



COUNCIL REPORT

Report Date: October 18, 2023
Contact: Lon LaClaire
Contact No.: 604.873.7336
RTS No.: 15968
VanRIMS No.: 08-2000-20
Meeting Date: November 15, 2023
[Submit comments to Council](#)

TO: Standing Committee on City Finance and Services
FROM: General Manager of Engineering Services
SUBJECT: Commercial Vehicle Permit Program Improvements

Recommendation

- A. THAT Council approves, in principle, amendments to the Street and Traffic By-law and Parking Meter By-law, generally in accordance with Appendix A and Appendix B, to enable commercial vehicles to park during a wider time period and in a greater range of locations for an increased commercial vehicle decal fee.

FURTHER THAT Council instructs the Director of Legal Services to prepare and bring forward for enactment amendments to the Street and Traffic By-law and Parking Meter By-law as generally outlined in Appendix A and Appendix B.

Purpose and Executive Summary

The purpose of this report is to provide Council with recommendations to improve the Commercial Vehicle Permit Program with the goal of improving goods movements and businesses' ability to service clients throughout the city.

The Commercial Vehicle Permit Program currently allows permit holders to stop in commercial loading zones, commercial lanes, passenger zones and pay parking spaces during specified times for up to 30 minutes while loading and unloading passengers and materials.

Staff recognize that the program in its current state is underutilized, provides limited value to the customers, and requires a significant amount of staff time to sell the permits each year. This report presents the following recommendations to improve the Commercial Vehicle Permit Program:

- Allow purchasing and renewals of permits to be completed via an online portal rather than in person.
- Update the features for the Commercial Vehicle Permit Program to add the following:

- Extend the ability to stop in pay parking spaces for free to be until 11 am to load or unload materials (except if parking or stopping is prohibited).
- Park in residential permit parking and resident parking only zones for up to 3 hours between the hours 7 am and 6 pm, on any day of the week, for a fee of \$3.00/hr.
- Update the fee structure of the program to have two vehicle weight classes instead of four. The weight classes will be passenger vehicles (<5,500 kg) and large vehicles (>5,500 kg).
- Increase the price of commercial vehicle decals to \$50-\$150 per year in 2024 and \$150-\$300 per year in 2025 as the current fees of \$27-43 per year are low compared to similar municipalities and have not increased significantly in over 20 years.
- Provide a 50 percent discount on commercial vehicle decal fees for zero-emission vehicles (ZEV).

Implementation of the above changes would increase the value of the Commercial Vehicle Permit Program for permit holders by providing additional areas and times they can stop to load/unload. In particular, it would help tradespeople and service providers park closer to their destination in neighbourhoods that have residential permit parking restrictions. Enabling online permit sales will improve the customer experience and facilitate the transition to licence plate-based enforcement. The fee increases are estimated to generate incremental revenues of \$0.9M in 2024 and an additional \$1.1M in 2025.

It is anticipated these improvements would be implemented in a phased manner. The updated features would be implemented in Q1 2024, the updated fee structure and ZEV discounts in Q3 2024, and the online portal in 2025.

Council Authority/Previous Decisions

- Commercial Vehicle permit methodology and fees are prescribed in Street and Traffic By-law No. 2849 and Parking Meter By-law No. 2952.
- November 2019: Council approved the creation of the [Commercial Vehicle Permit Program](#) to replace the Commercial Vehicle Licensing program that was previously administered by the Union of BC Municipalities

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

In 2019, the Union of BC Municipalities (UBCM) stopped administering the Commercial Licence program after 30+ years because it had ceased to fulfill its original intent and was distributing funds disproportionately among local governments. As an interim measure, the City of Vancouver created a comparable permit program to allow commercial vehicles to operate within commercial loading zones and commercial lanes.

The intent of the Commercial Vehicle Permit Program is to improve goods movement in the community by providing space for commercial vehicles to complete activities such as loading and unloading. The existing program allows permit holders to:

- Stop in commercial loading zones and commercial lanes for up to 30 minutes to load or unload materials.
- Stop in passenger zones for up to 30 minutes until noon to load or unload materials.
- Stop in pay parking spaces for free between 9 am to 10:30 am to load or unload materials (except if parking or stopping is prohibited).

In its current state, the program has a limited use case, sees limited uptake by commercial vehicle users, and generates minimal revenue as the fees have not changed much in over 20 years. Staff see an opportunity to improve the program by providing additional features to commercial vehicle users.

Discussion

To identify ways to improve the program, staff examined the commercial vehicle permit programs of other cities, reviewed feedback received in the City of Vancouver's Zero-Emission Freight Study, and conducted a survey of businesses and commercial vehicle permit holders. Based on this research and engagement, it is recommended that the Commercial Vehicle Permit Program be updated to the following:

- Allow permits to be purchased online rather than having to be purchased in person. This will improve the customer experience and facilitate the transition to licence plate-based enforcement, which will help to ensure that commercial loading zones are only used by those who have the requisite permit.
- Extend the hours that commercial vehicles can stop in pay parking spaces for free to be until 11 am.
- Allow commercial vehicles to park in residential permit parking and resident parking only zones for up to 3 hours to load or unload materials or to provide services between the hours of 7 am and 6 pm, on any day of the week, for a fee of \$3.00/hr. This would enable tradespeople, moving trucks, and other service providers to park closer to their destination in residential neighbourhoods that are regulated by residential parking regulations.
- Simplify the fee structure of the program so it matches the City's definition of a large vehicle and can be more easily understood by customers and staff. This change will result in having two gross vehicle weight (GVW) classes instead of four. The weight classes will be passenger vehicles (<5,500 kg) and large vehicles (>5,500 kg). Examples of large vehicles that may exceed 5,500 kg are included in Appendix C.
- Increase the fees of the commercial vehicle decal to the following to better align with fees charged in nearby municipalities:
 - \$50 per year per decal for passenger-sized vehicles and \$150 per year per decal for larger vehicles in 2024.
 - \$100 per year per decal for passenger-sized vehicles and \$300 per year per decal for larger vehicles in 2025.
 - Vehicles without permanent business signage will continue to require a commercial vehicle licence plate in addition to a commercial vehicle decal. Commercial vehicle licence plate fees are approximately \$230 per year.
- Offer a 50 percent discount on decal fees for zero-emission vehicles (ZEV).

Where possible, staff will also look for opportunities to increase the size and number of commercial loading zones throughout the City as these changes will make it easier to load and unload goods and materials within the City.

Details on background research, stakeholder engagement, and financial, legal, and risk implications are described in the sections below.

Background Research

Staff completed a desktop review of other cities' commercial vehicle permit programs. As part of this study, the following four (4) cities were reviewed:

- Portland
- San Francisco
- Seattle
- Victoria

The following table summarizes how Vancouver and each of the reviewed cities are utilizing their commercial vehicle permit programs.

Table 1: Summary of Commercial Vehicle Permit Programs in Other Cities

	Vancouver	Portland	San Francisco	Seattle	Victoria
Stopping in Commercial Loading Zones and Commercial Lanes Allowed	X	X	X**	X	X***
Free Parking in Metered Parking Stalls Allowed	X*	X (Some permit classes have limited time duration)	X		
Free Parking in residential areas or nearby worksites Allowed			X	X	
Annual fee for a Commercial Vehicle Permit	X	X	X	X	X
Permit Price	\$27 to \$43 annually (depending on the vehicle's weight)	\$70 to \$1,656 annually (depending on permit type)	\$2,340 annually	\$250 for a commercial zone permit annually. \$1,700 for a service zone permit annually.	\$100 annually for vehicles < 6m long. \$300 annually for vehicles > 6m long.

*Free parking is only permitted until 10:30 am.

**Only large vehicles can park in the loading zones. A permit is not required for this.

***Vehicles are also allowed to park in passenger zones. Larger vehicles can park in 'Large Vehicle Loading Zones'.

The following takeaways were identified during the background research:

- Most municipalities charge significantly more than the City of Vancouver for their respective permits.
- Some municipalities offer multiple permit types that provide different features depending on the type of business (delivery vs. service).
- Some municipalities allow free parking for greater durations at pay parking and residential permit zone locations to increase the utility of the permit.

Stakeholder Analysis

To gauge the level of support for the proposed program changes, the following activities were undertaken:

- Previous stakeholder engagement completed as part of the *City of Vancouver Zero-Emissions Freight Study (February 2023)*, an internal research document, was reviewed as many of the questions asked in the survey were relevant to the Commercial Vehicle Permit Program.
- A short feedback survey was sent via e-mail to existing Commercial Vehicle Permit Program permit holders and Business Improvement Area (BIA) representatives for distribution to their membership.

City of Vancouver Zero-Emissions Freight Study

The survey completed for the *City of Vancouver Zero-Emissions Freight Study* was e-mailed to 601 Commercial Vehicle Permit Program participants and 34 responses were received, a 5.6% response rate.

In this survey, participants identified the following common challenges when stopping on the street for deliveries or loading:

- 73% of participants noted there are not enough loading zones and dedicated spaces
- 73% of participants noted there are other vehicles that often block the loading zones or parking
- 55% of participants noted loading zones are often too far away from the delivery locations
- 41% of participants noted that the price of parking is too high
- 41% of participants noted that it is difficult for vehicles to fit in on-street loading zones or parking.

Commercial Vehicle Permit Program Survey

City staff prepared a survey which was e-mailed to 496 Commercial Vehicle Permit Program participants and BIA representatives. In total, 147 responses were received, primarily from existing decal holders.

The survey asked respondents to rank the five following potential improvements:

- Allowing commercial vehicles to park in residential permit zones for a small fee if they are servicing a nearby location.
- Extending the hours that certain classes of commercial vehicles can park for free for up to 30 minutes at metered locations.
- Extending the hours that commercial vehicles can park for free for up to 30 minutes at metered locations from 10:30 am to 11:00 am.
- Increasing the number and size of commercial loading zones throughout the city.
- Having reduced decal fees for hybrid or zero-emission vehicles.

Survey participants were most interested in:

- Being able to park for free during more hours of the day.
- Being able to park for free for longer durations.
- Seeing an increase in the number and size of commercial loading zones.

Other improvements respondents commonly requested from the survey were:

- Features to help businesses complete longer duration services (trades, homecare, plumbing, etc.). This included requests such as the ability to park in residential permit zones.
- Enhanced enforcement as stakeholders noted private vehicles are often illegally parking in Commercial Loading Zones.
- Being able to purchase and renew permits online.

Risk Implications

There are some risks associated with the proposed recommendations. The risks are described below:

- There is a risk that allowing commercial vehicles to park in residential permit parking areas will upset some residents as there may be less permit or resident only parking available near their homes. To minimize this risk, the commercial vehicles will only be allowed to park in residential permit and resident only parking zones during daytime hours (7 am to 6 pm), and only for up to 3 hours. These hours typically see lower parking utilization as residents may be at school or work. If this improvement has positive results, the City can consider allowing commercial vehicles to park for longer durations in the future.
- There is a risk that increasing the cost of the decal will deter businesses from purchasing the decal; however, considering there are new benefits and the increased price of the decal will generally be lower than comparable municipalities staff do not consider this to be a significant risk.

Financial Implications

The City currently sells approximately 10,000 commercial vehicle decals each year, which generates roughly \$300,000 in annual revenue. The proposed decal fees for 2024 and 2025 are described below. The increased decal fees combined with the ability to park in residential permit zones are anticipated to generate an additional \$0.9M in 2024 and \$1.1M in 2025. The additional revenues in 2024 will be included in the draft 2024 operating budget to be presented to Council on December 5th, 2023.

Table 2: Current and Proposed Commercial Vehicle Decal Fees

Vehicle Category	Annual Commercial Vehicle Decal Fee*		
	2023	2024	2025
Up to 2,800 kg	\$27.00		
2,801 to 11,800 kg	\$32.25		
11,801 to 20,000 kg	\$37.75		
20,001 kg and over	\$43.00		
Vehicles Up to 5,500 kg		\$50.00	\$100.00
Zero-emission vehicles up to 5,500 kg		\$25.00	\$50.00
Vehicles 5,500 kg and over		\$150.00	\$300.00
Zero-emission vehicles 5,500 kg and over		\$75.00	\$150.00

**Vehicles without permanent business signage require a commercial vehicle decal and a commercial vehicle licence plate. The commercial vehicle decal fees do not include licence plate fees which are approximately \$230 per year.*

Legal Implications

To implement Recommendation A, by-law amendments are required to the Street and Traffic By-Law and Parking Meter By-law.

* * * * *

APPENDIX A
DRAFT By-law to Amend Street and Traffic By-law No. 2849
Regarding the Commercial Vehicle Permit Program

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

1. This by-law amends the indicated provisions of the Street and Traffic By-law.
2. Council strikes out section 21.6 and substitutes the following:

“21.6 If a person does not display the permanent signage referred to in section 19.2, such person must obtain a permit from the City Engineer for the purposes of sections 19.2, 21.5, and 23.1D. The permit will consist of a metal plate and decal that must be kept securely fastened to the front of the vehicle for which it is issued at all times. The annual fee for the permit is \$228.33, plus the following, as applicable:

Gross Vehicle Weight Fee – Except Zero Emission Vehicles

Up to 5,500 kilograms.....	\$50.00
5,500 kilograms and over.....	\$150.00

Gross Vehicle Weight Fee - Zero Emission Vehicles

Up to 5,500 kilograms.....	\$25.00
5,500 kilograms and over.....	\$75.00

The replacement fee for a lost metal plate is \$13.57, and the replacement fee for a lost decal is \$7.25.”.

3. Council strikes out section 21.6A and substitutes the following:

“21.6A If a person displays the permanent signage referred to in section 19.2, such person must obtain a permit from the City Engineer for the purposes of sections 19.2, 21.5, and 21.3D. The permit will consist of a decal that must be kept securely fastened to the front of the vehicle for which it is issued at all times. The annual fee for the permit is as follows:

Gross Vehicle Weight Fee – Except Zero Emission Vehicles

Up to 5,500 kilograms.....	\$50.00
5,500 kilograms and over.....	\$150.00

Gross Vehicle Weight Fee - Zero Emission Vehicles

Up to 5,500 kilograms.....	\$25.00
5,500 kilograms and over.....	\$75.00

The replacement fee for a lost decal is \$7.25.”.

APPENDIX C

Examples of Large Vehicles that may exceed 5,500 kg

Class Three: 10,001 to 14,000 lbs.



Class Four: 14,001 to 16,000 lbs.



Class Five: 16,001 to 19,500 lbs.



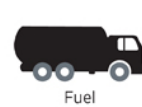
Class Six: 19,501 to 26,000 lbs.



Class Seven: 26,001 to 33,000 lbs.



Class Eight: 33,001 lbs. & over



Source: <https://afdc.energy.gov/data/10381>