

TO: CITY MANAGER **DATE:** 2008 July 2
FROM: DIRECTOR PLANNING & BUILDING **FILE:** PL 2156 - 01
*Reference: SCBCTA (TransLink)
Long-Range Plans*

SUBJECT: REVIEW OF TRANSLINK'S DRAFT *TRANSPORT 2040* PLAN

PURPOSE: To provide preliminary feedback on TransLink's draft *Transport 2040* plan.

RECOMMENDATIONS:

1. **THAT** Council forward this report to Amelia Shaw, TransLink's Manager – Public Consultation, as Burnaby's preliminary feedback on *Transport 2040*.
2. **THAT** Council reserve final judgement on the specific implications of *Transport 2040* to the City of Burnaby, pending the release and review of Metro Vancouver's new Regional Growth Strategy and the Province's transportation vision for the Pemberton-to-Hope corridor.
3. **THAT** the TransLink Board be requested to seek additional input on *Transport 2040*, and update it as necessary, in concert with Metro Vancouver's process to adopt a new Regional Growth Strategy.
4. **THAT** copies of this report be forwarded to the City's Transportation Committee, including the Bicycle Advisory Group.

REPORT

1.0 INTRODUCTION

Under its new legislation, the *South Coast British Columbia Transportation Authority Act (SCBCTA Act)*, there are certain planning documents which TransLink is required to produce:

1. **Long-Term Strategy**, spanning at least 30 years. This document will set out the goals and directions for the regional transportation system, key initiatives, and a statement of underlying principles. The Long-Term Strategy will be updated every five years.
2. **Strategic Plan**, spanning 10 years, will outline on a year-by-year basis where revenues will come from and how they will be spent. The Plan will identify the major actions to be undertaken, and set out their relationships to the factors that were considered in the Long Term Strategy (which it must be guided by). The Strategic Plan will be updated annually.

To: City Manager
From: Director Planning & Building
Re: Review of TranLink's Draft Transport 2040 Plan
2008 July 2..... Page 2

TransLink is presently in the process of drafting both such documents for the first time. On 2008 June 16, TransLink wrote to Mayor Corrigan seeking comments on the final draft of the 30-year Long-Term Strategy. Comments must be received by 2008 July 18. This report responds to that request, and also provides an overview of the thinking that is going into the ten-year Strategic Plan.

The one-month consultation period is extremely short for the furthest-looking document that TransLink has ever produced. The schedule is the result of conflicting requirements that the Province has placed on TransLink:

- The new Board took office on 2008 January 1.
- The ten-year Strategic Plan must be ready by 2008 August 1.
- The Strategic Plan must reflect the 30-year Long-Term Strategy.
- The Long-Term Strategy is supposed to reflect the Province's transportation Vision for the entire Pemberton-to-Hope corridor¹. However, the Province has not yet prepared such a Vision.

Foreseeing this challenge, TransLink staff began developing the Long-Term Strategy in the fall of 2007, even before the new Board was in place. This included periodic consultation with key stakeholders as the Long-Term Strategy was being developed. However, the challenges of becoming familiar with their new legislation, orienting their all-new Board, and waiting for the Province's Vision have resulted in only a few weeks available for consultation with municipal Councils on the draft document.

2.0 TRANSPORT 2040

2.1 The Context

Transport 2040 is the name of TransLink's first Long-Term Strategy. It is a document that, if fully implemented², will reshape transportation in Metro Vancouver. It incorporates issues that have gained prominence in recent years, such as climate change and the limitations on oil supplies. *Transport 2040* is reportedly grounded in Metro Vancouver's new Regional Growth Strategy. It is our understanding that it reflects ongoing discussions between TransLink and Metro Vancouver staff. This is critical, since it is the combined, integrated effect of the two documents that will shape the region. However, that new Regional Growth Strategy is still under development and is not yet available in a draft form for Council's review. The comments that follow on *Transport 2040* are thus comments on what is essentially half a regional plan: the transportation half.

¹ Ministry of Transportation; "Backgrounder – Amendments to the GVTA Act"; 2007 April 26.

² The previous such document, *Transport 2021*, was produced in 1993. Significant sections were never implemented. The end result was thus more evolutionary than revolutionary.

To: City Manager
From: Director Planning & Building
Re: Review of TranLink's Draft Transport 2040 Plan
2008 July 2.....Page 3

Copies of *Transport 2040* have been provided separately to members of Council. Key passages are replicated in this report.

Transport 2040 begins with a "Challenges and Groundwork" section which outlines key themes that shape the plan:

- a diverse and aging population;
- the importance of managing growth;
- the success of town centres in attracting residential and commercial development, but not offices;
- the challenge of serving business parks with transit;
- a transportation system dominated by automobiles;
- the need to dramatically reduce greenhouse gas emissions (by reducing car travel, using cleaner and more efficient vehicle technologies, and using cleaner forms of energy);
- addressing air quality;
- responding to the forecast peak and decline of oil production (which is a triple challenge to TransLink: increased transit demand, higher fuel costs, and reduced gas tax revenue);
- keeping the economy moving, with particular reference to the region's "gateway" function; and
- improving public safety (which encompasses the traditional issues of accidents and security, but also considers terrorism, earthquakes, and the impacts of climate change).

City commentary:

1. In view of the extremely short time available for Council review, and the fact that a new draft Regional Growth Strategy has not yet been made available for Council's consideration, all comments in this report should be considered preliminary. It is recognized that TransLink has a legislated requirement to adopt a Long-Term Strategy in the next few weeks. However, once a new draft Regional Growth Strategy has been prepared, TransLink should undertake a more comprehensive consultation process on *Transport 2040*, and update it if necessary in light of feedback received and the final version of the Regional Growth Strategy. This will also provide an opportunity to reflect the Province's Vision for the Pemberton-to-Hope corridor, should it be available by then, though a better outcome would likely be that the Province's Vision be made consistent with *Transport 2040* rather than the other way around.
2. The "Challenges and Groundwork" section is generally a good discussion of the issues and expectations facing TransLink.

To: City Manager
From: Director Planning & Building
Re: Review of TranLink's Draft Transport 2040 Plan
2008 July 2..... Page 4

3. The discussion of population diversity would benefit from reviewing income diversity, and stressing the importance of having a transportation system that serves all income levels.
4. The discussion of greenhouse gas notes the Province's legislated target of a 33% reduction below 2007 emission levels by 2020. However, this target is only half-way through the 30-year life of *Transport 2040*. Mention should be made of longer-term targets for the balance of the 30 years, of which the most widely used is an 80% reduction below 1990 levels by 2050. This, for example, is the target approved this year by Canada's House of Commons. *Transport 2040* must be grounded in the reality that a 33% reduction in greenhouse gas emissions is a significant step, but is only the first such step.
5. On peak oil, *Transport 2040* notes that, "The rate of oil production is forecast to peak and begin declining over the coming decades, while global demand for oil continues to grow." This is correct, but incomplete. It gives the impression that we have many years in which to prepare. This contrasts with a study done for the U.S. Department of Energy³. In reviewing published estimates for the peak, the average year was 2014. While an exact year cannot be known, *Transport 2040* should acknowledge the possibility that peak oil is imminent.
6. *Transport 2040's* discussion of peak oil fails to carry over to its discussion of the region's role as, "Canada's primary gateway to the Asia-Pacific." It notes that the port's container traffic is expected to triple by 2020. This is a projection based on the continued availability of cheap oil. It contrasts with a recent statement from the Canadian Imperial Bank of Commerce: "Globalization is reversible. Higher energy prices are impacting transport costs at an unprecedented rate. So much so, that the cost of moving goods, not the cost of tariffs, is the largest barrier to global trade today. In fact, in tariff-equivalent terms, the explosion in global transport costs has effectively offset all the trade liberalization efforts of the last three decades. Not only does this suggest a major slowdown in the growth of world trade, but also a fundamental realignment in trade patterns."⁴
7. Even setting that aside, the projection that container traffic is expected to triple may be significant for Canada's Pacific gateway, but not for TransLink's mandate. The reason is that Canada's flow of containers is moving by rail. Roughly 70% of the port's containers (and 100% of the bulk commodities, like coal) move by rail⁵. The containers that do move by truck consist almost entirely (96%) of local traffic⁶. This has economic value, but is a small share of total truck movements on the region's roads, and has nothing to do with serving the nation. The focus on the port is misplaced.

³ Hirsch, Robert L.; "Peaking of World Oil Production: Recent Forecasts"; 2007 February 5.

⁴ Rubin, Jeff and Tal, Benjamin; "Will Soaring Transport Costs Reverse Globalization?" in *StrategEcon*; CIBC World Markets Inc.; 2008 May 27.

⁵ Cox, Jim; VP Infrastructure Development; Vancouver Port Authority; 2006 September 25.

⁶ TransLink; "Lower Mainland Truck Freight Study"; 1999.

To: City Manager
From: Director Planning & Building
Re: Review of TranLink's Draft Transport 2040 Plan
2008 July 2..... Page 5

8. One unnamed challenge that deserves mention is the rather mundane need to replace aging infrastructure. Some, such as various TransLink-owned bridges across the Fraser River (e.g., Pattullo, Knight), are quite expensive. This will increasingly be a burden on TransLink's limited financial resources.

2.2 The Vision

Based on the "Challenges and Groundwork", *Transport 2040* then lays out a broad Vision for the future (not to be confused with the forthcoming provincial Pemberton-to-Hope vision). Quoting from the document:

"Our vision for 2040 is built on a desire to balance the needs of a healthy economy with environmental protection, social equity, and support.

"In 2040, TransLink is seen as a sustainability enabler and has deployed every possible method to make travel smarter: expanded infrastructure and services; innovative technologies; enhanced priority to non-automobile alternatives; convenient access to transit, especially for people with mobility or cognitive challenges; easy-to-use travel information and massive public outreach.

"Greenhouse gas emissions from transportation sources have been greatly reduced. TransLink has adopted low and zero-emissions technologies and implemented full life-cycle cost principles for decision making. Trips by private vehicle are far less common and less necessary, as land use and transportation plans are integrated and people live in more complete communities.

"Transportation and land use decisions have changed lives and lifestyles, having drawn people to vibrant residential areas where it is easy to get around on foot or by bike, and the Frequent Transit Network is close at hand. This network provides frequent, reliable transit service on designated corridors throughout the day, everyday. It serves all the key employment, educational, commercial, and recreational destinations for residents and visitors. Rapid transit lines are well maintained, refurbished, and have been extended to serve developed areas.

"A host of measures – new technology, system design, policing, and information services – ensure that we enjoy one of the safest and most secure transportation systems in the world. With a population of more than three million people, one-quarter of whom are over 65 years old, safety and accessibility are critical to ensure mobility, both physical and social.

"The Pacific Gateway seaports and airports are thriving and are a powerful economic engine in fine tune as the region takes its place at the forefront of the global transition to cleaner economies. Our transportation practices have been crucial to this leadership position, especially the strategic investments in road and rail, superb critical incident management, and road priority for transit and trucks.

To: City Manager
From: Director Planning & Building
Re: Review of TranLink's Draft Transport 2040 Plan
2008 July 2..... Page 6

“We have maintained our global position as one of the best places in the world to live, because we acted in ways that valued the environment and the people of this beautiful region.”

City commentary:

1. The Vision is generally a good one. At this preliminary level of review, it appears worthy of support.
2. Based on the earlier discussion, the Vision's suggestion that “economy” is synonymous with “gateway” is inappropriate
3. The Frequent Transit Network is TransLink's proposal for a grid of key transit routes spanning the region, offering service at least every 15 minutes throughout at least 15 hours of the day, every day. The Vision states that the Frequent Transit Network will be “close at hand” in 2040. In keeping with the magnitude of the challenges identified earlier, that network should have a higher priority. It should be completed by 2040, preferably sooner.
4. The Vision's statement that rapid transit lines will be well maintained and refurbished should also apply to other transportation infrastructure, for all modes.
5. The Vision has an understandable focus on “travel” and “mobility”. However, the use of these terms immediately eliminates some solutions. Travel is not an end in itself, but rather a means to some other end (employment, shopping, socializing, etc.). Some of these objectives can be achieved without travel. For example, some jobs can be performed by tele-commuting, at least some of the time. As with BC Hydro's Power Smart program, it is often cost-effective to help people use less of a costly service. TransLink should be oriented to providing and enhancing access to the interactions that people need, which may or may not involve travel. To the extent that unnecessary travel can be avoided, the rest of the Vision can be more readily achieved.
6. The Vision indicates the desirability of non-automobile modes. This is generally appropriate, but a distinction should be made between single-occupant vehicles and high-occupancy vehicles. Information in *Transport 2040* shows that a three-person carpool (using a gasoline engine) has similar per-person greenhouse gas emissions to a diesel bus. The key difference is that TransLink doesn't have to pay to purchase and operate the car. To the extent that they can promote increased vehicle occupancies, they will achieve their objectives at much lower cost. Ride-sharing needs to become more flexible than it presently is in Metro Vancouver, and models exist for achieving this. Like Power Smart, the most cost-effective solution is to shape demand rather than add new capacity. The existing transportation network has a great deal of surplus capacity, in the form of empty seats being carried around in cars.

2.3 Six Goals

Arising from the Vision are six specific Goals, written as from the year 2040:

1. Greenhouse gas emissions from transportation are aggressively reduced, in support of provincial and regional targets.
2. Most trips are by transit, walking and cycling.
3. The majority of jobs and housing in the region are located along the Frequent Transit Network.
4. Traveling in the region is safe, secure, and accessible for everyone.
5. Economic growth and efficient goods movement are facilitated through effective management of the transportation network.
6. Funding for TransLink is stable, sufficient, appropriate and influences transportation choices.

City commentary:

1. The Goals are considered generally suitable at this preliminary level of review, without knowing the details of the new Regional Growth Strategy.
2. Goal #1 mentions provincial and regional targets for greenhouse gas reduction. Federal targets also exist, and should be referenced.
3. Based on the preceding discussion of the Vision, amend Goal #2 to reflect the desirability of higher auto occupancies and reducing the need for travel.
4. The municipal implications of Goal #3 cannot be fully assessed without the context of a new Regional Growth Strategy.
5. Goal #4 describes the future travel experience. It should also acknowledge the importance of passenger comfort in attracting people to a particular mode.

2.4 Strategies

Transport 2040 identifies four key Strategies, plus sub-strategies, that interact with and support each other to achieve the stated Vision and Goals. The supporting text emphasizes the importance of the connection with Metro Vancouver's Regional Growth Strategy, stating that the two documents, "are being developed in parallel, with the two strategies closely tied together and mutually reinforcing." While this may be true at the staff level, it is a concern that *Transport 2040* is proceeding in advance of Council being able to consider a new draft Regional Growth Strategy.

The strategies and sub-strategies are as follows.

Strategy 1: Make early investments that encourage development of communities designed for transit, cycling, and walking.

1.1 Make substantial investment in transit:

- a) Add capacity on existing services to serve existing demand and attract new ridership
- b) Invest in new rail and bus infrastructure and accelerate a phased implementation of the Frequent Transit Network
- c) Coordinate transit investment with land use development plans to serve and stimulate high density and mixed use areas and reinforce a compact region.

1.2 Provide significant support for walking and cycling:

- a) Initiate and support expansion of cycling at both local and regional levels
- b) Improve integration of cycling and transit
- c) Improve walking and pedestrian facilities to destinations along and within the Frequent Transit Network
- d) Upgrade access to key transit stations and facilities.

1.3 Support improvements to inter-regional travel alternatives.

1.4 Develop TravelSmart program to encourage and assist people in making sustainable travel choices, including trip reduction and increased use of transit, walking, and cycling.

1.5 Complete strategic road projects that facilitate goods movement.

Strategy 2: Maximize the use of the region's transportation assets and keep them in good repair.

2.1 Maximize the capacity of the existing transportation network in collaboration with partner agencies:

- a) Manage road capacity to prioritize buses, trucks, and other high priority vehicles
- b) Implement transit priority measures and intelligent transportation systems
- c) Develop price incentives to shift travel behaviour (e.g. encourage off-peak travel and trips by walking, cycling, and transit)

- d) Implement critical incident processes to reduce delays and congestion on both the road and transit networks.
- 2.2 Work with the public and private sectors to achieve land use patterns that support transportation goals:
- a) Create dense, vibrant communities around the Frequent Transit Network where walking, cycling, and transit are the main modes of travel
 - b) Locate public sector investments on the Frequent Transit Network
 - c) Increase densities at rapid transit stations and hubs
 - d) Develop supportive parking policies.
- 2.3 Keep infrastructure in good condition with regular maintenance and make renewal a priority:
- a) Ensure the transit system (vehicles, infrastructure, facilities) is kept in good working condition
 - b) Keep all regional roads and bridges well maintained and replace / rehabilitate as necessary
 - c) Upgrade existing transit stations to ensure optimal usage.
- 2.4 Reduce emissions and adverse environmental impacts from TransLink's operations, services, and infrastructure.

Strategy 3: Build and operate a safe, secure, and accessible transportation system.

- 3.1 Make transit appealing to customers by ensuring it is safe, attractive, easy to use, and provides good value.
- 3.2 Optimize the safety, security, and usability of the system through design, enforcement and policing, technology, and information.
- 3.3 Implement Access Transit⁷ and achieve full accessibility of the transit system to meet the range of needs and abilities of users.
- 3.4 Improve the resilience of the network and provide integrated emergency and risk management systems with prevention, preparedness, response, and recovery.

⁷ According to supporting text in *Transport 2040*, the Access Transit program focuses on creating, "as soon as possible, a highly accessible, inclusive, and safe system that ensures we can welcome all members of our diverse communities to transit."

3.5 Plan for natural hazards and for adaptation to climate change impacts.

Strategy 4: Diversify revenue sources and pursue new and innovative ways to fund transportation.

- 4.1 Ensure a diverse mix of funding sources, including transportation-related sources.
- 4.2 Anticipate and develop alternatives to manage risk in revenue sources, including securing new sources of operating revenue.
- 4.3 Raise national profile of municipal infrastructure needs and continue to pursue funding from senior levels of government.
- 4.4 Broaden non-transportation revenue base – from real estate, advertising, and commercial partnerships – in a way that supports desired transportation outcomes.
- 4.5 Price the road and transit systems to provide incentives to shift travel patterns (e.g., time, place, mode) and to generate revenue for improvements.

City commentary:

- 1. The Strategies are generally consistent with the Vision, though the full implications will depend on how they integrate with the new Regional Growth Strategy.
- 2. Strategy 1.1.b calls for an accelerated implementation of the Frequent Transit Network, and page 30 of *Transport 2040* includes a conceptual network of what this could look like. TransLink staff have provided assurances that this map is only meant to illustrate the *concept* of a Frequent Transit Network. It is not a commitment to specific routes. This needs to be explicitly stated in *Transport 2040*, as the implications of this concept have not yet been assessed, and its suitability for Burnaby is thus unknown.
- 3. Two maps on pages 30 and 32 of *Transport 2040* appear to elevate Surrey Town Centre to a higher level than the other Regional Town Centres, by designating it as “Surrey Metro Centre” with a separate symbol from the Regional Town Centres. This apparently arises from work that Metro Vancouver is doing on the Regional Growth Strategy. Since that work has not yet been adopted, TransLink staff have indicated that this feature will be shown as “proposed” in the final version of *Transport 2040*. The comments on *Transport 2040* by the City of Burnaby in this report should in no way imply acceptance of any new Regional Growth Strategy, which has not yet been forwarded to Council for comment.
- 4. For Strategy 1.2.c, change “along and within” to “in the proximity of”.
- 5. Strategy 1.4 should reference increased auto occupancy as another objective for TravelSmart.

6. Strategy 1.5 provides the only reference to increased road capacity, which is to be in aid of goods movement. This should be expanded to include priority facilities for transit and high-occupancy vehicles. This would be consistent with Strategy 2.1.a.
7. The provincial Gateway Program has used the rationale of improved goods movement to support counter-productive road projects. To be clearer, there should be a statement that there will be no TransLink funds for additional general-purpose road capacity. Any increased capacity should be for priority vehicles.
8. The list of priority vehicles in Strategy 2.1.a should explicitly reference high-occupancy vehicles.
9. Add a Strategy 2.1.e: Reduce the need for travel (e.g., by increasing tele-commuting).
10. The discussion surrounding Strategy 2.4 should include expansion of the electric trolley bus network, to reduce greenhouse gas emissions and oil dependency. There are challenges with this, in that investing in electric buses may reduce the total number of buses available for a particular budget, but this still needs to be addressed.
11. The supporting text for Strategy #4 makes it clear that TransLink's existing funding streams will not even support existing operations for long (as discussed below), let alone allow for the aggressive program of transit expansion envisioned by *Transport 2040*. Clearly, there will be an urgent need for more revenues, and *Transport 2040* appropriately emphasizes those that have a Transportation Demand Management benefit (i.e., pricing the use of the transportation system) and currently minor sources such as real estate, advertising, and commercial partnerships. Nonetheless, the City should reiterate that increased funding should not come from property taxes.

3.0 2009 TRANSPORTATION AND FINANCIAL PLAN

3.1 Context

The *Transportation and Financial Plan (TFP)* is the name being given to the ten-year Strategic Plan required under the *SCBCTA Act*. The *TFP* is much like a municipality's Annual Financial Plan. It specifies where the money will come from, and what it will be spent on. It is updated annually. In TransLink's case, it must span ten years, and cannot include any expenditures for which a funding source has not been identified. The *TFP* must reflect the higher-level Long-Term Strategy (i.e., in this case, *Transport 2040*).

Under the *SCBCTA Act*, the *TFP* has two components:

1. A Base Plan, describing what can be done using only previously-approved funds (plus permissible increases, on a scale similar to inflation); and
2. Optional Supplements to obtain and spend additional funds.

To: City Manager
From: Director Planning & Building
Re: Review of TranLink's Draft Transport 2040 Plan
2008 July 2..... Page 12

The Base Plan can be approved by the TransLink Board alone, whereas any Supplements must also be approved by the new Mayors' Council⁸.

TransLink's new governance structure also includes a Regional Transportation Commissioner. Among other things, the Commissioner must review and comment on the *TFP*. By legislative requirement, the *TFP* must be submitted to the Commissioner by August 1 of each year. At the moment, this puts TransLink in an awkward position. The *2009 TFP* must be delivered less than a month from now, but it must reflect *Transport 2040* which has not yet received Board approval. Accordingly, both documents are being advanced simultaneously.

Also arising from this, the actual *2009 TFP* document is not yet available. Public understanding of the *2009 TFP* is limited to a couple of slide presentations, outlining the basics.

3.2 The Plan

The first ten-year plan will be the *2009 TFP*, covering the years 2009 through 2018 inclusive. Recognizing that any Supplements will require considerable effort to prepare and considerable public consultation to develop the necessary public and political support, TransLink is not including any Supplements in the *2009 TFP*. There isn't enough time. Instead, they are preparing only a Base Plan which includes previously-approved projects. These include completion of the Canada Line, construction of the Evergreen Line (still subject to an influx of federal funding), expansion of all transit modes, road construction, bike routes, and rehabilitation of aging infrastructure. Since the draft *2009 TFP* has no Supplements, it can be approved by the TransLink Board alone.

The *2009 TFP* will be based on previously-approved funds and permissible increases. Under the *SCBCTA Act*, permissible increases without seeking approval of the Mayors' Council include:

- Property tax revenues can rise by 3% per annum. This is the total revenue, not the tax rate. This is roughly revenue-neutral, being approximately equal to the sum of recent inflation and population growth rates. TransLink is proposing to apply the 3% increase in 2009.
- A new Replacement Tax (so named because it "replaces" the now-banned parking stall levy on commercial properties) can be assessed to generate a maximum of \$18 million per annum. While the parking stall levy was only on commercial properties, the Replacement Tax can come from both commercial and residential properties, in any proportion. The \$18 million limit is imposed by the *SCBCTA Act*: it cannot rise with either population or inflation. TransLink initiated the Replacement Tax in 2008, with \$9 million collected from commercial properties. It is proposing to increase the Replacement Tax to the full \$18 million in 2009, applied to all property classes. TransLink has advised that this will add \$17 to the taxes on a typical home.

⁸ The Mayors' Council is comprised of all Mayors in the service area. Its role includes selection of Board members from a list prepared by others, and approval of any Supplements (funding increases above certain thresholds) in the *TFP*.

To: City Manager
From: Director Planning & Building
Re: Review of TranLink's Draft Transport 2040 Plan
2008 July 2..... Page 13

- Transit fares can rise by 2% per annum, which roughly matches inflation. Total transit revenues will also rise with increased ridership. TransLink is not proposing a fare increase in 2009.
- The parking sales tax on pay parking is a set percentage of the retail parking fee. Total revenues from this source will thus tend to rise with population and inflation, though decline with the decreased auto use envisioned by *Transport 2040*.
- The BC Hydro levy on each customer account is at a set percentage rate, as a result of which total revenues will tend to grow with population and with hydro rates (unless higher rates lead to reduced electricity consumption).
- The fuel tax is at a set volumetric rate, and total revenues will thus tend to grow with population but not inflation. In fact, revenues may not keep pace with population, being restrained by lower fuel sales per capita. For the *2009 TFP*, TransLink is assuming no annual change to fuel tax revenues.

In summary, in its Base Plan, TransLink's Board has the authority to increase transit fares by 2%, total property tax revenues by 3%, and levy a Replacement Tax that brings in up to \$18 million. For 2009, they are proposing the latter two.

3.3 Discussion

The *2009 TFP* is essentially a continuation of policies established by the previous Board. The same initiatives will be pursued, relying largely on the same funding sources.

In particular, it should be noted that the *2009 TFP* is not consistent with the bolder *Transport 2040*. It does not move the region towards the future envisioned in that document. Achieving that vision will require more funds which, as previously noted, will require significant analysis, consultation, and building of support. All of this, we understand, will take place in the coming year so that a Supplement can be included in the subsequent 2010 TFP.

In fact, the existing funding is not even sufficient to sustain the previous Board's policies. Documents describing the *2009 TFP* make it clear that the next three years will increasingly draw on previously-saved reserve funds. This will allow the previously-approved policies to continue through 2011, by which time those reserves will be depleted. From then on, TransLink projects a shortfall of about \$150 million per annum (on the order of 12% of their annual budget).

The *SCBCTA Act* requires that the *TFP* be fully funded. Accordingly, the *2009 TFP* will show a service reduction in 2012 to match currently-known funds. This is not to suggest that TransLink actually intends to cut services in 2012. Rather, they propose to address the funding shortfall via a Supplement (funding increase) in the subsequent *2010 TFP*. The specifics of how they propose to achieve this have not yet been made available. A schedule in *Transport 2040* suggests that this work will begin in the fall.

City commentary:

1. TransLink finds itself in an unfortunate position that is largely not of its making. In this context, it is reasonable to postpone the larger funding issues for a year, to allow for adequate discussion and consensus-building. In return, municipalities and other stakeholders will expect much more meaningful public consultation on the *2010 TFP* than what has occurred for the *2009 TFP*.
2. For this and subsequent years, TransLink should avoid bringing in any Supplements which increase their funding from property taxes (on which municipalities are heavily reliant). Rather, any additional funding should come from the sources favoured by *Transport 2040*: pricing of transportation usage, and currently minor sources such as real estate, advertising, and commercial partnerships. In keeping with the policies on Transportation Demand Management, increases to transit fares should also be avoided in any Supplements (i.e., fares should rise by no more than 2% per annum, or roughly the rate of inflation).

4.0 CONCLUSION

This report has provided a review of, and commentary on, two TransLink documents:

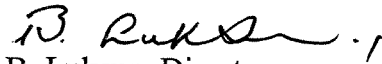
- *Transport 2040* is a vision for changing Metro Vancouver's transportation system over the next 30 years. However, its consistency and integration with Metro Vancouver's emerging new Regional Growth Strategy cannot be assessed at this time. This report makes various recommendations for enhancing *Transport 2040*. Based on these recommendations, *Transport 2040* should be offered preliminary support, subject to review once a draft Regional Growth Strategy has been released, and once more time has been provided to properly assess the impacts of this far-reaching document.
- *2009 Transportation and Financial Plan* will not be consistent with *Transport 2040*. It is a plan to buy time for a year, to allow for the dialogue and consensus-building on how to fund the *Transport 2040* vision. The current report offers no specific feedback on this financial plan, but offers some commentary regarding the *2010 Transportation and Financial Plan* that will follow, and that will begin to lay out the path to *Transport 2040*.

It is recommended that:

1. Council forward this report to TransLink as Burnaby's preliminary feedback on *Transport 2040*.
2. Council reserve final judgement on the specific implications of *Transport 2040* to the City of Burnaby, pending the release and review of Metro Vancouver's new Regional Growth Strategy and the Province's transportation vision for the Pemberton-to-Hope corridor.

To: City Manager
From: Director Planning & Building
Re: Review of TranLink's Draft Transport 2040 Plan
2008 July 2..... Page 15

3. The TransLink Board be requested to seek additional input on *Transport 2040*, and update it as necessary, in concert with Metro Vancouver's process to adopt a new Regional Growth Strategy.
4. Copies of this report be forwarded to the City's Transportation Committee, including the Bicycle Advisory Group.


B. Luksun, Director
PLANNING AND BUILDING

SR:jc

cc: Director Engineering
Director Finance

R:\Long Range Clerical\DOCS\Stuart\Council Reports\2008-07-07 Council - Review of Transport 2040.doc