

Date: March 11, 2009



TO: Board Members – Vancouver Park Board
FROM: General Manager – Parks and Recreation
SUBJECT: 2009 Operating Budget – Stanley Park Shuttle

RECOMMENDATION

- A. *THAT as part of the proposed 2009 budget initiatives, the Board approve discontinuation of funding for the Stanley Park Shuttle service for 2009.***
- B. *THAT staff explore other options for funding the Shuttle which could allow for its continued service in 2009 and / or future years, at no or minimal cost to the Board.***

POLICY

There is no applicable policy.

BACKGROUND

In 1996, the Board approved the Stanley Park Transportation Plan that recommended the introduction of a shuttle service as a means to lessen reliance on automobiles for transportation within the park and to increase visitor access to all areas of the park.

Following a Request for Proposals (RFP) process, in 1997 the Board awarded the contract to operate the Stanley Park Shuttle to Vancouver Trolley Company (VTC). The agreement was for an initial one-year term that could, by mutual consent, be extended up to a maximum total term of five years. The service was to be a free one, to run in the summer months, funded from additional revenues generated from an increase in pay parking rates in Stanley Park in the summer months. This parking rate increase was introduced in 1997.

The Shuttle service started up in the summer of 1998. In 1999, it was extended by one year, as a free service. In 2000, the Board approved a further extension for an additional three years, 2000 - 2002, as a fare paying service. A fare of \$2 per adult and \$1 per child was charged in 2000, and complimentary rides were given to holders of bus transfers or passes, Leisure Access Cards and to children aged five and under. Shuttle ridership fell by 60% in that year and the decision was made to return to providing a free service for the last two years of the contract.

In 2003, the Board approved an extension of the Shuttle Agreement with VTC for one more season, the summer of 2003, and authorised staff to issue an RFP for the next five years. The RFP was issued in October, 2003, for provision of the Shuttle service for 2004 -2008, with a possible extension on its expiry for up to a further five years, by mutual agreement. VTC was the only proponent and was awarded the contract.

The red, heritage style trolleys used for the Shuttle service carry 34 seated passengers and 20 standing. They are fuelled by propane, are equipped with wheelchair lifts and can each take 2 persons in wheelchairs. The Shuttle is a “hop on hop off” service, running only within Stanley Park, stopping at 15 points of interest around the park.

DISCUSSION

Due to the economic downturn, the City is facing a financial challenge in balancing the 2009 operating budget without significantly increasing property tax. All City departments and business units are required to show budget restraint and contribute savings to the operating budget. After a thorough analysis of Park Board services, the shuttle was identified as a service cut that, on a comparative basis, was the best opportunity for the Board to meet the \$200,000 target allocated to it by the City in order to meet Council’s directive.

The initiative to cut funding for the Shuttle in 2009 was discussed and endorsed by the Board’s Services and Budget Committee at its meeting of March 10, 2009.

Summary of 2008 Shuttle Service

In 2008, the Shuttle operated for 97 days, between June 17 and September 21. Either three or four trolleys operated daily, from 10 a.m. - 6.30 pm, at a service frequency of 12-15 minutes.

The total net cost to the Board in 2008 and the proposed costs if a similar service were to run in 2009, are as follows:

	2008 actual costs (June 17 – Sept 21)	2009 proposed costs (June 16 – Sept 20)
Trolley charter costs	\$206,000	\$230,000
Other net costs	\$ 12,000	\$ 12,000
Total costs	\$218,000	\$242,000

“Trolley charter costs” are the vehicle charter costs paid to VTC. “Other net costs” are advertising and promotion; updating, installing and removing the Shuttle Stop signage, and other miscellaneous costs, offset in part by revenues from onboard advertising.

Over its years of operation, ridership has ranged from a low of 41,000 in 2000 (the year a fare was charged) to a high of 157,000 in 2007. In 2008, the Shuttle carried 136,000 passengers, an average of over 1,400 per day.

Agreement with VTC - renewal option

The 5 year agreement for the years 2004 - 2008 allows for a renewal for up to a further five years by mutual agreement of the Board and VTC. No commitment has yet been made in respect of this potential renewal.

Future Options

Staff are exploring options with VTC for funding the Shuttle service to allow it to continue in some form in 2009. This includes potentially finding a sponsor for the service and / or allowing fares to be charged by VTC.

In addition, staff will investigate a long term solution that will provide for shuttle service in Stanley Park by speaking with industry professionals, stakeholders or potential sponsors.

SUMMARY

Cancelling funding for the Shuttle meets the proposed 2009 budget reduction initiative. However, the Shuttle is a popular service, which enhances the visitor experience to Stanley Park and enables people to access areas of the park which they might not otherwise be able to easily reach. Staff will continue to work with VTC and Stanley Park stakeholders on cost neutral options for providing the Shuttle service this summer and in future years.

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