



COUNCIL REPORT

Report Date: April 21, 2026
Contact: Om Mogerman
Contact No.: 604-257-8717
RTS No.: 18524
VanRIMS No.: 08-2000-20
Meeting Date: May 20, 2026
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TO: Standing Committee on City Finance and Services

FROM: General Manager of Engineering Services
General Manager of Development, Buildings and Licensing

SUBJECT: Amendments to Impounding and Vehicles for Hire By-laws – Towing Rates

Recommendations

- A. THAT Council approve adjustments to the following rates that tow truck operators are authorized to charge for vehicles and other chattels impounded from city streets and private property under the Impounding By-law and the Vehicles For Hire By-law as described in this report:
- a. Increase the per-kilometre towing rate charged after six kilometres by three percent for all vehicle weight categories, to align with the ICBC Towing & Storage Rate Payment Schedule as of December 2025;
 - b. Increase daily storage rates that towing companies may charge for impounded vehicles by five and a half percent to align with the ICBC Towing & Storage Rate Payment Schedule as of December 2025; and
 - c. Decrease the fuel surcharge to align with the ICBC's Fuel Surcharge and Quick Reference Towing Distance Guides as of April 2026.
- B. THAT Council approve amendments to the Vehicles for Hire By-law to:
- a. Add the following fees for service that towing companies are authorized to charge on any impounded vehicle retrieved after one full calendar day following the date of the initial tow:
 - i. Registered Owner Search (BC licence plate): \$12.50;
 - ii. Registered Owner Search (Non-BC licence plate): \$19;
 - iii. Lien Search: \$26 per lien; and

- iv. Registered Mail: \$14.59;
 - b. Require vehicles impounded from commercial parking lots and parking lots as defined in the Vehicles For Hire By-law, to be stored in Vancouver; and
 - c. Remove requirement for licensed tow operators who provide towing services exclusively at the request of the vehicle owner or operator to have an established place of business in Vancouver.
- C. THAT Council instruct the Director of Legal Services to prepare and bring forward for enactment amendments to the Impounding By-law No. 3519 and Vehicles for Hire By-law No. 6066 as generally outlined in Appendices A and B.

Purpose and Executive Summary

This report responds to a request from the City's tow supplier, All Tech Transport Ltd. (operating as Busters Towing), to update towing, storage, and fuel surcharge rates permitted under the Impounding By-law for vehicles and other chattels impounded from city streets. The updates would align with recent changes made by Insurance Corporation of British Columbia (ICBC) to its Rate Payment Schedule for towing and storage services on ICBC-authorized claims.

Under the City's public towing contract, staff are required to bring proposed amendments to the Impounding By-law to Council within 120 days of receiving notice from the towing supplier. In December 2025, ICBC updated its Rate Payment Schedule to address rising industry costs by increasing towing and storage rates. ICBC has also updated its fuel surcharge to 22 per cent, which is lower than the rate currently charged by the City's towing supplier.

The report also responds to Council's request for information at the October 21, 2025, Council meeting to outline cost pressures faced by licensed towing companies who provide towing and storage services in Vancouver to private parking providers. It also examines whether new administrative fees should be introduced under the Vehicles for Hire By-law that these companies would be permitted to charge customers. The report includes a review of practices in neighbouring jurisdictions and identifies other proposed fee-related adjustments.

The City regulates public and private property towing through the Impounding and Vehicles for Hire by-laws respectively, which establish rules and maximum rates for towing and storage-related to unauthorized parking. Public and private towing rates in Vancouver generally align with ICBC and are intended to balance consumer protection and transparency with stable, predictable pricing that supports a viable towing industry.

Staff recommend amending both by-laws to reflect ICBC's recent changes by increasing per-kilometre towing rates after six kilometres by three per cent, increasing daily storage rates by five and a half per cent, and reducing the fuel surcharge to 22 per cent.

Staff also recommend amending the Vehicles for Hire By-law to allow towing companies to charge itemized administrative fees for services performed when vehicle owners claim their vehicles more than one full calendar day after the initial tow from private property. These fees would only apply where the associated services are required and would not apply if a vehicle is

claimed within one calendar day of the tow. This approach encourages timely pickup without affecting the majority of users, who retrieve their vehicles within 24 hours. An additional measure proposed is to require impounded vehicles to be stored in Vancouver. A summary of the proposed changes to private towing rates is outlined in Appendix C.

Council Authority/Previous Decisions

- The City's authority to regulate tow truck businesses comes from the *Vancouver Charter*:
 - Sections [203](#), [272](#), [273](#) and [317](#) grant Council broad authority to regulate and license tow truck businesses, including business and vehicle licensing, operating standards, maximum fees, signage, and compliance requirements.
- On October 21 2025, Council directed staff to [report back](#) on the increased costs faced by tow-truck companies to assess the need for new consumer administrative fees, including comparisons with other Lower Mainland municipalities.

City Manager's Comments

The City Manager concurs with the foregoing recommendation

Context and Background

Towing from City Streets

Section 2.3 of the Impounding By-law 3519 gives the City Engineer, or their designate, the authority to impound, or cause to be impounded, any vehicle, whether being driven or not, or other chattel that is unlawfully placed, left, kept, or driven on a street. In addition, section 2.4 of the same by-law authorizes the City Engineer to designate premises for the storage of impounded vehicles or other chattels.

Busters Towing, a Vancouver-based towing company was awarded a seven-year contract in 2019 by the City for towing services from city streets and parks. Contractually, the City is obligated to put forward amendments to the Impounding By-law for Council's consideration within 120 days of receipt of such notification by the towing services provider.

In July 2022, Council approved amendments to the Impounding and Vehicles for Hire by-laws to increase the fuel surcharge for the towing of vehicles from public and private property to align with the latest ICBC fuel surcharge increase and in response to rising fuel costs.

In December 2025, ICBC amended the rates; these rates are included in this report.

Towing from Private Property

Section 192 of the *Motor Vehicle Act* authorizes a private property owner to have a motor vehicle or trailer removed, by towing and storage, if left on their property without consent.

The *Vancouver Charter* authorizes the City to regulate towing practices and set maximum rates. Under the Vehicles for Hire By-law, maximum towing, release, and storage fees apply when vehicles are lawfully removed from private property, such as commercial parking lots pursuant to a Tow-away Notice or from other private property where an approved tow-away sign is posted. Vehicles may be towed for reasons including unpaid parking, overstaying time limits, or violating posted rules. These regulated rates do not apply to owner-requested, accident-related, city-initiated tows, or police impounds.

In October 2025, staff recommended introducing separate administrative fees for claimed and unclaimed vehicles. Further analysis and cost information provided by towing companies informed the refined approach in this report. Staff reviewed whether reported cost pressures are attributable to private property towing regulated under the Vehicles for Hire By-law and found that, while labour, equipment, insurance, storage, and compliance costs have increased, private-property towing represents a relatively small share of overall towing activity, and most pressures are not unique to this service.

In March 2026, staff consulted three licensed towing companies representing the majority of private property towing and storage services in Vancouver. Operators cited rising insurance, fuel, vehicle, and equipment costs, with new trucks exceeding \$200,000 and essential equipment such as dollies increasing fourfold in cost over five years. Fleet maintenance costs have also risen due to higher labour and parts costs and supply chain constraints.

Towing operations face rising costs due to specialized training, complex dispatch, and increased documentation requirements to address growing fraudulent damage claims. These demands have driven higher staffing, wage, technology, and administrative expenses, compounded by efforts to match or maintain City wage policies and increasing lease and property tax costs. Additional cost pressures include adapting equipment for heavier vehicles and constrained urban parking environments, while reduced parking supply has increased enforcement demand without corresponding flexibility to recover costs, raising concerns about long-term financial viability and service capacity. In addition, administrative costs for vehicles stored for longer periods, including mandatory owner searches, notifications, and registered mail requirements, are not recoverable through existing rates.

A review of Metro Vancouver municipalities that set maximum towing and storage rates shows that Burnaby and Surrey do not specify administrative fees in their private impound towing rates, leaving such charges unregulated. In contrast, Richmond's by-law incorporates the provincial Lien on Impounded Motor Vehicle Regulation, requiring that the regulation's prescribed maximum administrative fees for police impounds also apply to private property impounds. Without defined limits, fees lack standardization or oversight. Adding itemized administrative fees for service to the by-law will formalize a cost that tow companies can recover providing clarity and establishing a reasonable limit.

Discussion

Public and Private Towing Rates

Staff recommend a coordinated set of updates to the towing rate frameworks for vehicles removed from city streets and private property, with the objective of balancing consumer protection and industry sustainability. For both public and private property impounds, the

proposed changes include updates to distance-based towing charges, storage rates, and the fuel surcharge to align with the latest Insurance Corporation of British Columbia (ICBC) Towing and Storage Rate Payment Schedule. These adjustments are intended to ensure consistency, fairness, and cost alignment across impound types.

The proposed changes reflect a three per cent increase to the per-kilometre towing rates after six kilometres, a five and a half per cent increase to the daily storage rates and a decrease to the fuel surcharge to 22 per cent to align with ICBC's Fuel Surcharge and Quick Reference Towing Distance Guides as of April 2026. Maintaining alignment with ICBC's Towing and Storage Rate Payment Schedule promotes consistency, predictability, and fairness across the towing sector. ICBC rates are developed using standardized assumptions related to labour, equipment, fuel consumption, and operating costs, and are periodically updated to reflect market conditions. Aligning public and private property towing distance rates, storage charges and fuel surcharges with ICBC standards helps ensure that operators are compensated for actual service-related costs. They are intended to ensure that each service category recovers its own costs and to avoid cross-subsidization between different types of towing services.

Additional Proposed Changes to Private Towing

In addition to the shared rate adjustments, two targeted changes are proposed specific to private property towing including introduction of an itemized list of administrative fees for service for vehicles claimed after one calendar day, and a requirement that privately impounded vehicles be stored in Vancouver. Collectively, these changes intend to allow recovery of specific, by-law-driven costs while preserving the consumer protection intent of the existing rate framework.

Limited Administrative Fee

Under the Vehicles for Hire By-law, tow operators are subject to escalating administrative obligations as vehicles remain unclaimed, resulting in costs not recovered through existing rates. Vehicles unclaimed after one day trigger requirements to identify and notify the registered owner by mail within 14 days, and longer term impounds require additional record keeping and reporting to police. These administrative obligations include ICBC registered owner searches for a fee, preparation of notices, and use of registered mail at an additional cost to provide proof of delivery. Costs are higher for non-BC vehicles and cases requiring lien searches to identify secured creditors.

The proposed itemized list of administrative fees for vehicles claimed after one calendar day are intended to offset these case-specific costs. Most vehicles are claimed within 24 hours and would not be subject to this fee. Allowing towing companies to charge administrative fees for the services provided is consistent with the provincial Lien on Impounded Motor Vehicle Regulation where an owner must pay an administrative fee when claiming their vehicle after a police impound. It is also a comparable municipal practice to the City's public towing rate framework that allows the city's contractor to charge administrative fees for claimed vehicles that were impounded from City streets. Similarly, the City of Richmond allows tow truck operators to charge an administrative fee when a vehicle is claimed after impoundment from private property.

Vehicles that are stored more than one calendar day occupy valuable storage space that tow operators must maintain under 24 hours, seven days a week staffing and facility requirements.

These vehicles require additional monitoring, documentation, and customer service demands. Applying the administrative fee after one calendar day provides a reasonable incentive for timely retrieval without penalizing most users, who reclaim vehicles within 24 hours.

Vehicle Storage in Vancouver

Currently, the Vehicles for Hire By-law requires every licensed tow truck operator to maintain an established place of business in Vancouver and to notify the Chief Licence Inspector and Police of the location where business records are kept. Staff propose that this requirement apply only to tow truck operators who impound vehicles without the owner's prior knowledge so that vehicles are stored at facilities located within Vancouver. These tows warrant stronger safeguards to ensure accessible vehicle retrieval and effective oversight. Towing businesses that operate solely on requests-for-service by vehicle owners, such as vehicle transport or roadside assistance, would not be required to maintain an established place of business in Vancouver, allowing them to be licensed and to operate in Vancouver.

Financial Implications

Public towing fees are a variable expense and as such, City Staff cannot predict how many tows will be required for City assets throughout the year. However, the base rate of towing will not change and the three percent increase to mileage charge is nominal in the context of the City's cost related to towing internal assets.

Legal Implications

If the Recommendations in this report are adopted by Council, they will result in by-law amendments in accordance with the Appendices to this report.

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APPENDIX A**DRAFT By-law to amend Impounding By-law No. 13709
regarding towing rates and charges**

Note: A by-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

1. This by-law amends the indicated schedules of the Impounding By-law No. 13709.
2. In Schedule A, Council strikes out section 1 and substitutes the following:

“1. Towing fees

- (a) Vehicle with a gross vehicle weight of 2,999 kg or less
 - (i) regular tow\$82.18
 - (ii) tow with dolly\$118.23

Plus, for a towing distance greater than 6 km.....\$2.48 per km

Plus fuel surcharge of 22% on the above rates
- (b) Vehicle with a gross vehicle weight of 3,000 kg to 6,300 kg
 - (i) regular tow\$86.78
 - (ii) tow with dolly\$122.83

Plus, for a towing distance greater than 6 km\$3.11 per km

Plus fuel surcharge of 22% on the above rates
- (c) Vehicle with a gross vehicle weight of 6,301 kg to 9,072 kg

Regular tow.....\$137.58

Plus, for a towing distance greater than 6 km.....\$3.51 per km

Plus fuel surcharge of 22% on the above rates
- (d) Vehicle with a gross vehicle weight of 9,073 kg and over

Regular tow.....\$182.98

Plus, for a towing distance greater than 6 km.....\$7.34 per km

Plus fuel surcharge of 22% on the above rates”.

3. In Schedule A, Council strikes out section 3 and substitutes the following:

“3. Storage charges

For the first day, or portion thereof, and each subsequent day, or portion thereof, that the vehicle is impounded and stored:

- (a) for vehicles up to and including 20 feet in length (6.1 m).....\$26.56
- (b) for vehicles more than 20 feet in length (6.1 metres) up to and including 35 feet in length (10.7 metres).....\$53.12
- (c) for vehicles more than 35 feet in length (10.7 m)\$79.68
- (d) for motorcycles\$13.28”.

4. This by-law is to come into force and take effect on the date of its enactment.

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APPENDIX B
DRAFT By-law to amend Vehicles for Hire By-law No. 6066
regarding towing rates and fees and other miscellaneous amendments

Note: A by-law will be prepared generally in accordance with the provisions listed below, subject to change and refinement prior to posting.

1. This by-law amends the indicated schedules of the Vehicles for Hire By-law No. 6066.

2. Council strikes out section 17(1) and substitutes the following:

“17. (1) Every person to whom a tow truck license has been granted shall:

(a) keep an established place of business within the City, except that this requirement does not apply to a person to whom a tow truck licence has been granted who provides towing services exclusively at the request of the vehicle owner or operator, including but not limited to roadside assistance, vehicle transport, or breakdown recovery; and

(b) notify the Chief Constable and the Inspector in writing of the address, or any change thereof, of the premises where such person keeps the books and records of the operation of his or her business.”.

3. Council strikes out section 17(5) and substitutes the following:

“(5) Every person who operates a tow truck and who impounds vehicles from private property shall:

(a) provide staff for the purpose of releasing the vehicles to their owners on a 24 hour basis at the impound lot where such impounded vehicles are stored;

(b) store the vehicles at an impound lot located in Vancouver, except that this requirement does not apply if the vehicle is impounded at the request of the vehicle owner or operator; and

(c) ensure that the impound lot is illuminated.”.

4. Council strikes out section 17(14)(b) and substitutes the following:

“(b) if a vehicle remains unclaimed or uncollected for more than 1 (one) calendar day after impounding, send written notification to the registered owner thereof within the next 14 days if the vehicle is registered within British Columbia, or as expeditiously as possible if the vehicle is registered outside British Columbia, and such person may charge the registered owner of the vehicle for any of the following administrative costs incurred solely for the purposes of complying with this clause

(b), except that the fees charged for such services shall not exceed the amounts set out in Schedule “C”:

- (i) registered owner search (British Columbia registration),
- (ii) registered owner search (non-British Columbia registration),
- (iii) lien search,
- (iv) registered mail notification;”.

5. Council strikes out Schedule “C” and substitutes the Schedule “C” attached to this by-law as Schedule A.

6. This by-law is to come into force and take effect on the date of its enactment.

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SCHEDULE "C"**Rates and fees for private impounded vehicles (towing fees will have GST added)****1. Towing fees**

- (a) Vehicle with a gross vehicle weight of up to 3,000 kg or less
- | | |
|--|---------------|
| Regular tow..... | \$82.18 |
| Plus, for a towing distance greater than 6 km..... | \$2.48 per km |
| Plus fuel surcharge of 22% on the above rates | |
| Plus, for a tow that requires a dolly | \$36.05 |
| Plus, for a tow in a multi-level parkade | \$11.00 |
- (b) Vehicle with a gross vehicle weight of between 3,000 kg to 6,300 kg
- | | |
|--|---------------|
| Regular tow..... | \$86.78 |
| Plus, for a towing distance greater than 6 km..... | \$3.11 per km |
| Plus fuel surcharge of 22% on the above rates | |
| Plus, for a tow that requires a dolly | \$36.05 |
| Plus, for a tow in a multi-level parkade..... | \$11.00 |
- (c) Vehicle with a gross vehicle weight of between 6,300 kg to 9,072 kg
- | | |
|--|---------------|
| Regular tow..... | \$137.58 |
| Plus, for a towing distance greater than 6 km..... | \$3.51 per km |
| Plus fuel surcharge of 22% on the above rates | |
- (d) Vehicle with a gross vehicle weight greater than 9,072 kg
- | | |
|--|---------------|
| Regular tow..... | \$182.98 |
| Plus, for a towing distance greater than 6 km..... | \$7.34 per km |
| Plus fuel surcharge of 22% on the above rates | |

2. Release (unhooking) fees

Where towing service has commenced hook-up and the owner or person in charge requests delivery of the vehicle before it is towed:

- (a) Vehicle with a gross vehicle weight of up to 3,000 kg or less

(i)	Regular tow.....	\$41.09
	Plus fuel surcharge of 27% on the above rate	
(ii)	Tow with dolly.....	\$70.21
(iii)	Tow in multi-level parkade	\$57.68
(iv)	Tow with dolly in multi-level parkade.....	\$75.71
(b)	Vehicle with a gross vehicle weight of between 3,000 kg to 6,300 kg	
(i)	Regular tow.....	\$43.39
	Plus fuel surcharge of 27% on the above rate	
(ii)	Tow with dolly	\$73.13
(iii)	Tow in multi-level parkade	\$60.61
(iv)	Tow with dolly in multi-level parkade.....	\$78.63
(c)	Vehicle with a gross vehicle weight of between 6,300 kg to 9,072 kg	
(i)	Regular tow.....	\$68.79
	Plus fuel surcharge of 27% on the above rate	
(d)	Vehicle with a gross vehicle weight greater than 9,072 kg	
(i)	Regular tow.....	\$91.49
	Plus fuel surcharge of 27% on the above rate	

3. Storage fees

The daily fee for storage of a vehicle at a storage facility before it is released to its owner:

Length of vehicle

(a)	Up to 20' (6.1m)	\$26.56
(b)	> 20' (6.1m) to 35' (10.7m).....	\$53.12
(c)	> 35' (10.7m)	\$79.68
(d)	Motorcycles.....	\$13.28

4. Administrative fees

- (a) Registered Owner Search (BC licence plate): \$12.50
- (b) Registered Owner Search (Non-BC licence plate): \$19.00
- (c) Lien Search: \$26.00 per lien
- (d) Registered Mail: \$14.59

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APPENDIX C
Summary of Recommended Towing Related Rate Changes
to Vehicles for Hire By-law (Private Property Towing)

	Current Rates	Previous Recommendation	New Recommendation
Administrative Fees			
Claimed Vehicle	n/a	\$55.05	<ul style="list-style-type: none"> • Registered Owner Search BC: \$12.50; Outside BC: \$19 • Lien Search: \$26 • Registered Mail: \$14.59
Unclaimed Vehicle	n/a	\$70.09	n/a
Towing Distance			
Vehicle weight up to 3,000 kg	\$2.41	n/a	\$2.48
Vehicle weight 3,000 kg to 6,300 kg	\$3.02	n/a	\$3.11
Vehicle weight 6,300 kg to 9,072 kg	\$3.41	n/a	\$3.51
Vehicle weight greater than 9,072 kg	\$7.26	n/a	\$7.34
Daily Storage Fees by Vehicle Length			
Up to 20' (6.1m)	\$25.18	\$40	\$26.56
> 20' (6.1m) to 35' (10.7m)	\$50.36	\$52	\$53.12
> 35' (10.7m)	\$75.54	\$80	\$79.68
Motorcycles	\$12.59	\$20	\$13.28
Fuel Surcharge			
	27%	n/a	22%