

TO: CITY MANAGER 2000 November 15

FROM: DIRECTOR PLANNING AND BUILDING Our File: 08.201.4

SUBJECT: TRANSLINK VEHICLE LEVY

PURPOSE: To recommend that the City of Burnaby formally endorse TransLink's Federal Funding Proposal and endorse TransLink's brief to *Canadian Transportation Act* Review Panel.

RECOMMENDATIONS:

1. **THAT** the City of Burnaby formally endorse TransLink's Federal Funding Proposal (*Attachment "B"*) and endorse TransLink's brief to *Canadian Transportation Act* Review Panel (*Attachment "C"*).
2. **THAT** Council forward a copy of this report to all local federal election candidates, *Canada Transportation Act* Review Panel ¹, the TransLink (Chair), and GO GREEN Choices (Director).

REPORT

1.0 BACKGROUND

At the 2000 November 4 Council of Councils Meeting, those in attendance received presentations from TransLink staff and their consultants on the details of the proposed vehicle levy, market research on public attitudes toward the different funding options and the potential impact of not approving the vehicle levy (or securing alternative funding). At the Council of Councils meeting common themes expressed by council members from the various councils in attendance included:

- the Federal government should be directing some of \$350 million collected in Federal gasoline tax in the Greater Vancouver Regional District (GVRD) back into the GVRD by funding a portion of the road and transit initiatives contained within TransLink's *Strategic Transportation Plan*; and
- TransLink should make greater efficiencies in their operations so their goals can be achieved within their existing means (revenues).

¹ CTA Review Panel require an electronic file as well as a hard copy of the submission.

At its regular meeting of 2000 November 6, Council received an item of correspondence from the Chief Executive Officer of TransLink requesting that Council consider endorsing two active initiatives which are targeted at these two alternative funding themes (see *Attachments "A" through "C"*). The purpose of this report is to present these initiatives for the consideration of Council. The attachments for this report have been circulated to members of Council under separate cover and are available for public viewing in the Planning Department.

2.0 TRANSLINK BOARD FUNDING DECISION

At its subsequent regular meeting of 2000 November 9, the TransLink Board deferred a decision on the *Strategic Transportation Plan* funding option (the vehicle levy) until its next meeting of 2000 November 22. In an effort to explore alternative *Strategic Transportation Plan* funding options, the Board requested the Regional Administrative Advisory Committee (RAAC) made up of City Managers, the Chief Administrative Officer of the GVRD and the Chief Executive Officer of TransLink, to review the *Strategic Transportation Plan* and its costs. At the 2000 November 22 meeting, the Board will also be considering a motion to reduce transit fares as transit customers have been paying higher fares since 2000 June 1.

Based on the outcome of 2000 November 22 meeting of the Board, TransLink staff will finalize the 2001 TransLink budget for presentation to the Board on 2000 December 13. As the *GVRTA Act* legislates that TransLink can not run a deficit, TransLink will only be able to proceed with the full scope of the *Strategic Transportation Plan* if adequate funding is secured.

In addition to setting this direction the Board also approved the following actions at the 2000 November 9 meeting:

- *deferred 80,000 hours of planned transit service improvements* scheduled to take effect on 2000 December 11 and as such the existing transit schedules will be maintained (the earliest date these transit improvements could now be implemented is 2000 April); and
- *confirmed the procurement of 27 new 40' diesel buses* for delivery in 2001 September.

3.0 FUNDING ALTERNATIVES

In addition to the RAAC meeting, two other specific alternative budget initiatives are being pursued by TransLink.

3.1 FEDERAL FUNDING CONTRIBUTION

Subsequent to the TransLink Board meeting, a meeting between the TransLink Board, regional mayors and Finance Minister, the Honourable Paul Martin was held to explore ways in which the Federal government could participate in funding road and transit improvements within the Greater Vancouver Regional District (GVRD).

This meeting represents the latest in a series of discussions that was initiated in 1998 by TransLink. Although initial indications from this meeting were that there were no commitments provided by the Federal government, TransLink is committed to continuing to lobby for Federal funding. The most recent step in this program is outlined in *Attachment "B"* and involves a specific proposal to the Federal government which was developed jointly with the BC Trucking Association (BCTA), the BC Auto Association (BCAA) and the Gateway Council.

The overall approach recommended within the TransLink proposal is for a Federal funding program that would include the following specific elements:

- 1) an annual contribution of **20% of TransLink's operating and debt service costs for transit service** (to offset the need for a vehicle levy or other new funding source);
- 2) an annual contribution of **\$50 million / year for the Federal share of Major Road Network (MRN) capital improvement projects**; and
- 3) a Federal commitment to fund **one third of the proposed Richmond - YVR - Vancouver rapid transit line** when an agreement is reached on alignment and technology.

As stated in TransLink's letter of transmittal,

"The three private agencies (BATA, BCAA and Gateway Council) will undertake lobby efforts on behalf of this proposal. However, again it would be valuable if municipal Councils in the region endorsed the proposal and advised the local Federal candidates of this position."

3.2 CANADIAN TRANSPORTATION ACT REVIEW PANEL SUBMISSION

The second initiative is related to the *Canada Transportation Act* which governs the role of the Federal government in transportation and regulates carriers. TransLink, in partnership with other government transportation agencies provides services and infrastructure that will maintain the effectiveness of the Vancouver region as a place

of employment and recreation while maintaining a healthy environment and high quality of life for the regions residents. As such, the *Canada Transportation Act* could play a significant supporting role to these goals. Although TransLink notes, "... the *Canada Transportation Act* (currently) plays a significant role, more in what it does not address than in the regulations and processes it prescribes."

The *Canada Transportation Act* Review Panel has initiated a review process which was laid out by the Federal government in the revisions to the Act in 1996. Transport Canada has stated that,

"As stipulated in Section 53 of the Act, the Panel will assess whether the legislation provides an "efficient, effective, flexible and affordable" transportation system for Canada and Canadians. Both the operation of the legislation, and the policy objectives on which it is based, are open to review."

The review panel has been appointed, and has held hearings throughout Canada as part of this review process. Transport Canada has charged the Panel with a deadline of 2001 July 1, resulting in the Panel having less than a year to conduct the review. In addition, the Panel is required to submit an interim report on access issues by December 31, 2000.

The submission developed by TransLink contained in *Attachment "C"* was submitted to the *Canada Transportation Act* Review Panel at their Vancouver hearing. This item targets the issue of seeking efficiencies and reducing TransLink's net operating and capital costs. The recommendations contained within this five part submission and their potential benefits for TransLink are summarized in Table 1.

Table 1
Summary of Benefits Associated with the Specific Recommendations
Contained Within the TransLink Submission to the
Canada Transportation Act Review Panel

Recommendation		Potential TransLink Benefits
1.	Develop and fund a comprehensive Federal (transportation) infrastructure funding program (as discussed in Section 3.1 of this report).	<ul style="list-style-type: none"> • elimination of vehicle levy • predictable source of ongoing revenue

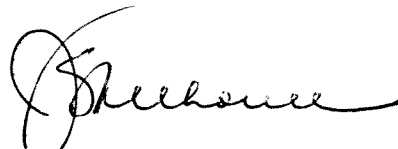
Recommendation		Potential TransLink Benefits
2.	Amend the <i>Canada Transportation Act</i> to support "shared" operation of commuter rail in existing rail corridors.	<ul style="list-style-type: none"> • elimination of the railways monopoly over use of existing rail corridors • significant reduction in the cost of new access and operating agreements
3.	Amend the <i>Canada Transportation Act</i> to make provision for the operation of light rail transit within existing rail corridors.	<ul style="list-style-type: none"> • opens an opportunity to introduce modern day interurban services on existing rail lines • significant reduction in the cost of new access and operating agreements
4.	Institute a " one time " review of all existing commuter rail agreements to ensure that the greater public interest is being met.	<ul style="list-style-type: none"> • significant reduction in the cost of existing access and operating agreements on existing rail lines • direct benefit for <i>West Coast Express</i> • direct benefit for <i>Millennium SkyTrain Line</i>
5.	Amend the <i>Canada Transportation Act</i> to provide access to all rail rights-of-way for urban transit infrastructure (i.e SkyTrain).	<ul style="list-style-type: none"> • increases the opportunity to use existing rail right-of-way for new rapid transit facilities • significant reduction in the cost of new access and operating agreements for SkyTrain lines (i.e. Coquitlam and Richmond-YVR-Vancouver)
6.	Amend the <i>Canada Transportation Act</i> to designate all urban "rail" corridors as " transportation " corridors.	<ul style="list-style-type: none"> • limits the "net salvage value" of existing rail corridors to transportation uses • examples of direct benefits include the potential direct purchase of the Arbutus corridor or the use of surplus SkyTrain right-of-way on BNR right-of-way as urban trail
7.	Federal government fund and regulate in a way to support sustainable transportation .	<ul style="list-style-type: none"> • increased support for commuter rail, rapid transit, and light rail • increased support for "shared" use on existing rail lines (commuter rail and modern interurban)

As stated in TransLink's letter of transmittal,

"We believe the report was well received by the Panel. However, the panel will hear submissions from railways and others who may present differing views. We believe it would increase the impact of the submission substantially if all municipalities in the region endorsed the brief (or those parts that it can endorse) and advised both their local Federal candidates and the CTA Review Panel of their support for it."

4.0 CONCLUSION

Both of the initiatives summarized in this report, TransLink's Federal Funding Proposal and TransLink's brief to *Canadian Transportation Act* Review Panel, are potential budgeting alternatives to the vehicle levy. The former offers a specific proposal to the Federal government for redirecting some of the \$350 million in gasoline tax annually in the Greater Vancouver area to the road and transit initiatives outlined in TransLink's *Strategic Transportation Plan*. As a dedication of a portion of the Federal gasoline tax will require action on the part of the Federal government, the current Federal election provides a window of opportunity for Council to reinforce the need for immediate action on the part of the Federal government. Moreover, the latter offers a legislative change which could yield significant cost savings to TransLink both in the medium and long term and is again timely given the *Canada Transportation Act* Review Panel will be preparing their interim report for 2000 December 31.



D.G. Stenson, Director
PLANNING AND BUILDING



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Attachments

cc: Director Finance
Director Engineering

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