance to parking/loading regulations, with the potential for business license suspension for non-compliance.
 - Should these two actions fail to achieve compliance, staff could recommend removing the Passenger Loading Zone in the 800 block Government Street, converting the space to No Stopping At All Times.

Consistent Management of Bus Tour Parking - Other Operators in the City

A number of sightseeing tour companies currently operating in the City have also expressed interest in securing on-street space. These companies conduct sales from private property or via on-line web applications, picking up/dropping off passengers from both private and public space. An RFP process would likely prompt submissions from these companies, in addition to the existing operators (Wilson's, GrayLine, CVS, and Rolling Barrel).

Depending on the number and quality of submissions received, staff may recommend increasing the number of zones provided for these businesses. Staff would provide options for these alternate sites, as required in the future, for Council's consideration.

Operating practices by Big Bus Victoria on the 800 block Government Street (between Humboldt and Courtney) have also been identified by staff and other industry representatives as an issue contravening established parking zone regulations. Big Bus Victoria operates a hop-on/hop-off, narrated sightseeing tour experience through Victoria and the District of Oak Bay. Their Visitor Welcome Centre is located on private property in the 800 block Government Street, in front of a retail business. A number of the stops along the tour route are located on City streets, with buses stopping in Passenger Loading Zones or other legal loading areas.

While these loading activities along the tour route are permitted, Big Bus vehicles repeatedly stops for extended periods directly in front of their headquarters, exceeding the existing three-minute permitted maximum. Meetings with the company owners have been held in efforts to promote compliance. Enforcement levels to date by Parking Services and Bylaw Services has had little effect on practices/behaviours to date, and increased attention to this particular zone is required.

Staff will continue to enforce compliance and appropriate practices at this location. Initially, a formal notification to the business owners that reiterates requirements previously identified in face-to-face meetings would provide certainty on expectations to all parties. Secondly, a period of increased monitoring/enforcement will be carried out by Parking Services/Bylaw Services to ensure compliance. Should compliance not be achieved with these additional measures, staff will recommend further business license action, and a show cause hearing, where required. Staff will also consider modifying the regulations at this zone in the 800 block Government Street to ensure that it best serves the needs of the adjacent business and public operations.

Of course, Big Bus Victoria and any other operator could consider applying for a dedicated on-street space, similar to other sightseeing tour bus companies, subject to adherence to the proposed new fleet emissions and vehicle age targets.

2015 – 2018 Strategic Plan

The recommendation supports Objective 5: Create Prosperity through Economic Development, by providing fair, equal and timely opportunities for motor sightseeing vehicle businesses to access parking stands.

Accessibility Impact Statement

While physical access to all sightseeing stand locations is good, accessibility to sightseeing vehicles for some members of the public can be challenging. The community and Council have raised concerns regarding the impact of the noise and air emissions from commercial tour buses on the health and well-being of the community. Specific concerns have been expressed regarding the visible, plume of exhaust emitting from vintage (1960's) double decker bus exhaust. A shift towards lower emission vehicles, and ultimately electric vehicles, will improve overall air quality.

Impacts to Financial Plan

If operators were able to consistently meet a 50% incentive, the City would be subjected to a loss of annual parking-stand revenues equalling near \$20,000 per year.

If operators continued business-as-usual, then the new pricing scheme would increase annual revenues for the City by approximately \$20,000.

Under the new scheme, even with incentives, the City may be able to re-allocate spaces and gain revenues in the off-season, albeit at an increased administration cost.

With compliance, it is not envisaged that the management of these stands and the proposed arrangements will require additional resources, save some additional administrative/procurement support and some additional signage.

Future instrumentation (noise and emissions sensors, and visual monitoring) could be implemented to increase the compliance and visibility of the curbside emissions and noise performance, and will be assessed and recommended, where appropriate, via normal financial planning processes. Longer term, the City will assess the need for electric charging stations at these locations, which could incur City capital costs, and should be considered into the through-life costs associated with electrification of vehicle fleets. Any such recommendations will be presented for Council's consideration via the financial planning process at or beyond 2019.

Official Community Plan Consistency Statement

Allowing private companies to rent public space at the Motor Sightseeing Vehicle Parking stands is a significant decision which carries a responsibility to ensure that the use of the space appropriately balances the priorities outlined in the Guiding Principles for the Use of Public Space, which include the following:

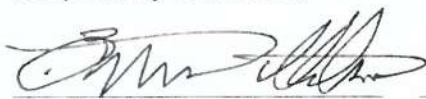
- Pursuing operational excellence,
- Building a strong community,
- Growing our economy, and
- Respecting our environment.

The recommendation is consistent with the broad economic objectives from the Official Community Plan, including 14.31.1 and 14.31.2 – Strengthen the appeal of Victoria to tourists and other visitors in ways that enhance the community including accessible transportation to and within the City, and a high quality of amenities, services and events.

CONCLUSIONS

This arrangement solidifies a minimum 1998 parking-stand bus emissions performance standard, with incentives for operators to better year-on-year emissions towards a 2022 goal of zero-emissions. This arrangement is recommended for implementation in 2018, and continual monitoring, management and reporting, as required by staff.

Respectfully submitted,



Brad Dellebuur, Manager
Transportation



Fraser Work, Director
Engineering and Public Works

Report accepted and recommended by the City Manager.



Date: March 16, 2018