



Governance and Priorities Committee Report

For the meeting of January 22, 2015

To: Governance and Priorities Committee **Date:** January 13, 2015
From: Robert Woodland, Director of Legislative and Regulatory Services
Subject: Motorized Parking Stand Allocations under the Vehicles for Hire Bylaw

Executive Summary

The Vehicles for Hire Bylaw designates four motorized sightseeing vehicle parking stands on Belleville and Government Streets and names the motorized sightseeing vehicle companies that are exclusively allowed to use each stand. Since 2012, a competitive process has been used to determine the operators that can use each parking stand. The current stand allocations expire on April 1, 2015.

Some Councillors and members of the public expressed concerns in March 2013 with the outcome of the last competitive process. They felt that the City could be doing more to encourage operators to "green" their fleets and reduce greenhouse gas and noise emissions. After reviewing City procurement policy and international best practices, staff have concluded that there is limited ability at this time to improve the competitive process to address these concerns.


Staff are not aware of any new entrants in the city's sightseeing vehicle market who are using "greener" vehicles than current stand users. This means that it is unlikely that a competitive process conducted at this time will result in any significant changes in the types of vehicles operated from parking stands. The GVHA is beginning work on a 10-year bus traffic strategy, with participation from City staff, and the City is also considering a GPS data study in partnership with current stand users for the summer of 2015. A one-year extension of the current stand allocations would allow for the completion of these projects and consideration of how their results could be incorporated into the next competitive process, which could be started in the fall of 2015. A one-year extension would also give current stand users some immediate certainty regarding their use of the stands for the 2015 summer tourist season. Conducting a competitive process at this date would mean that stand allocations would not be finalized until April.

Recommendation

That Council direct staff to bring forward amendments to the Vehicles for Hire Bylaw that would extend the motorized sightseeing vehicle parking stand allocations to April 1, 2016 for any current stand users who express interest in a one-year extension.


Respectfully submitted,


Shannon Craig
Policy Analyst
Legislative and Regulatory Services


Robert Woodland
Director
Legislative and Regulatory Services

Report accepted and recommended by the City Manager: _____

Date: _____


January 16, 2015

Purpose

The purpose of this report is to obtain Council direction on proceeding with the allocation of motorized parking stands under the City's Vehicles for Hire Bylaw.

Background

The Vehicles for Hire Bylaw designates four motorized sightseeing vehicle parking stands on Belleville and Government Streets and names the motorized sightseeing vehicle companies that are exclusively allowed to use each stand. An exclusive stand allows an operator to park their vehicles and load and unload passengers. It also gives an operator the ability to advertise and sell tickets for sightseeing tours on the sidewalk adjacent to the stand. Otherwise, the Vehicles for Hire Bylaw prohibits advertising or offering to sell tickets for sightseeing tours on streets and sidewalks. Sightseeing tour operators without an exclusive stand are able to load and unload passengers on private property or at general passenger loading zones.

Since 2012, a competitive process has been used to determine the operators that are entitled to use each parking stand. The competitive process provides businesses with fair and equal opportunities to access these spaces and also allows the City to select stand users based on criteria that reflect the Council-approved Guiding Principles for the Use of Public Space.

On March 28, 2013, Council adopted an amendment to the Vehicles for Hire Bylaw that put in place the current stand allocations. Those stand allocations expire on April 1, 2015.

Issues and Analysis

Some Councillors and members of the public expressed concerns in March 2013 with the outcome of the last competitive process. They felt that the City could be doing more to encourage operators to "green" their fleets and reduce greenhouse gas and noise emissions. The current approach used to evaluate parking stand proposals is to assign points based upon a series of evaluation criteria. Those criteria include:

- whether the proponent is able to demonstrate that their proposed operations will contribute to City efforts to reduce community greenhouse gas emissions, particularly through the use of low emission vehicles or fuels, and
- efforts to minimize noise, nuisance and other impacts on businesses, residents and visitors, both at the stands and along travel routes.

The limitation with this type of evaluation approach is that the type and quality of vehicles used at stands is entirely dependent upon the nature of the proposals received.

After reviewing City procurement policy and international best practices, staff have concluded that there is limited ability at this time to improve the competitive process to address expressed concerns. The best practices review showed that some jurisdictions procuring vehicles or vehicle-based services set a minimum standard for greenhouse gas and noise emissions, and award additional points to respondents who exceed these standards. Staff concluded that this approach would be problematic for several reasons. First, it would be difficult to determine or justify an appropriate minimum standard. Noise and emission standards are set by the federal and provincial governments and any motorized sightseeing vehicles operated in the City must already meet those standards that are applicable to the particular type and model year of vehicle. The City also does not have the ability to perform ongoing monitoring of vehicles used at stands in order to determine whether they meet the minimum standards.

Parking stand users represent only one component of the tourism-related bus transportation industry operating within the City. Many bus companies operate within the City without the benefit of an exclusive parking stand, including both private buses and Greater Victoria Harbour Authority (GVHA) shuttle buses servicing the cruise ship terminal. The City may more effectively be able to address concerns with tourism-related bus traffic through broader initiatives that focus on the industry as a whole and not only parking stand users.

For example, the GVHA is working on a 10-year strategy to mitigate bus traffic servicing Ogden Point, leveraging knowledge gained from recent pilot projects, in which innovations were trialed for bus and marine cruise shuttle transportation. This comprehensive strategy is being developed collaboratively with bus operators and City staff from within the Engineering and Public Works Department. Consultations with the public will ensure that the needs of the local community are assessed as the plan is developed. The strategy will define the what, how and why regarding bus traffic at Ogden Point and address elements such as: equipment, routing, advocacy, communications and monitoring. Although this 10-year strategy will not directly apply to parking stand operations, future parking stand allocation processes may be able to draw from any standards or best practices for vehicles or routing identified through the development of that strategy.

Independently of the competitive process, staff are working to address concerns associated with parking stand operations. To address concerns regarding vehicle idling, signs will be placed at parking stands reminding users of the provisions of the Idling Control Bylaw, and Commissionaires and Bylaw Officers will be asked to monitor idling at stands while on patrol next summer. The City is also considering a GPS study for the summer of 2015 that may provide useful baseline information for purposes of future competitive processes or for other City climate action initiatives. Existing stand users have been approached to determine their willingness to install GPS devices on a sample of vehicles operated from parking stands during the 2015 summer season. Using the data obtained from these devices, such as drive time, idle time, and speed, along with the equipment's make, model and year, simulated tail pipe emissions can be estimated.

Staff are not aware of any new entrants in the city's sightseeing tour market who are using "greener" vehicles than current stand users. This means that it is unlikely that a competitive process conducted at this time will result in any significant changes in the types of vehicles operated from parking stands. Conducting a competitive process at this time will also impact stand users' ability to properly and effectively plan and market their services, as stand allocations would not be finalized until April. Sightseeing operators have indicated that they should know about stand allocations months in advance of their operating season for proper marketing and advertising.

Options and Impacts

Option 1 – Begin the next competitive process in February 2015

Under this option, staff will begin the next competitive process in February 2015, using the same approach and evaluation criteria that were used in 2013. A report with recommendations for stand allocations would be brought forward for Council approval in March 2015.

Advantages:

- ensures fairness to sightseeing businesses
- allows for the possible entry of a new operator that may use "greener" vehicles

Disadvantages:

- it is unlikely that proceeding with the same evaluation approach will result in a significant change in the types of vehicles used at parking stands
- requires significant staff resources
- will give stand operators little advance notice of allocations
- any improvements in the outcome of the competitive process would have to wait until the subsequent competitive process, which could be two years or more in the future, depending upon the length of allocations approved by Council

Option 2 – Approach current stand users with an offer to extend the current allocations for one year to April 1, 2016 (Recommended)

Under this option, staff will approach existing stand users to determine if they would like to extend their current stand allocations by one year. If a stand user was not interested in an extension, a competitive process for that stand could be undertaken, or the stand could remain vacant.

Advantages:

- staff resources will focus on competitive process in fall 2015
- will give stand operators greater advance notice of allocations
- may allow for improved outcomes from the competitive process in 2016

Disadvantages:

- does not allow for the possible entry of a new operator in 2015 that may use “greener” vehicles

Conclusions

As there likely will be no significant change in the types of vehicles used at stands, there appears to be no compelling reason to undertake a competitive process for motorized parking stand allocations at this time. The work that is about to begin on GVHA's 10-year strategy and the GPS data study under consideration for the summer of 2015, may reveal opportunities to improve the outcome of the competitive process by introducing new evaluation criteria or minimum standards. That work may also provide some impetus for sightseeing tour operators to explore and introduce new vehicle technologies or approaches to sightseeing operations. A one-year extension of the current stand allocations would allow for the completion of the 10-year strategy and consideration of how its results could be incorporated into the next competitive process. That next process could then be started in the fall of 2015. A one-year extension would also give current stand users some immediate certainty regarding their use of the stands for the 2015 summer tourist season. Conducting a competitive process at this date would mean that stand allocations would not be finalized until April, which impacts stand users' ability to properly and effectively plan and advertise their services.

Recommendation

That Council direct staff to bring forward amendments to the Vehicles for Hire Bylaw that would extend the motorized sightseeing vehicle parking stand allocations to April 1, 2016 for any current stand users who express interest in a one-year extension.