



COUNCIL REPORT

Report Date: June 11, 2024
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Meeting Date: June 25, 2024
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TO: Vancouver City Council

FROM: General Manager of Planning, Urban Design and Sustainability
General Manager of Development, Buildings and Licensing

SUBJECT: By-law Amendments to Delay Enactment of Business Licence Requirements for EV Charging at Gas Stations and Parking Lots

Recommendations

- A. THAT Council approve, in principle, a one-year delay from January 1, 2025, to January 1, 2026, in introducing increased fees in the Licence By-law for Gas Stations and Parking Lots that do not provide electric vehicle charging.
- B. THAT the Director of Legal Services be instructed to bring forward for enactment an amending by-law generally in accordance with Appendix A, and future by-law amendments to implement the fee increase as necessary.

Purpose and Executive Summary

In May 2022, Council approved changes to the Zoning and Development By-law and the Licence By-law to encourage the installation of EV chargers at gasoline stations and large commercial parking lots through business licence fees. As a result, a number of owners are proceeding to install publicly accessible EV chargers on their sites. However, several stakeholders in the process of installing EV charging have expressed concerns about challenges outside their control that are making it difficult to complete installations in time for 2025 licence renewals. In response to these concerns, this report recommends delaying enactment of the business licence changes from January 2025 to January 2026.

Council Authority/Previous Decisions

- In September 2023, Council approved [changes to the Licence By-law and Zoning and Development By-law](#) to add an off-site compliance option for gas stations.

- In May 2022, Council approved [changes to the Licence By-law and Zoning and Development By-law](#) to encourage owners and operators of gas stations and commercial parking lots to install EV chargers at their businesses.
- In November 2020, Council adopted the [Climate Emergency Action Plan](#), which included direction to bring forward recommendations to change the business licence fees for gas stations and parking lots to encourage installation of EV charging.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

In May 2022, Vancouver City Council approved amendments to the Licence By-law to encourage EV charging at gas stations and large commercial parking lots through business licensing. Starting in January 2025, commercial parking lots (with at least 60 parking stalls) and gas stations that provide a specified amount of EV charging will continue to pay a relatively low annual business licence fee (currently about \$340 for gas stations and \$250 for auto parking lots). Gas stations and parking lots that do not install the specified amount of EV charging will be subject to a \$10,000 annual business licence fee.

Discussion

At present, there are 66 gas stations and 453 commercial parking lots (approximately 50% of which have at least 60 parking stalls) licensed to operate in Vancouver.

Many business owners who have begun the process of installing EV charging have indicated challenges with having fully activated EV chargers installed by November 2024, which is when business licences renewal notices are issued. Business owners have encountered delays in completing the electrical work due to volume both with BC Hydro and City of Vancouver as well as supply chain issues for equipment procurement due to high demand for this equipment. In combination, these factors are resulting in wait times up to 18 months.

Given these challenges, many business owners have expressed concerns about being unfairly penalized in 2025 when they are in the process of installing EV charging. Both BC Hydro and the City are dealing with a large number of applications, which impacts timelines. To respond to these concerns, staff recommend delaying the new fees to January 2026. If approved, proof of an operating charger would be required by November 2025 in order to qualify for the lower business licence fee in 2026.

Separately, several stakeholders associated with hydrogen fueling have advocated for the inclusion of hydrogen fueling as a compliance option. Staff have engaged with those stakeholders, staff with the provincial government and Metro Vancouver and all are supportive of including hydrogen once the carbon intensity of the supply is consistent with electricity (about 28 grams of carbon dioxide/megajoule of hydrogen). This lower carbon intensity is expected to be reached by mid-2025, and staff will bring forward recommendation to Council following that milestone.

The proposed amending by-law is set out in Appendix A. This by-law will delay the introduction of the increased fees and a further amending by-law will be brought forward to enact the fee increases in the future.

Financial Implications

The program was estimated to grow the public charging network by adding fast chargers to approximately 21 gas stations and level 2 chargers in over 130 parking lots, potentially saving the City about \$11-12M to provide a similar level of public charging. While generating new revenue is not the purpose of this program, the program is estimated to generate \$1.6M/year in 2030 from the higher business licence fees. Delaying the enactment of the Licence By-law is not expected to impact 2030 revenue, but it would mean that the higher business licence fees would not be realized in 2025 and revenues for 2025 would be in line with current levels.

Environmental Implications

The estimated 21 DC fast chargers would approximately double the amount of publicly accessible fast charging in Vancouver today, and could help to reduce carbon pollution by 1,530 tonnes per year (assuming an average of 100 kW per charger and utilization similar to the City's public chargers). Delaying the enactment of the business licence changes would not impact this 2030 projection.

Legal Implications

The proposed by-law amendments will delay the enactment of the by-law fee changes from January 2025 to January 2026, and are authorized by the Vancouver Charter. Further by-laws will be brought forward as necessary.

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**APPENDIX A
AMENDMENTS TO BY-LAW 13513**

Note: A By-law will be prepared generally in accordance with the provisions listed below.

[Licence By-Law 13513](#)

1. This By-law amends the indicated provisions of By-law 13513, “A By-law to amend Licence By-law No. 4450 Regarding Provisions for EV Charging Infrastructure”..
2. Council strikes section 9 and 13.
3. In Section 15. Council strikes “except for sections 9 and 13 of this By-law, which are to come into force and take effect on January 1, 2025.”