



# PUBLIC MEETING AGENDA

**Version:** June 21, 2024

**Thursday, June 27, 2024, 9:00AM to 10:50AM**

Metro Vancouver Boardroom, 28th Floor, Metrotower III, 4515 Central Boulevard, Burnaby, BC and via Videoconference\* (live streamed to the [Mayors' Council YouTube Channel](#))

**Chair:** Mayor Brad West                      **Vice-Chair:** Mayor Mike Hurley

Note that times for each agenda item are estimates only. This meeting will be livestreamed and available afterwards at the [Mayors' Council YouTube Channel](#).

<b>9:00AM</b>	<b>1. PRELIMINARY MATTERS</b>	
	1.1. Adoption of agenda .....	Page 1
	1.2. Approval of Public Joint Meeting of the Mayors' Council and TransLink Board of Directors (April 25, 2024) .....	3
	1.3. Approval of Public Meeting Minutes (May 30, 2024) .....	7
<b>9:05AM</b>	<b>2. <a href="#">PUBLIC DELEGATES</a></b> .....	9
<b>9:25AM</b>	<b>3. REPORT OF THE CHAIR</b> .....	<b>ORAL</b>
<b>9:30AM</b>	<b>4. REPORT OF TRANSLINK MANAGEMENT</b>	
	4.1. Report on TransLink Efficiency Review	
	4.1.1. Efficiency Review (Final Report).....	<b>TO COME</b>
	4.1.2. Management Responses to Efficiency Review.....	<b>TO COME</b>
<b>10:05AM</b>	<b>5. REPORT OF THE JOINT PLANNING COMMITTEE</b>	
	5.1. Report on Transit Fare Affordability .....	<b>10</b>
	5.2. Update on Bus Rapid Transit Customer Experience Vision .....	<b>40</b>
<b>10:30AM</b>	<b>6. REPORT ON THE JOINT FINANCE COMMITTEE</b>	
	6.1. Report on 2025 Investment Plan – Proposed Approach.....	<b>52</b>
<b>10:45AM</b>	<b>7. OTHER BUSINESS</b>	
	7.1. Next Meeting – July 25 at 9AM (Metro Vancouver Boardroom, 28th Floor, Metrotower III, 4515 Central Boulevard, Burnaby, BC and via videoconference)	
<b>10:50AM</b>	<b>8. ADJOURN</b> to closed session	

*\* Note that Mayors' Council members may participate in-person or via Zoom videoconferencing. Zoom connection information sent separately via e-mail. Members of the public are welcome to observe via the live stream on the [Mayors' Council YouTube Channel](#) or in-person. Public Delegates will be required to appear in person in order to present to the Mayors' Council at this meeting.*

**JOINT MEETING OF THE TRANSLINK BOARD AND  
THE MAYORS' COUNCIL ON REGIONAL TRANSPORTATION  
PUBLIC MEETING**

**MAYORS' COUNCIL ON REGIONAL TRANSPORTATION  
MINUTES**

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Minutes of the Joint Meeting of the Mayors' Council on Regional Transportation Public Meeting held with the TransLink Board of Directors at Metro Vancouver head office on April 25, 2024 at 9:00 am.

ATTENDEES

TRANSLINK BOARD

Andy Ross, Co-Chair (Vice-Chair)  
Lorraine Cunningham, Board Chair  
Jennifer Chan  
Harj Dhaliwal  
Gordon Harris  
Tracy Redies  
Andrea Reimer  
Harpinder Sandhu  
Allan Seckel

MANAGEMENT

Kevin Quinn, CEO  
Jeff Busby, COO  
Jennifer Breeze, General Counsel and Corporate Secretary  
Mike Buda, Executive Director, Mayors' Council

MAYORS' COUNCIL

Brad West, Co-Chair (Chair)  
Mike Hurley (Vice-Chair)  
Brent Asmundson (Alt.)  
Malcolm Brodie  
Ken Berry  
Linda Buchanan  
Tracy Elke (Alt.)  
Patrick Johnstone  
Sarah Kirby-Yung (Alt.)  
Megan Knight  
Dylan Kruger (Alt.)  
Meghan Lahti  
Andrew Leonard  
Mike Little  
Brenda Locke  
Jen McCutcheon  
John McEwen  
Nathan Pachal  
Jamie Ross  
Dan Ruimy  
Mark Sager  
Eric Woodward

**1. Welcome and Opening Business by Co-Chair Brad West**

1.1. Call to Order

Mayor Brad West welcomed members of the Mayors' Council and the TransLink Board and called the meeting to order at 9:00 am.

Sarah Ross, VP Transportation Planning and Policy and Olga Kuznetsova, VP Financial Services joined the meeting.

1.2. Adoption of Agenda

**IT WAS MOVED and SECONDED**

That the agenda for the April 25, 2024 Joint Public meeting of the Mayors' Council on Regional Transportation and the TransLink Board of Directors be adopted, as presented.

**CARRIED**

1.3. Land Acknowledgement

Co-Chair Brad West began the meeting with a land acknowledgement.

## **2. Public Delegations**

There were no public delegations at today's meeting.

## **3. Board and Mayors' Council Joint Meeting Procedures**

Jennifer Breeze, General Counsel and Corporate Secretary reviewed with the Board of Directors and the Mayors' Council the procedures for the conduct of meetings of the two bodies held jointly.

## **4. 2024 – 2033 Investment Plan**

Kevin Quinn, CEO introduced the proposed 2024-2033 Investment Plan. Kevin Quinn noted the significant influx of population to the region, and the significant over-crowding now being experienced on the system. Overcrowding and congestion is expected to worsen in the coming years, and in order to respond to the rate of growth, expansion of the transit system is necessary. The CEO advised that without additional funding, after 2026 TransLink won't have sufficient funds to maintain current service, let alone expansion to meet demand.

The proposed 2024 Investment Plan provides a short-term bridge to enable TransLink to advance a 2025 Investment Plan, with the goal of introducing new revenue tools enabled by the Province of BC to ensure transit services can meet the needs of the region.

Sarah Ross, VP Transportation Planning and Policy then provided an overview of the programs enabled by the proposed 2024 Investment Plan, which include the purchase of additional buses, increased HandyDART services and more rail and bus service to alleviate overcrowding on the system. The additional revenue through increased property taxes in 2024 and transit fares in 2025 and 2026, as well as a \$300M capital contribution from the Province of BC, was also reviewed.

The results and input received through the public and stakeholder consultation was also discussed. Themes from the consultation feedback related to specific bus-route suggestions, future tax and revenue source suggestions. The majority of feedback was neutral or positive.

Co-Chair Mayor West called for questions on the report and after hearing none, turned the chair to Director Andy Ross to call for the Board motion.

### **Change in Chair:**

Co-Chair Director Andy Ross assumed the chair.

## **5. TransLink Board Motions**

### **5.1. 2024 – 2033 Investment Plan**

Andy Ross, Board Vice-Chair noted the Board's appreciation of the hard work done by staff to advance the 2024 Investment Plan and the contribution by the Province toward the capital program through this Plan.

### **IT WAS MOVED and SECONDED**

That the TransLink Board of Directors:

1. Approve the "Investment Plan (2024-2033 Investment Plan)", attached as Attachment 1 to the April 19, 2024 report titled "2024-2033 Investment Plan"; and
2. Provide the "Investment Plan (2024-2033 Investment Plan)", and the associated bylaws and resolutions in relation to revenue measures and borrowing limits, attached in Attachment 1 to the April 19, 2024, report titled "2024-2033 Investment Plan", to the Mayors' Council on Regional Transportation.

**CARRIED**

Co-Chair Director Ross turned the chair to Co-Chair Mayor West to call for the Mayors' Council motion.

**Change in Chair:**

Co-Chair Mayor West reassumed the chair.

**6. Mayors' Council Motions**

6.1. 2024 – 2033 Investment Plan

Mayor West expressed appreciation of the Mayors' Council's work to engage senior government to provide funding towards the 2024 Investment Plan. He noted that although this is a modest step forward, more significant funding from senior government, including the federal government, is required for the future to adequately fund transit in the region.

**IT WAS MOVED and SECONDED**

That the Mayors' Council on Regional Transportation:

3. Approve the "Investment Plan (2024-2033 Investment Plan)", attached as Attachment 1 to the April 19, 2024 report titled "2024-2033 Investment Plan"; and
4. Receive this report.

**CARRIED UNANIMOUSLY BY WEIGHTED VOTE**

Co-Chair Mayor West turned the chair to Co-Chair Director Ross to call for the following report to the Board of Directors.

**Change in Chair:**

Co-Chair Andy Ross assumed the chair.

**7. TransLink Board Motions**

Andy Ross, TransLink Board Vice-Chair called on Olga Kuznetsova, VP Financial Services to present the "2024 Property Tax and 2024 Replacement Tax Bylaw Amendments" report.

7.1. 2024 Property Tax and 2024 Replacement Tax Bylaw Amendments

Olga Kuznetsova, VP Financial Services reviewed with the Board the 2024 Property Tax Bylaw and 2024 Replacement Tax Bylaw report and how property tax and replacement tax rates are determined pursuant to the *South Coast British Columbia Transportation Authority Act*. The proposed rates are as proposed and consistent with the rates set out in the newly approved 2024 Investment Plan.

**IT WAS MOVED and SECONDED**

That the Board of Directors:

Property Tax Bylaw:

- A. That the TransLink Board of Directors introduces and reads a first, second and third time the *South Coast British Columbia Transportation Authority 2024 Property Tax Bylaw Number 152-2024* attached as Attachment 1 to the report dated March 25, 2024 titled "2024 Property Tax Bylaw and 2024 Replacement Tax Bylaw".
- B. That the TransLink Board of Directors reconsiders and finally adopts the *South Coast British Columbia Transportation Authority 2024 Property Tax Bylaw Number 152-2024* attached as Attachment 1 to the report dated March 25, 2024 titled "2024 Property Tax Bylaw and 2024 Replacement Tax Bylaw".

Replacement Tax Bylaw:

- C. That the TransLink Board of Directors introduces and reads a first, second and third time the *South Coast British Columbia Transportation Authority 2024 Replacement Tax Bylaw Number 153-2024* attached as Attachment 2 to the report dated March 25, 2024 titled "2024 Property Tax Bylaw and 2024 Replacement Tax Bylaw".
- D. That the TransLink Board of Directors reconsiders and finally adopts the *South Coast British Columbia Transportation Authority 2024 Replacement Tax Bylaw Number 153-2024* attached as Attachment 2 to the report dated March 25, 2024 titled "2024 Property Tax Bylaw and 2024 Replacement Tax Bylaw".

**CARRIED**

#### **8. Conclusion of the Meeting by Co-Chair Andy Ross**

Co-Chair Director Ross thanked everyone for attending today's Joint Mayors' Council and TransLink Board meeting and called for a motion to adjourn the meeting.

**IT WAS MOVED and SECONDED**

That the Joint TransLink Board and Mayors' Council on Regional Transportation Public Meeting be adjourned.

**CARRIED**

The meeting was adjourned at 9:30 am.

#### **Certified Correct:**

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Mayor Brad West, Chair  
Mayors' Council on Regional Transportation

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Jennifer Breeze  
General Counsel and Corporate Secretary

## MEETING OF THE MAYORS' COUNCIL ON REGIONAL TRANSPORTATION DRAFT PUBLIC MEETING MINUTES

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Minutes of the Public Meeting of the Mayors' Council on Regional Transportation (Mayors' Council) held May 30, 2024, at 9:00 a.m. in the Metro Vancouver Boardroom, 28<sup>th</sup> Floor, Metrotower III, 4515 Central Boulevard, Burnaby, BC, and via videoconference.

### **PRESENT:**

Mayor Brad West, Port Coquitlam, Chair  
Mayor Mike Hurley, Burnaby, Vice-Chair  
Councillor Brent Asmundson, Coquitlam (alternate)  
Mayor Ken Berry, Lions Bay  
Mayor Linda Buchanan, North Vancouver City (arrived at 9:10 a.m.)  
Mayor Malcolm Brodie, Richmond  
Chief Laura Cassidy, Tsawwassen First Nation  
Mayor Patrick Johnstone, New Westminster  
Councillor Sarah Kirby-Yung, Vancouver (alternate)  
Mayor Megan Knight, White Rock  
Mayor Meghan Lahti, Port Moody  
Mayor Andrew Leonard, Bowen Island  
Mayor Mike Little, North Vancouver District  
Mayor Brenda Locke, Surrey  
Mayor Nicole MacDonald, Pitt Meadows  
Director Jen McCutcheon, Electoral Area A  
Mayor John McEwen, Anmore  
Mayor Nathan Pachal, Langley City  
Mayor Jamie Ross, Belcarra  
Mayor Dan Ruimy, Maple Ridge  
Mayor Mark Sager, West Vancouver  
Mayor Eric Woodward, Langley Township (arrived at 9:10 a.m.)

### **ALSO PRESENT:**

Michael Buda, Executive Director, Mayors' Council on Regional Transportation Secretariat  
Shezana Hassko, Acting Vice-President, Engineering, TransLink  
Sabrina Lau Texier, Acting Director of Infrastructure Programs, TransLink

### **PREPARATION OF MINUTES:**

Carol Lee, Mosaic Writing Group

### **CALL TO ORDER**

Vice-Chair Mike Hurley declared that a quorum was present and called the meeting to order at 9:00 a.m.

#### **1. PRELIMINARY MATTERS**

##### **1.1. Adoption of the Agenda**

*Draft agenda for the May 30, 2024 Public Meeting of the Mayors' Council on Regional Transportation, version dated May 24, 2024, was provided with the agenda material.*

**It was MOVED and SECONDED**

That the agenda of the May 30, 2024 Public Meeting of the Mayors' Council on Regional Transportation be adopted, as presented.

**CARRIED**

**1.2. Approval of Public Meeting Minutes (April 25, 2024)**

*Draft minutes of the April 25, 2024 Public Meeting of the Mayors' Council on Regional Transportation was provided with the agenda material.*

**It was MOVED and SECONDED**

That the minutes of the April 25, 2024 Public Meeting of the Mayors' Council on Regional Transportation be adopted, as presented.

**CARRIED**

**2. PUBLIC DELEGATIONS**

*Report titled "ITEM 2 – Public Delegate Presentations", dated May 21, 2024, was provided with the agenda material.*

**2.1. Balbir Mann**

Mr. Mann spoke on behalf of Unifor members and expressed concern with overcrowding on buses in the south of the Fraser sub-region, which results in passenger frustration and driver abuse.

**2.2. Nathan Davidowicz**

Mr. Davidowicz recommended that TransLink provide funding for bus shelters to take advantage of the potential advertising revenue.

**3. REPORT OF THE CHAIR**

**It was MOVED and SECONDED**

That the Mayors' Council on Regional Transportation receive this report.

**CARRIED**

**Members Arrived**

Mayors Linda Buchanan and Eric Woodward joined the meeting at 9:10 a.m.

**4. REPORT OF THE PLANNING AND PRIORITIES COMMITTEE**

**4.1. Local Government Funding Program Utilization**

*Report re "Local Government Funding Programs Report", dated May 21, 2024, was provided with the agenda material.*

Sabrina Lau Texier, Acting Director of Infrastructure Programs, TransLink, reviewed the presentation titled "Local Government Funding Programs Report" and highlighted:

- \$144 million was made available to local government partners in 2024, which supported 104 projects across the region, as well as ongoing maintenance of major roads
- Since 2017, demand for competitive funds has consistently exceeded the available funding
- Following the approval of the 2024 Investment Plan, the Local Government Funding Programs will be extended for one year:
  - Initiation of a significant program review with local governments to ensure the Local Government Funding Program supports regional goals and objectives.

**It was MOVED and SECONDED**

That the Mayors' Council on Regional Transportation receive this report.

**CARRIED**

**5. OTHER BUSINESS**

**5.1. Next Meeting**

The next Public Meeting of the Mayors' Council will be held on June 27, 2024 in the Metro Vancouver Boardroom, 28<sup>th</sup> Floor, Metrotower III, 4515 Central Boulevard, Burnaby, BC, and via videoconference.

**6. ADJOURNMENT**

There being no further business, the May 30, 2024 Public Meeting of the Mayors' Council on Regional Transportation was adjourned to a Closed Session at 9:16 a.m.

Certified Correct:

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Mayor Brad West, Chair

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Carol Lee, Recording Secretary  
Mosaic Writing Group



**TO:** Mayors' Council on Regional Transportation  
**FROM:** Gemma Lawrence, Coordinator, Mayors' Council Secretariat  
**DATE:** June 21, 2024  
**SUBJECT:** **ITEM 2 – Public Delegate Presentations**

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**RECOMMENDATION:**

That the Mayors' Council on Regional Transportation receive this report.

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**PURPOSE:**

To introduce the objectives and process for hearing from public delegates.

**BACKGROUND:**

Public participation at meetings is valued by the Mayors' Council, and 30 minutes is set aside at each open meeting to receive public delegations. The Mayors' Council will only receive public delegations who intend to speak on matters that are within the authority of the Mayors' Council.

Individuals can apply to be a delegate by completing the online [Application Form](#) up until 8:00AM, two business days prior to the meeting. In situations where there isn't enough time to hear from everyone wishing to speak, the Mayors' Council encourages written submissions be sent to [mayorscouncil@translink.ca](mailto:mayorscouncil@translink.ca).

The webpage for public delegates includes a Protocol for Public Delegates that notes:

- the Mayors' Council Chair will exercise discretion in maintaining a reasonable level of order and decorum;
- delegates and all meeting participants are reminded that different points of view are respected, and discussions are kept above the level of personal confrontation, disruptive behaviour and profanity.

**DISCUSSION:**

The deadline to apply to speak to the Mayors' Council is 8:00am two days prior to the meeting. At the time of this report, not all prospective speakers will have had a chance to complete applications. Accordingly, the **list of approved speakers, as well as any written submissions or presentations, will be provided on table**. Any presentations provided by delegates will also be provided to Mayors' Council members only, on table (up to 10-pages maximum). Each delegation will be given a maximum of three minutes to address the Mayors' Council. As a general rule, there are no questions or discussion between Council and delegates. The policy governing Public Delegates can be [found online](#).

TO: Mayors' Council for Regional Transportation

FROM: Sarah Ross, VP, Transportation Planning and Policy  
Andrew McCurran, Director, Strategic Planning and Policy  
Eve Hou, Senior Manager, Policy Development and Decision Analysis

DATE: June 17, 2024

SUBJECT: **ITEM 5.1 - Transit Fare Affordability**

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**PROPOSED RESOLUTION:**

The Mayors' Council:

1. Include low-income transit fare discounts in the Mayors' Council policy platform for the 2024 provincial election; and
2. Receive this report.

**EXECUTIVE SUMMARY**

Transport 2050 prioritizes affordability as a key goal to achieve Access for Everyone. TransLink considers affordability in the way fares are set, and in the discounts that are available to specific groups who may have a harder time paying for transit. In the past few years, and likely over the next few months, efforts have been made by various organizations to seek expanded free fares for youth and low-income individuals. This report provides the TransLink Board of Directors and Mayors' Council with background information on TransLink's fares and consideration of affordability in setting fare rates, discounts and pass programs. The report proposes that the Mayors' Council and Board's existing policy position that the Government of BC should fund the expansion of fare discounts for low-income individuals in Metro Vancouver be incorporated into the Mayors' Council policy recommendations to provincial parties in the upcoming provincial election.

**PURPOSE**

The Board is responsible for approving fare rates, discounts and program passes through approval of the TransLink Transit Tariff By-law and the Investment Plan, and the Mayors' Council approves fare rates and discounts through its approval of the Investment Plan. The purpose of this report is to provide the Mayors' Council with background information on TransLink's fares and consideration of affordability in setting fare rates and discounts. The report also provides an analysis of proposed expansion of free fare programs to youth and our approach to working with other agencies when offering program passes that they subsidize. The report includes a recommendation on incorporating the expansion of fare discounts for low-income individuals into the Mayors' Council's election platform.

## BACKGROUND

Public transit is critical to the functioning of the regional economy and of our inhabitants. It serves as a backbone of transportation, connecting people to work, school, daily needs, friends and family. As such, it should be affordable to everyone, while balancing the need to help fund, manage and operate the system.

*Transport 2050*, approved by TransLink's Board and Mayors' Council on Regional Transportation in 2022, prioritizes affordability as a key goal to achieve the Access for Everyone plan. It sets policy direction that transportation fares and fees should be linked to a person's ability to pay, where "users with the lowest incomes and wealth should pay a very low discounted fare or fee, and users with higher incomes and wealth should pay the full fare or fee."

In the past few years, and likely over the next few months, several organizations have approached TransLink, local government and the Provincial Government and parties proposing free fares for youth and low-income individuals. This report provides a foundation for understanding how TransLink sets fares to consider affordability for all customers, as well as those who have more limited means to pay. This report also provides the results of TransLink's analysis of the options to expand fare discounts based on age or income in terms of effectiveness in advancing social equity.

## DISCUSSION

### Affordable Fares for Everyone

The foundation for affordability for all transit riders lies in how TransLink sets its fares.

TransLink's fare tables<sup>1</sup> are set out in the Transit Tariff, which are approved by TransLink's Board of Directors when there are any changes to the fare products or fare amounts to be charged. These fares need to be consistent with the fares set out in the 10-Year Investment Plan, which is approved by the Board of Directors and the Mayors' Council. Where there are more significant shifts in fare policy, such as a fare structure change or introducing a new first time short-term fare product, endorsement by the Board and the Mayors' Council is sought. Certain pass programs that are provided with funding at the direction of the Province are also subject to the Province's budget approval process.

In setting fare policy, staff consider the recommendations of the [2018 Transit Fare review](#), customer experience, an affordable and competitive value proposition, and equity and ability to pay. When staff put forward a fare rate proposal as part of the Investment Plan consultation, several factors are considered to ensure that rates are set with affordability as a key consideration:

1. Measuring fare increases against consumer inflation and other indices
2. Ensuring competitiveness against other modes
3. Fare comparisons to peer agencies

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<sup>1</sup> These fare tables include all the products used as part of the Compass fare system including the rates for cash, stored value, and concession fares as well as DayPasses and monthly passes.

## Measuring fare increases against consumer inflation and other indices

The South Coast British Columbia Transportation Authority Act (the “Act”) provides a mechanism intended to ensure fares do not increase too quickly relative to a base year. It does this by setting a ‘targeted fare’ – a limit at which adult cash fares for short-term fare products<sup>2</sup> can increase are indexed to the respective 2008 prices compounded by 2% annually. The Bank of Canada’s long-run inflation goal is 1%-3% so the targeted fare can be considered a proxy to ensure cash fares do not increase faster than inflation.

The Act sets out a mechanism and process through which the Mayors’ Council may approve an increase above this limit for adult short-term fare products. TransLink has never increased adult cash fare products beyond this ‘targeted fare’ limit, although it was proposed in the 2018 Investment Plan then subsequently reversed in 2020 due to the COVID-19 pandemic. The 2024 Investment Plan proposes to keep fares below this threshold out to 2033 (See Figure 1 below) unless changed in a future Investment Plan. While not all fare products are subject to this threshold, many are priced on a discount relative to an adult cash equivalent, therefore the target fare threshold can be thought of as a rough indicator to ensure long-run fare affordability. For example, stored value discounts to the cash fare are offered by TransLink, as well as concession discounts off the adult price.

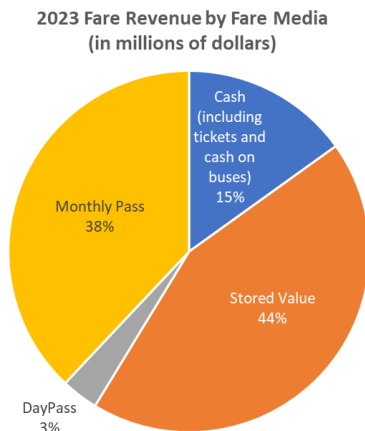


Figure 1: Fare Revenue by Fare Media

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<sup>2</sup> Single journey and DayPasses

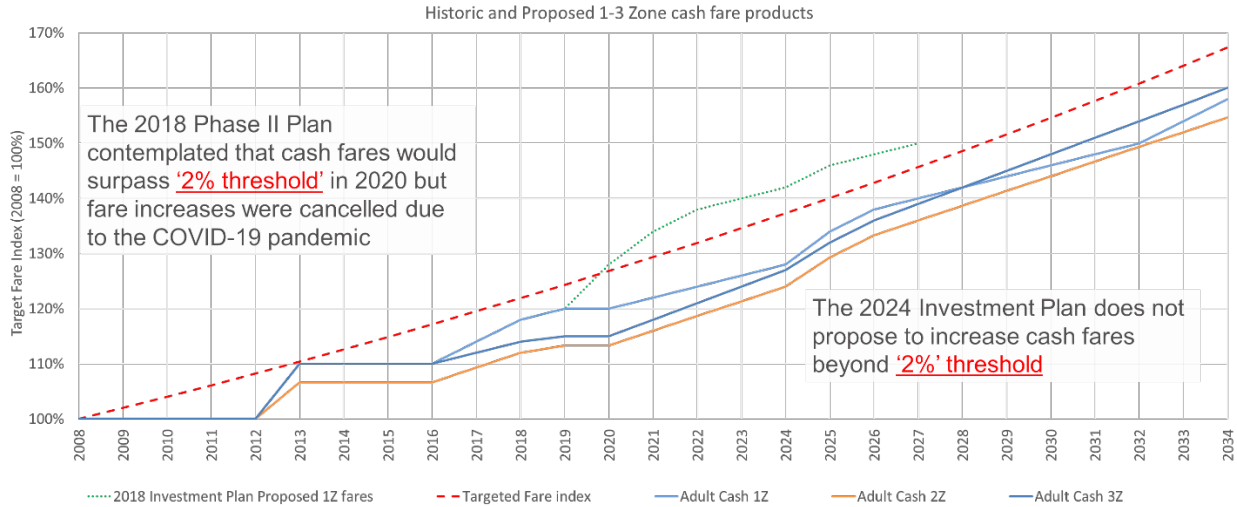


Figure 2 – Illustrating the ‘target fare’ threshold and how adult cash fares have remained below that threshold since 2008. Implementing lower fare increases than originally approved in 2018 Investment Plan, contributes an additional \$318 million to the funding gap.

### Ensuring competitiveness against other modes

While public transit is an essential public service that provides for the social and economic betterment of urban regions, it also competes in a marketplace of other transportation options for overall mode share. This is why fares need to be priced appropriately and competitively to reflect the value of the service being offered without excessively burdening those with limited means or ability to pay.

At the same time transit revenue is the single largest funding resource used by TransLink to operate the regional transportation system. The more fare revenue that is generated, the more resources can be deployed to maintain and expand the system and better serve riders. While the region has historically benefited from a high rate of farebox recovery (proportion of operating costs recovered by fares) TransLink has never explicitly set a farebox recovery target<sup>3</sup>.

Instead of setting a revenue recovery target, staff aim to grow revenue and ridership in lock step. This is a complex balancing act that requires setting fares at levels that don’t lead to loss of ridership, while reinvesting the farebox revenues into customer-facing service improvements to maintain the relative attractiveness of transit, thereby growing ridership.

<sup>3</sup> Although some agencies do employ this as part of a fare-setting strategy, staff have generally advised against such a policy as evidence tends to show that it is an arbitrary constraint.

## Fare Comparisons to Peer Agencies

TransLink regularly conducts comparisons of our fares with other peer agencies to ensure that fares are roughly aligned with other major transit systems in Canada. Direct comparisons are challenging, and the CUTA reported benchmark of average fare paid per journey can be masked by the way different agencies account for their low-income or seniors pass programs, which may be funded by the City or Provincial government. Additionally, TransLink has a significantly larger service area than our peer agencies, and TransLink's fares allow for free transfers within a system that integrates all the modes<sup>4</sup>. The fares of some agencies require additional fares to be paid to complete a trip across comparable distances (see Attachment 1 for details).

Nonetheless, our most recent review examined posted fares for July 1, 2024 and compared them against transit agencies in Toronto, Montreal, Ottawa, Calgary and Edmonton. TransLink's fares were either the same or lower than other peer agencies across most fare categories:

- TransLink's average adult cash and stored value fare is lower than the peer agency average
- TransLink's average concession cash and stored value fare is lower than the peer agency average
- TransLink's adult monthly pass is about the same as the peer agency average
- TransLink's concession monthly pass is lower than the peer agency average

Fare Product	Rider Class	TransLink Average (fare increase as of July 1, 2024)	Peer Average (excluding TransLink)	Difference with Peer Average (excluding TransLink)	% Difference with Peer Average (excluding TransLink)
Single Fares (Cash)	Adult	\$3.47	\$3.72	-\$0.25	-7%
	Youth	\$2.35	\$3.06	-\$0.71	-23%
	Seniors		\$3.10	-\$0.75	-24%
Stored Value / SmartCard / Tokens	Adult	\$2.94	\$3.44	-\$0.50	-15%
	Youth	\$2.31	\$2.62	-\$0.30	-12%
	Seniors		\$2.66	-\$0.34	-13%
Monthly Pass	Adult	\$125.84	\$125.13	\$0.71	1%
	Youth	\$61.35	\$91.53	-\$30.18	-33%
	Seniors		\$80.48	-\$19.13	-24%

Table 1: Comparison of TransLink fares effective July 1, 2024 with peer agency averages. Note that both TransLink and Montreal have zone-based fare systems whereas all other agencies in the peer comparison have flat fare systems. Therefore, TransLink's fares are shown as a weighted average based on the purchase of the 1-zone, 2-zone and 3-zone fare products. The free transit for Seniors 65+ who are residents of Montréal is not accounted for above.

<sup>4</sup> With the exception of the West Coast Express, where a premium fare applies.

## Affordability Enhancements Based on Needs

Beyond general affordability for all transit users, a public transit system should also ensure that those who have the most difficulty accessing the system are accommodated. There are a number of existing fare discounts and programs that have an objective of providing affordable and/or equitable access to transit.

### **Existing Fare Discounts (Concession and Pass Programs)**

There are a number of fare discounts and pass programs which aim to enhance affordability for specific groups based on need. Some discounts are solely provided by TransLink while others involve funding or contributions from third parties.

- **Concession Fares:** Transit has long been discounted for youth under 19, seniors 65 and over and HandyCARD holders via concession fares. These discounts – between 12-40% off for a single ride and between 43-68% off for a monthly pass – have historically been provided to these transit riders who are outside of traditional working years and therefore assumed to have less ability to pay full-priced fares. At the current time, there is no intention of changing these concession categories.
- **Get on Board Program:** In September 2021, the BC government introduced the Get on Board Program which provides fare-free transit for children 12 and under.
- **U-Pass BC:** The U-Pass BC program is a Provincial program, eligible, publicly funded post-secondary schools and their respective student associations. Mandatory participation in the program is approved by student referendum at each eligible school. Student fees and financial contributions from the Province partially fund the lesser amount paid by students for the equivalent of a 3-zone monthly conventional transit pass.
- **BC Bus Pass:** The BC Bus Pass program is provided province-wide by the Province under the Employment and Assistance (EA) Regulation and the Employment and Assistance for Persons with Disabilities (EAPWD) Regulation. The program has two components: a transit pass for low-income seniors and a transit pass for persons with the Persons with Disabilities (PWD) designation.

### **Expanding needs-based discounts**

Transport 2050 is framed around the theme of “Access for Everyone” and as such, has an objective of advancing social equity. Social equity can be advanced in many ways – improving service to support the needs of disadvantaged individuals is the most important way to advance social equity for *all* of the region's diverse equity seeking groups. Providing fare discounts is also important in advancing equity for individuals *with less ability to pay*. In considering expansion of fare discounts or subsidizes, TransLink is guided by several principles, which have been outlined in Transport 2050 and the 2018 Transit Fare Review, which took a deep look at the question of who should get discounts and on what basis.

- **Free fares are not recommended:** The Transit Fare Review and Transport 2050 both emphasized the importance of charging transportation fees based on ability to pay, but do not recommend free fares. Fares, even at a nominal charge, help to allocate the scarce resource that is public transit service. In cities that have experimented with fare-free public

transit, ridership has indeed increased, but almost entirely at the expense of walking, cycling and carpooling.

- **TransLink does not have social assistance in our mandate, but equity is an objective.** The Transit Fare Review recommends maintaining age-based discounts, as “scaling back or revoking could have negative impacts on those who depend on them” but it does not recommend that TransLink expand those discounts as social assistance is not within TransLink’s mandate. After extensive consultation and policymaker dialogue, TransLink’s Board and Mayors’ Council endorsed a recommendation that TransLink should: “work with the Provincial government to explore expanded discounts for low-income residents, children and youth.”
- **Fares should be linked to ability to pay.** Transport 2050 sets policy direction that transportation fares and fees should be linked to a person’s ability to pay, where “users with the lowest incomes and wealth should pay a very low discounted fare or fee, and users with higher incomes and wealth should pay the full fare or fee.” This is an important consideration in exploring age-based discounts, as age and income or wealth are not directly correlated.
- **Best use of funds should always be considered.** With limited funding available for public transit, any discounts provided need to be directed towards the best use. Although cost is a consideration in decision to use transit, more often the quality of the transit service (e.g., access, reliability and comfort) is a more important factor and therefore a better use of public funds.

Public concern about the cost of living in Metro Vancouver has led to increased advocacy for expansion the current set of fare discounts and programs. Several organizations in Metro Vancouver proposed to extend the fare free transit program beyond children 12 and under to include low-income individuals and youth aged 13-18.

Based on these principles, TransLink staff propose that the Government of BC should prioritize the expansion of fare discounts for low-income individuals, over youth or seniors as it better achieves equity goals.

#### *Low-Income Discounted Fares Expansion*

Although some programs are already in place, such as the Provincial BC Bus Pass and charitable donation programs (such as the United Way Transit Assistance Program), many lower-income individuals are not currently receiving any support to help afford transit.

There are many design options for a low-income pass program (see Box 1 for Calgary’s unique income-based program with a sliding scale).



As an example, staff conducted analyses to determine the cost of a program which would be available to all low-income adults (of all ages), as defined by the Low-Income Measure (LIM). Such a program is estimated to cost in the range of \$60-70M<sup>5</sup> per year and would offer significant fare discounts to almost 43,000 existing low-income transit users in the region.

Such a program would need to be made cost-neutral to TransLink - given that poverty reduction and income redistribution are objectives most appropriately funded by senior governments who both have this mandate and who have access to the most progressive revenue tools best suited to the task.

Staff analysis found that a low-income program is a more direct policy tool than an age-based fare discount to advance social equity for individuals who have difficulty affording transit fares.

## 1.1

### *Age-Based Discounted Fares Expansion*

The rationale for age-based discounts is that these transit riders are outside of traditional working years and therefore assumed to have less ability to pay full-priced fares. In addition, there is a desire to offer discounts for youth to encourage life-long use of transit.

However, this assumption should no longer be taken for granted in our region of growing wealth inequality.

- **Seniors:** While 15% of seniors live in poverty, a large proportion of seniors enjoy significant wealth. Although income levels fall after retirement age, expenses also typically fall and seniors have significantly higher net worth than individuals in other age groups (see Figure 2).
- **Children and Youth:** Although 13% of children and youth live in households earning less than \$50,000 per year, 22% live in households earning \$200k and over. (see Figure 3).

## 1.2

### **Box 1: Calgary Transit Low Income Monthly Pass Program**

The Province of Alberta recently announced renewed funding for Calgary Transit to continue to operate its low-income transit subsidy program.

This program allows eligible recipients to purchase discounted monthly transit passes for \$5.80, \$40.25 or \$57.50 per month, depending on income level and household size. An adult transit pass normally costs \$115 per month.

Income verification is required to determine eligibility.

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<sup>5</sup> This does not include additional costs associated with the increased ridership which severely discounted transit is likely to attract.

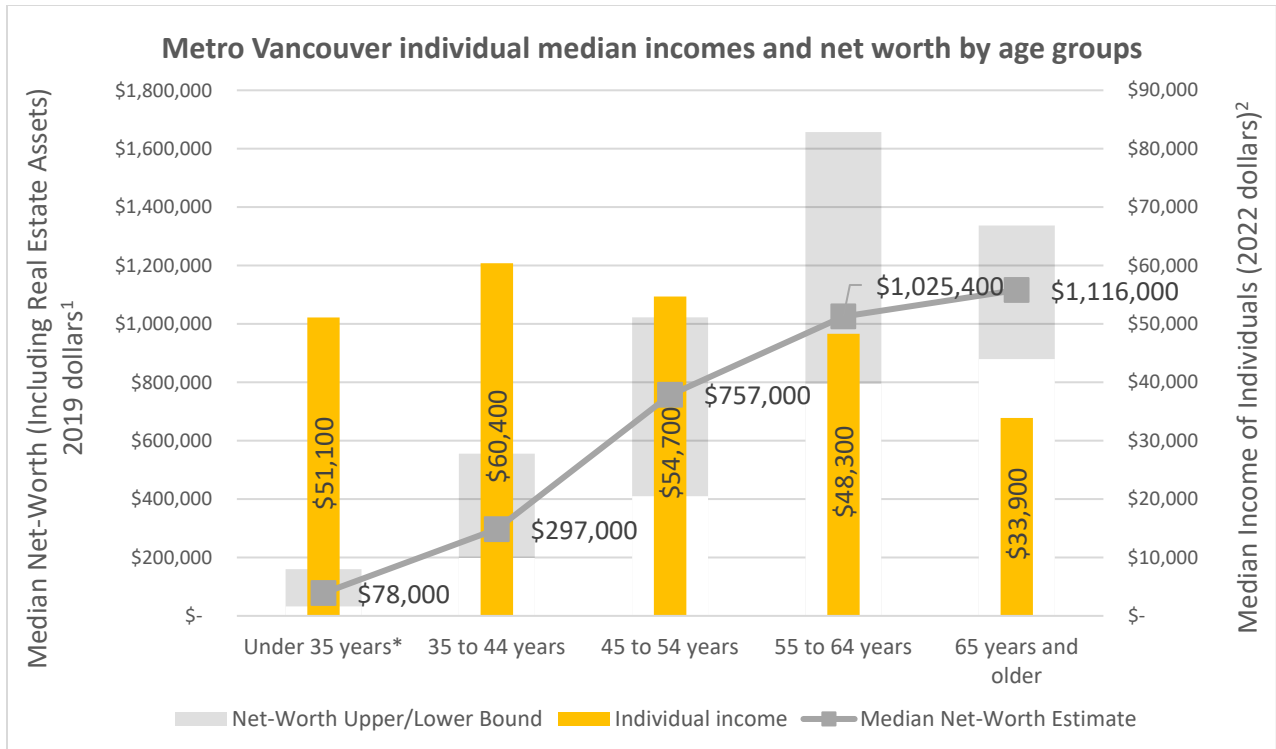


Figure 2 – Median Income and upper/lower net worth by age group in the Vancouver CMA. \*Income data presented for 25-35 age group only. 1. Statistics Canada Table 11-10-0016-01: assets and debts held by economic family type, by age group, Canada, provinces and selected census metropolitan areas. 2. Statistics Canada Table 11-10-0239-01: Income of individuals by age group, sex and income source, Canada, provinces and selected census metropolitan areas.

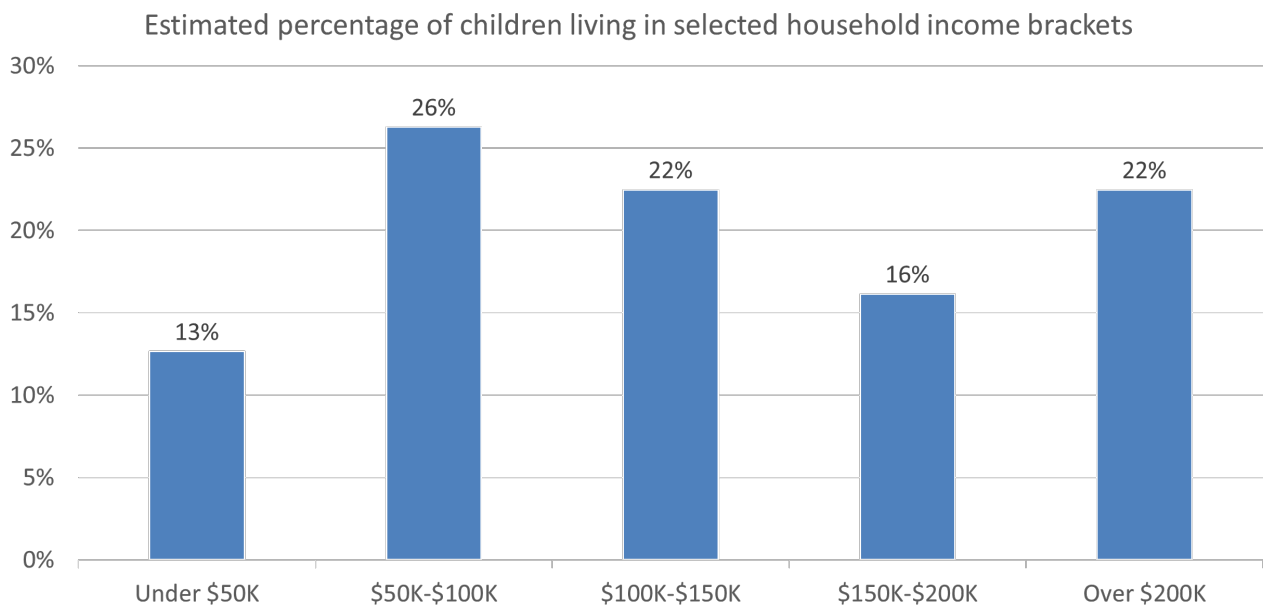


Figure 3 – Estimated percentage of children living in selected household income brackets. Note: for households with 3+ children, the assumption was made that there were 3.2 children per household as details are not available. (Census 2021).

Percentage of households without children by selected income brackets  
(Census 2021)

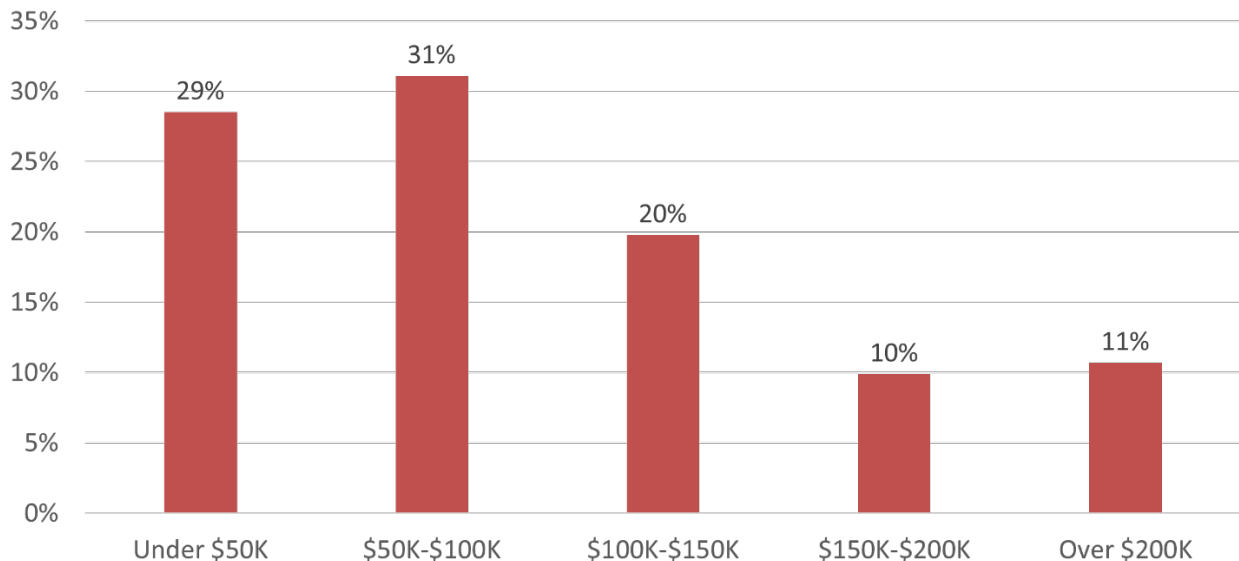


Figure 4 – Percentage of households without children by selected income brackets (Census 2021)

Expanding fare-free transit based on age comes with some considerations:

- **Lost revenues:** Making transit free would cost \$30 million per year in lost revenue from youth aged 13-18 and \$30-40 million per year in lost revenue from seniors 65+ (based on current ridership). Additionally, making transit free would increase ridership in that age category, which while desirable from a mode shift perspective, will also create additional costs in the form of overcrowding on the system, without additional revenue.
- **Program misuse and fare evasion** would likely increase significantly and would represent additional cost beyond the revenue described previously. Likely, to enable youth or seniors to travel through our system independently, a pass program of some sort would be required. There are 170,000 youth in the region, which means potentially up to 170,000 free passes in circulation. Safeguarding passes against evasion would significantly increase administrative complexity and costs of the program. If those passes were to find their way into the hands of individuals not eligible for the program, we could expect loss of revenues due to fare evasion to cost potentially much more than the cost of the program itself.
- **Low-income seniors already have access to the BC Bus Pass program**, which heavily discounts annual transit to \$45 per year. Expanding fare-free transit to benefit all seniors would mostly benefit those who are not low-income although some low-income seniors who are not eligible for the BC Bus Pass would benefit.
- **Age-based free fares subsidize households who can afford to pay:** Offering free fares to all individuals based on age would result in many individuals who could afford to pay for transit benefitting from a free-fares program. Additionally, a cross subsidization would occur between riders 19 and 35, who use the system most intensely (see Attachment 1), don't benefit from concession discounts, and spend the most on fares relative to older riders 55+. If seniors 65+ were to get a free fares program, and if it were self-funded by TransLink, many wealthy seniors would be subsidized by young people under 35 may have slightly higher

income but significantly lower wealth. This subsidy to higher wealth and income individuals is not the best use of public dollars and is misaligned with TransLink goals and objectives.

TransLink staff conclusion from examining options to address social equity through fare discount programs is that **social equity is better advanced by focusing on those who need it the most.** Allocating funding to focus on low-income individuals who don't currently qualify for the BC Bus Pass or other programs such as U-Pass BC or Get on Board that are funded by the Province, or to expand service, which benefits all users would be a more effective use of scarce public resources.

## **ATTACHMENTS**

Attachment 1: Fare Comparisons with Peer Agencies

Attachment 2: Chart of Ridership cohorts, TransLink Customer Service Performance Study, 2023

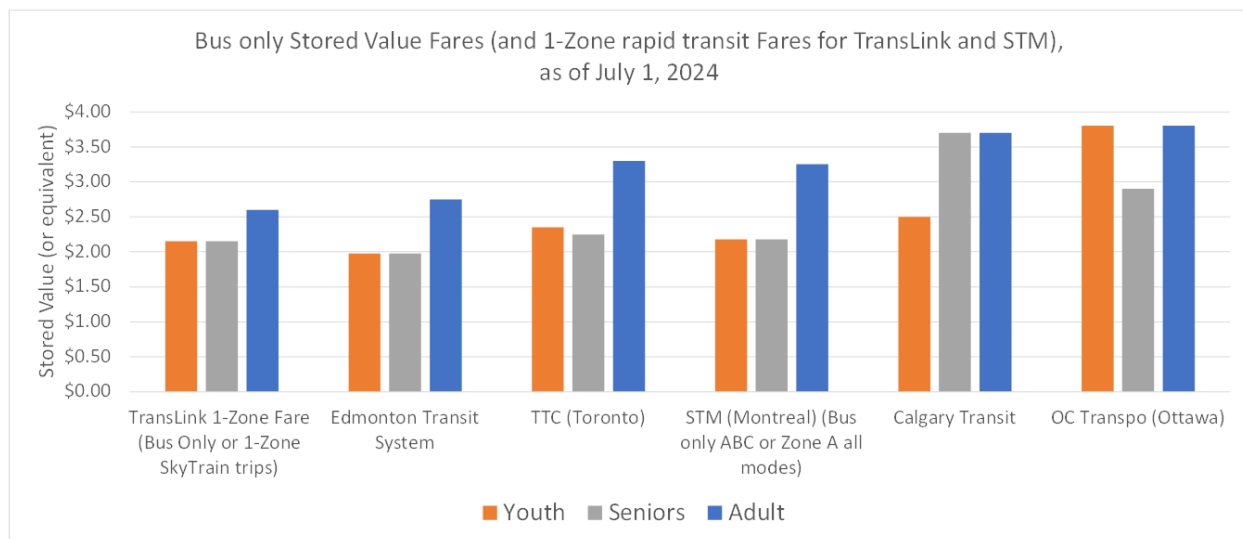
## Attachment 1: Fare Comparisons with Peer Agencies

Each year, TransLink conducts comparisons of our fares with other peer agencies to ensure that fares are roughly aligned with other major transit systems in Canada. Direct comparisons are challenging, and the CUTA reported benchmark of average fare paid per journey can be masked by the way different agencies account for their low-income or seniors’ pass programs, which may be funded by a city or provincial government. Also, some regions have an integrated fare structure while others require a second fare to transfer between transit services in adjacent jurisdictions. Nonetheless, our most recent review examined posted fares for July 1, 2024 and compared them against transit agencies in Toronto, Montreal, Ottawa, Calgary and Edmonton. TransLink’s fares were either the same or lower than other peer agencies across most fare categories.

As TransLink and Montréal both have zonal based systems that apply to rapid transit trips (Montreal has a 4-zone system whereas TransLink has a 3-Zone system), we conduct two comparisons 1) bus-only fares and 2) a weighted average fare to account for TransLink's and Montréal's fares<sup>6</sup> being zonal based. For the bus only fare, we use the 1-Zone fare for the TransLink fare which allows a customer to travel anywhere by bus in the region (as well as to take a 1-Zone rapid transit trip or take any rapid transit trip in off-peak periods).

When comparing single journey **bus** fares:

- TransLink's youth, seniors and adult 1-zone cash fares are lower than all of our peer agencies
- TransLink's adult 1-zone stored value fares are lower than all of our peer agencies (shown in figure below)
- TransLink’s respective youth and seniors 1-zone stored value fares are the same as or lower than all of our peers except Edmonton and except for Montréal for seniors who are residents of Montréal\* (shown in figure below)



<sup>6</sup> For Montréal, we do not have the distribution of fare products by zones travelled, so we assumed a similar distribution of fare products as TransLink’s system to provide an estimate for comparison purposes.

\*Note that for Montréal, as of July 1, 2023, seniors 65+ who are residents of the Agglomeration of Montréal ride for free in Zone A on all modes. Regular seniors' fares apply elsewhere and to non-residents.

When comparing our fares against our peers using the **weighted average** (to account for our and Montréal's zonal system):

- All of TransLink's average fares for single journey and monthly passes are about the same as or lower than the peer average

Comparison of TransLink average fare with average fare of our Canadian Peer Agencies, 2024

Fare Product	Rider Class	TransLink Average (fare increase as of July 1, 2024)	Peer Average	Difference with Peer Average	% Difference with Peer Average
Single Fares (Cash)	Adult	\$3.47	\$3.72	-\$0.25	-7%
	Youth	\$2.35	\$3.06	-\$0.71	-23%
	Seniors		\$3.10	-\$0.75	-24%
Stored Value / SmartCard / Tokens	Adult	\$2.94	\$3.44	-\$0.50	-15%
	Youth	\$2.31	\$2.62	-\$0.30	-12%
	Seniors		\$2.66	-\$0.34	-13%
Monthly Pass	Adult	\$125.84	\$125.13	\$0.71	1%
	Youth	\$61.35	\$91.53	-\$30.18	-33%
	Seniors		\$80.48	-\$19.13	-24%

\*The free transit for Seniors 65+ who are residents of Montréal is not accounted for above

Comparison of TransLink weighted average fare with our Canadian Peer Agencies, 2024

Fare Product	Rider Class	TransLink Average	TTC (Toronto)	STM (Montreal)	OC Transpo (Ottawa)	CT (Calgary)	ETS (Edmonton)	Peer Average (excluding TransLink)
Date of Fare Increase		01-Jul-24	Apr-23	Jul-23	Jan-24	Jan-24	2018?	
Single Fares (Cash)	Adult	\$3.47	\$3.35	\$4.20	\$3.85	\$3.70	\$3.50	\$3.52
	Youth	\$2.35	\$2.40	\$3.04	\$3.85	\$2.50	\$3.50	\$2.96
	Seniors	\$2.35	\$2.30	\$3.04	\$2.95	\$3.70	\$3.50	\$3.00
Stored Value / SmartCard / Tokens	Adult	\$2.94	\$3.30	\$3.66	\$3.80	\$3.70	\$2.75	\$3.29
	Youth	\$2.31	\$2.35	\$2.45	\$3.80	\$2.50	\$1.98	\$2.60
	Seniors	\$2.31	\$2.25	\$2.45	\$2.90	\$3.70	\$1.98	\$2.63
Monthly Pass	Adult	\$125.84	\$156.00	\$125.89	\$128.75	\$115.00	\$100.00	\$118.44
	Youth	\$61.35	\$128.15	\$75.27	\$99.25	\$82.00	\$73.00	\$83.78
	Seniors	\$61.35	\$128.15	\$75.27	\$49.00	\$115.00	\$35.00	\$74.57

\*Montreal has a zonal fare system similar to TransLink's. The average fare was calculated using an assumption that the breakdown of their fare products by zone are similar to TransLink's.

## Challenges to Direct Comparisons to Peer Agencies

- TransLink has a significantly larger service area and zone system
- Fares at some other agencies do not account for transfers between agencies and full price of a single transit trip across comparable distances



### TTC Fare Structure and Transfer Rules:

- Flat Fare
- In February 2024, the Ontario Government implemented the One Fare Program, eliminating the double fare for customers travelling between the TTC, GO Transit, Brampton Transit, Durham Region Transit, MiWay and York Region Transit. UP Express is not included in this program
- Additional fare required for Downtown Express routes\*



### STM Fare Structure and Transfer Rules:

- 4-Zone system
- Cannot interrupt trip and take same bus route
- Cannot return to metro after leaving metro

5

## Concession Fares: Age Range and Eligibility Variability

Rider Class	TransLink	TTC	STM (Montreal)	OC Transpo	Calgary Transit	City of Edmonton
<b>Seniors</b>	65 years and older	65 years and older	65 years and older	65 years and older	65 years and older*** (only for annual pass)	65 years and older
<b>Youth / Children</b>	Ages 13-18	Ages 13-19	Ages 12-17 Ages 6-11	Ages 13-19	Ages 13-17***	Ages 24 and under
<b>Free Fares</b>	Ages 12 and under*	Ages 12 and under	Ages 11 and under** Residents 65+ of Montréal ride for free in Zone A	Ages 12 and under	Ages 12 and under	Ages 12 and under****

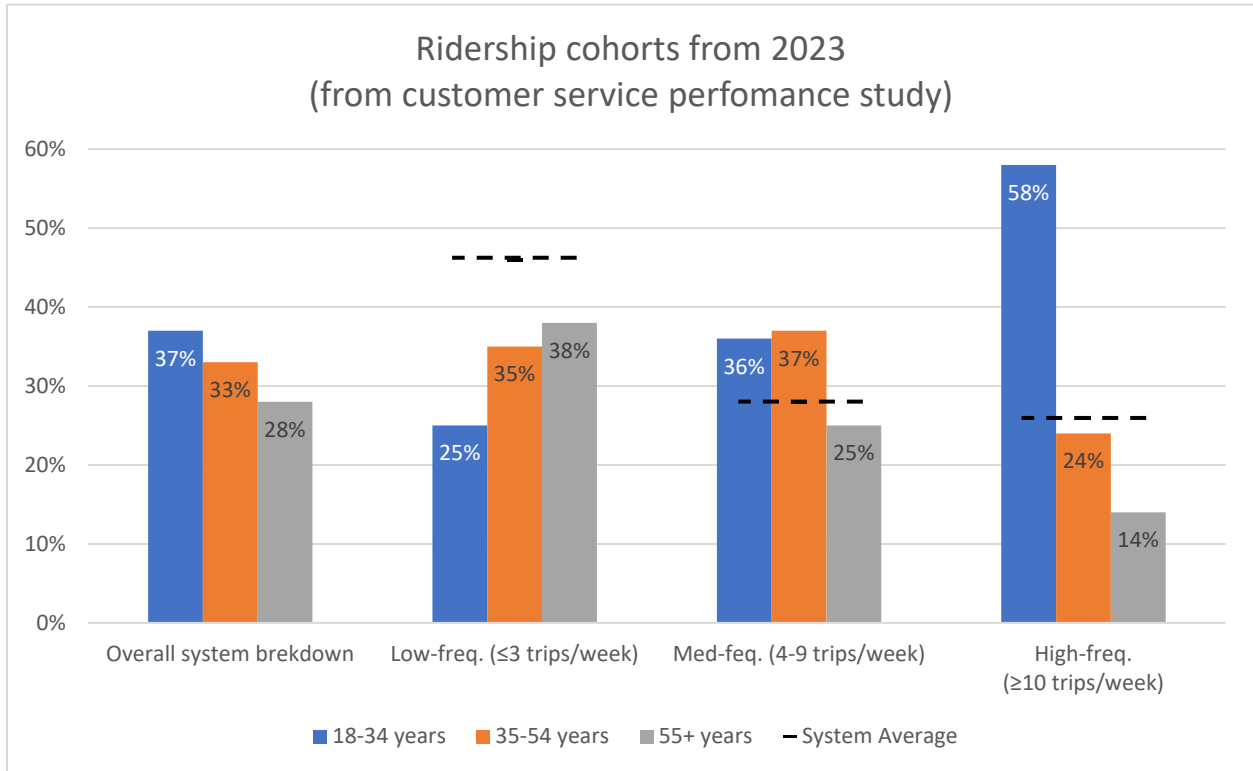
\*For TransLink, children (age 12 and under) can travel free on buses and must be accompanied by a paying customer if travelling on SkyTrain, SeaBus or WCE and the paying customer is accompanying fewer than 5 children

\*\*For STM, transit is free at all times for children aged 11 and under when accompanied by a person aged 14 and over who supervises them and holds a valid transit fare

\*\*\*For Calgary Transit, adult fares apply for seniors, except for a seniors' yearly pass. Youth 13-17 are eligible for reduced fares, as are full-time high-school students aged 18-21.

\*\*\*\*For Edmonton Transit System, children (12 and under) can travel free when accompanied by a fare-paying customer. If traveling alone, they must purchase a youth ticket

**Attachment 2: Chart of Ridership cohorts, TransLink Customer Service Performance Study, 2023td**





# Transit Fare Affordability

Sarah Ross, VP, Transportation Planning and Policy

Eve Hou, Sr Manager, Policy Development & Decision Analysis



Together all the way





# Proposed Resolution:

- That the Mayors' Council:
  1. Include low-income transit fare discounts in the Mayors' Council policy platform for the 2024 provincial election;
  2. Receive this report.







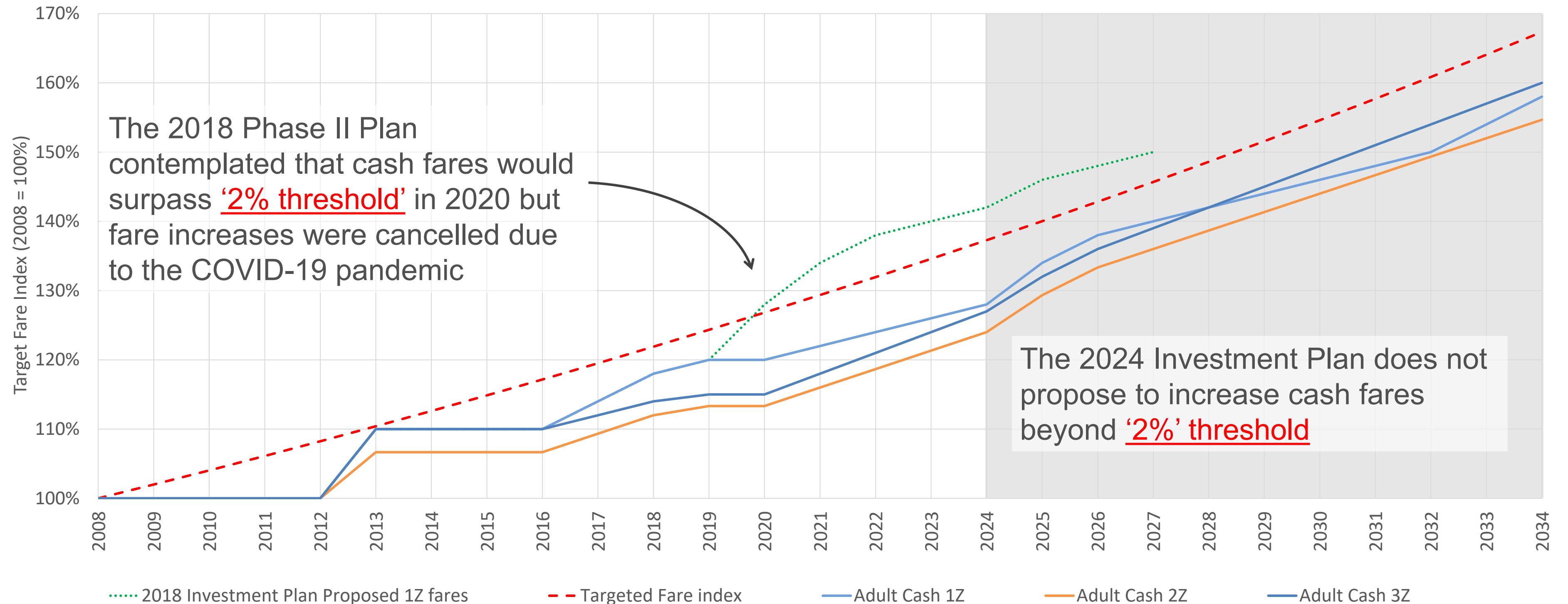
# Affordable Fares for Everyone

1. Measuring fare increases against consumer inflation and other indices
2. Ensuring competitiveness against other modes
3. Fare comparisons to peer agencies

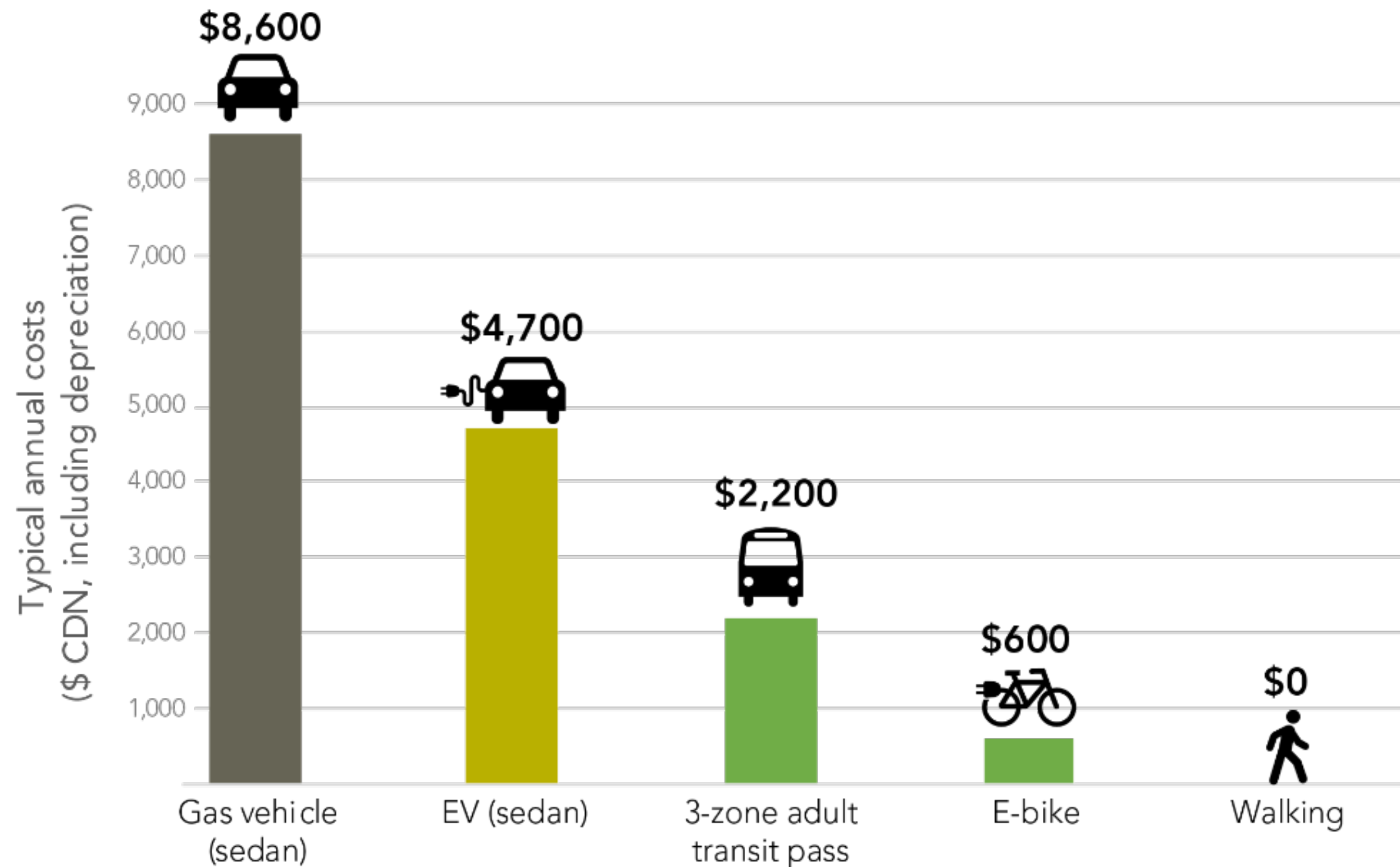


# Average fare increases have been less than 2% per year since 2008

Historic and Proposed 1-3 Zone cash fare products

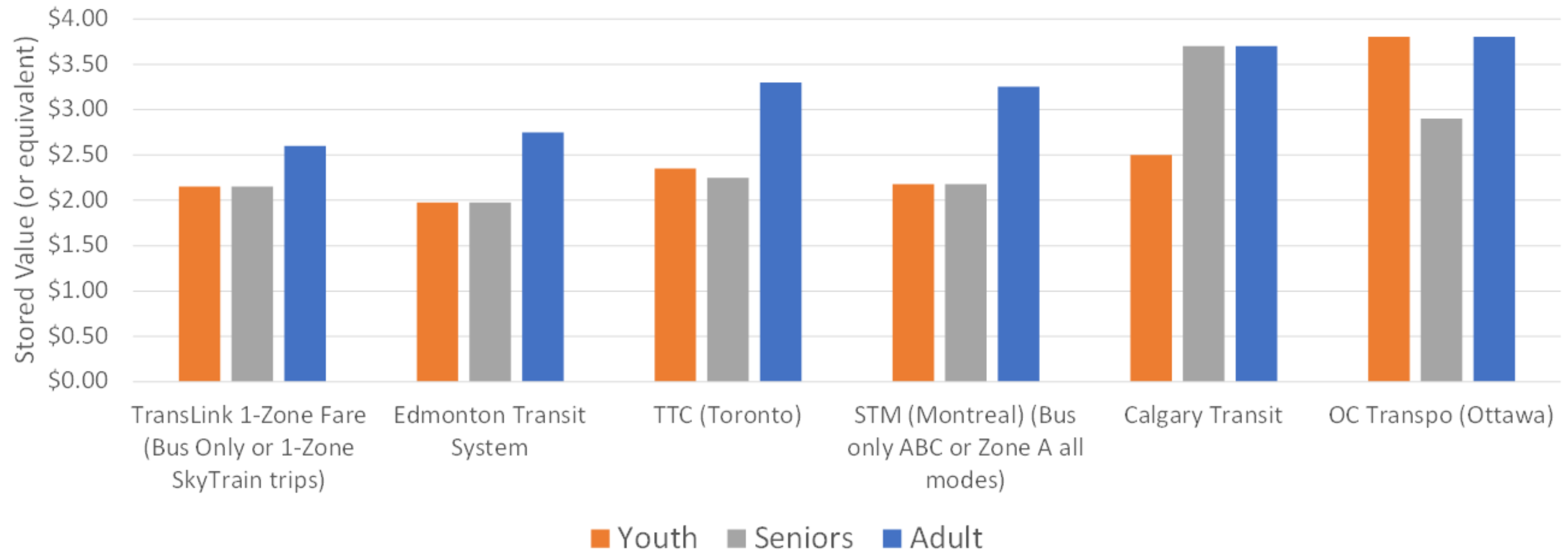


# Ensuring competitiveness against other modes



# Comparisons to Peers

Bus only Stored Value Fares (and 1-Zone rapid transit Fares for TransLink and STM),  
as of July 1, 2024





# Affordability Enhancements

- Discounts for people 65+ and 13-18 and HandyCARD users (concession fares)
- Free Fares for Kids (12 and under)
- U-Pass BC
- BC Bus Pass















# Principles for Affordability Enhancements

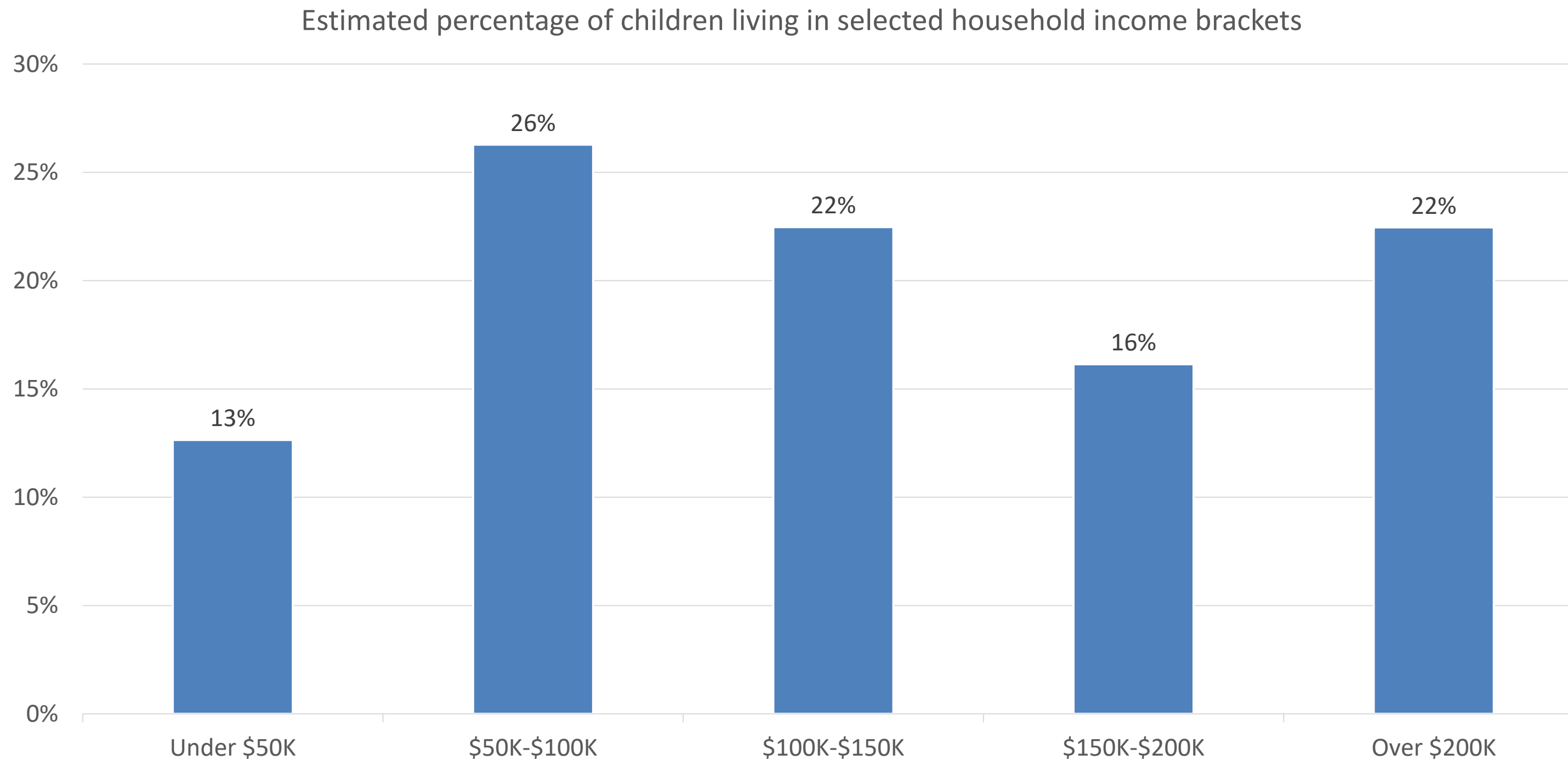
1. Free fares not recommended
2. Equity is an objective
3. Fares should be linked to ability to pay
4. Best use of funds should always be considered



# Options Against Principles

Principles	Free Fares for Youth	Low Income Pass Program
<b>1. Free fares not recommended</b>	 Advocates calling for free fares for youth	 Program to have some fee, potentially adjusted to income level
<b>2. TL no social equity mandate</b>	 Program would need to be funded externally	 Program would need to be funded externally
<b>3. Fares linked to ability to pay</b>	 Relationship between age and ability to pay is weak (especially considering household context)	 Program linked to income as measure of ability to pay (with verification)
<b>4. Best use of funds considered</b>	 Subsidization of households who can afford to pay; High costs associated with fare evasion	 Program directly benefits individuals who have the greatest need, of any age

# Figure 3: Estimated % children living in selected household income brackets





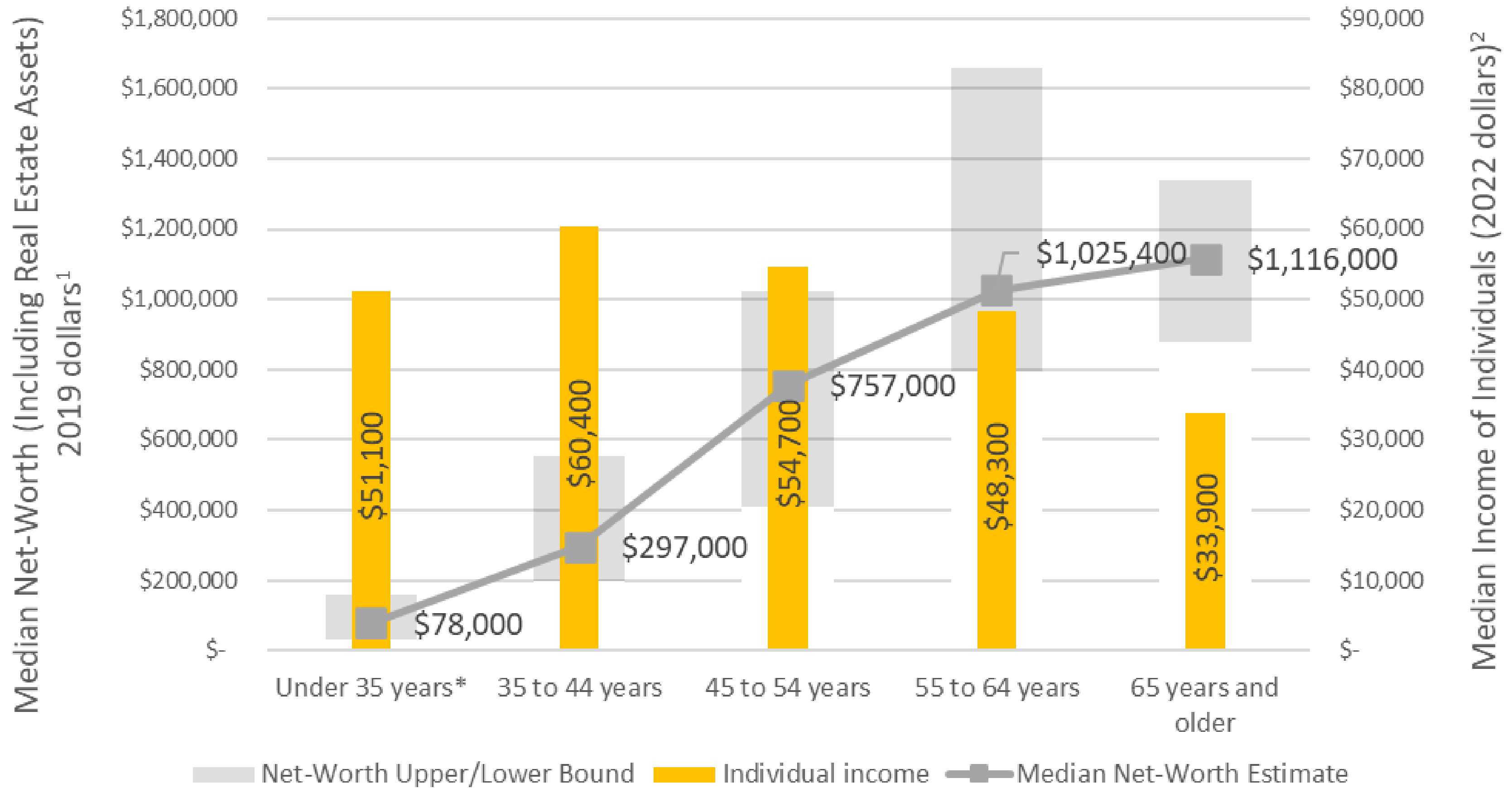
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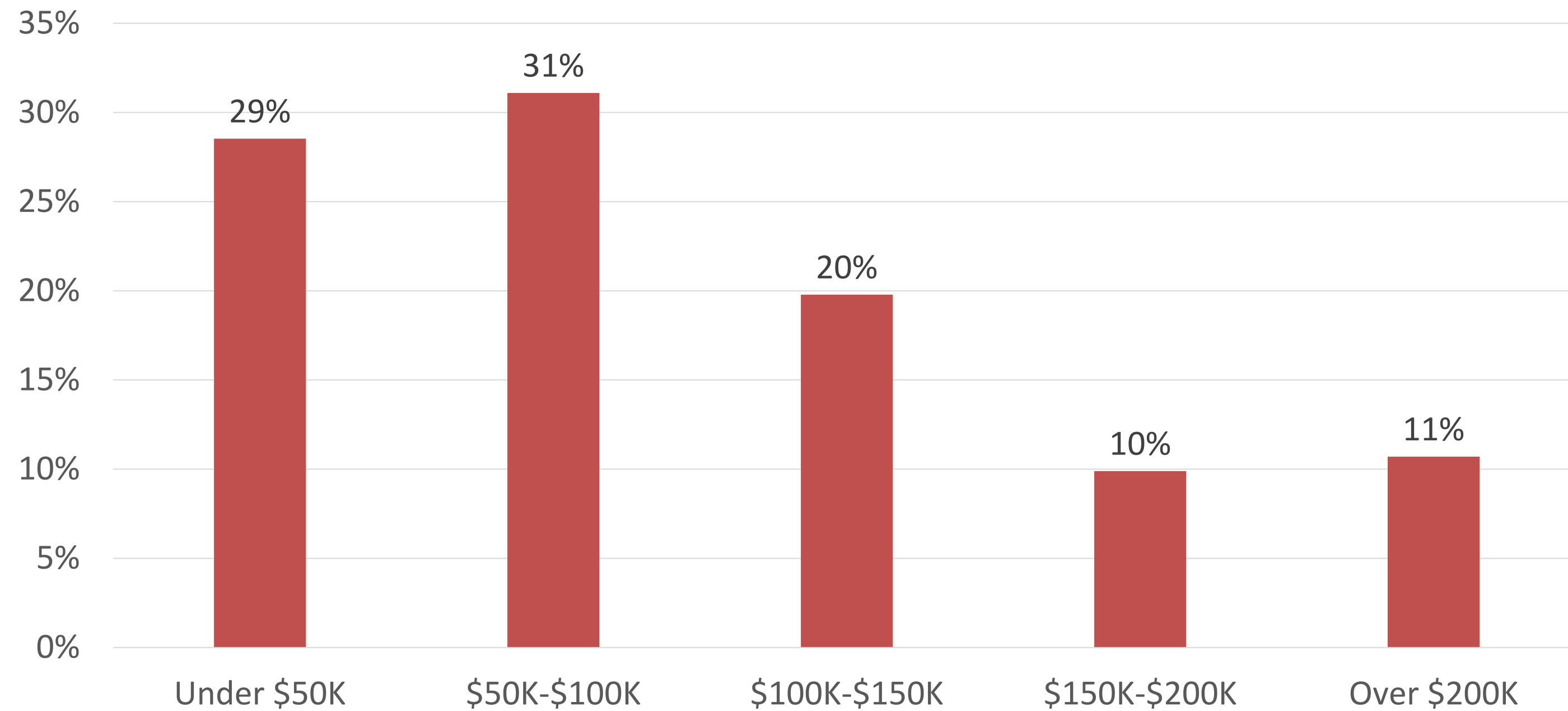


## Metro Vancouver individual median incomes and net worth by age groups

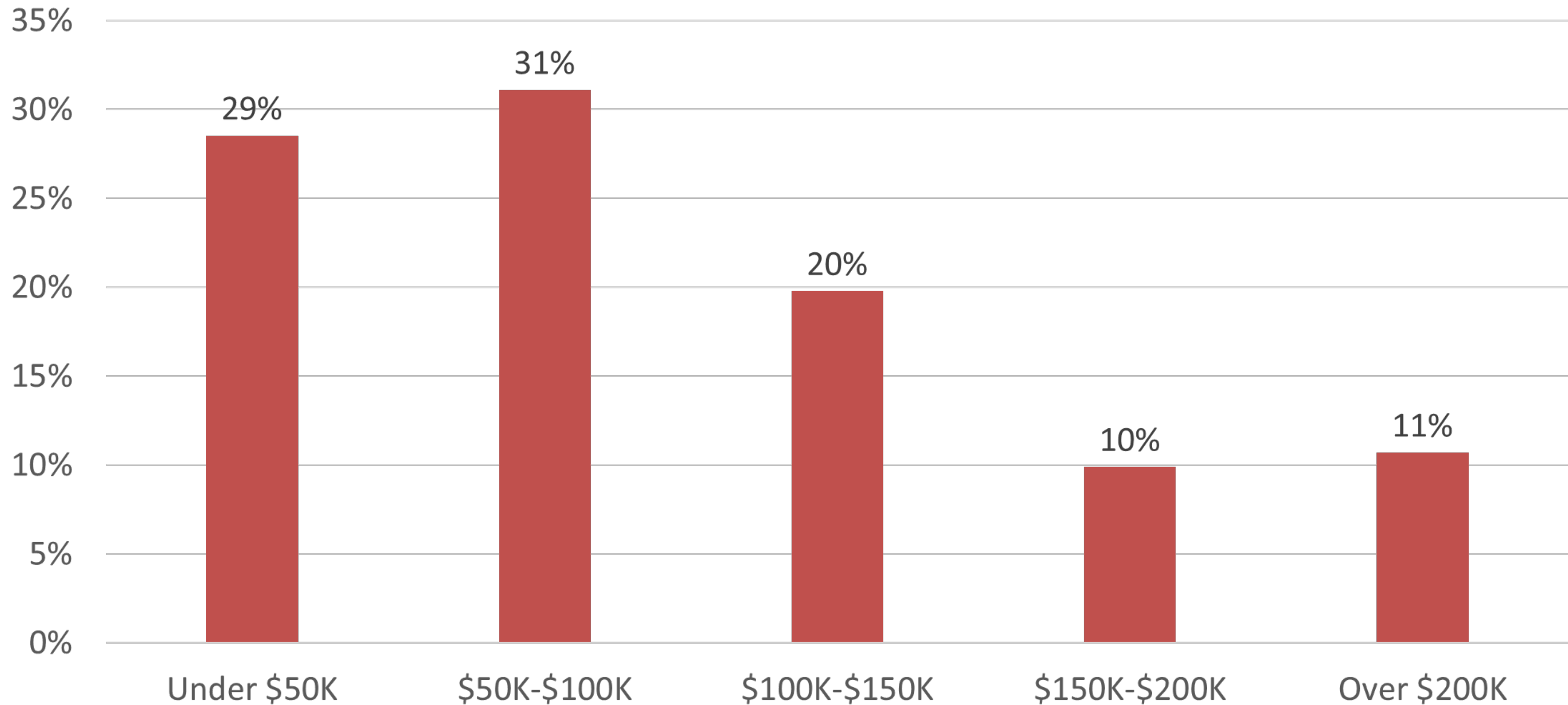


# Figure 4

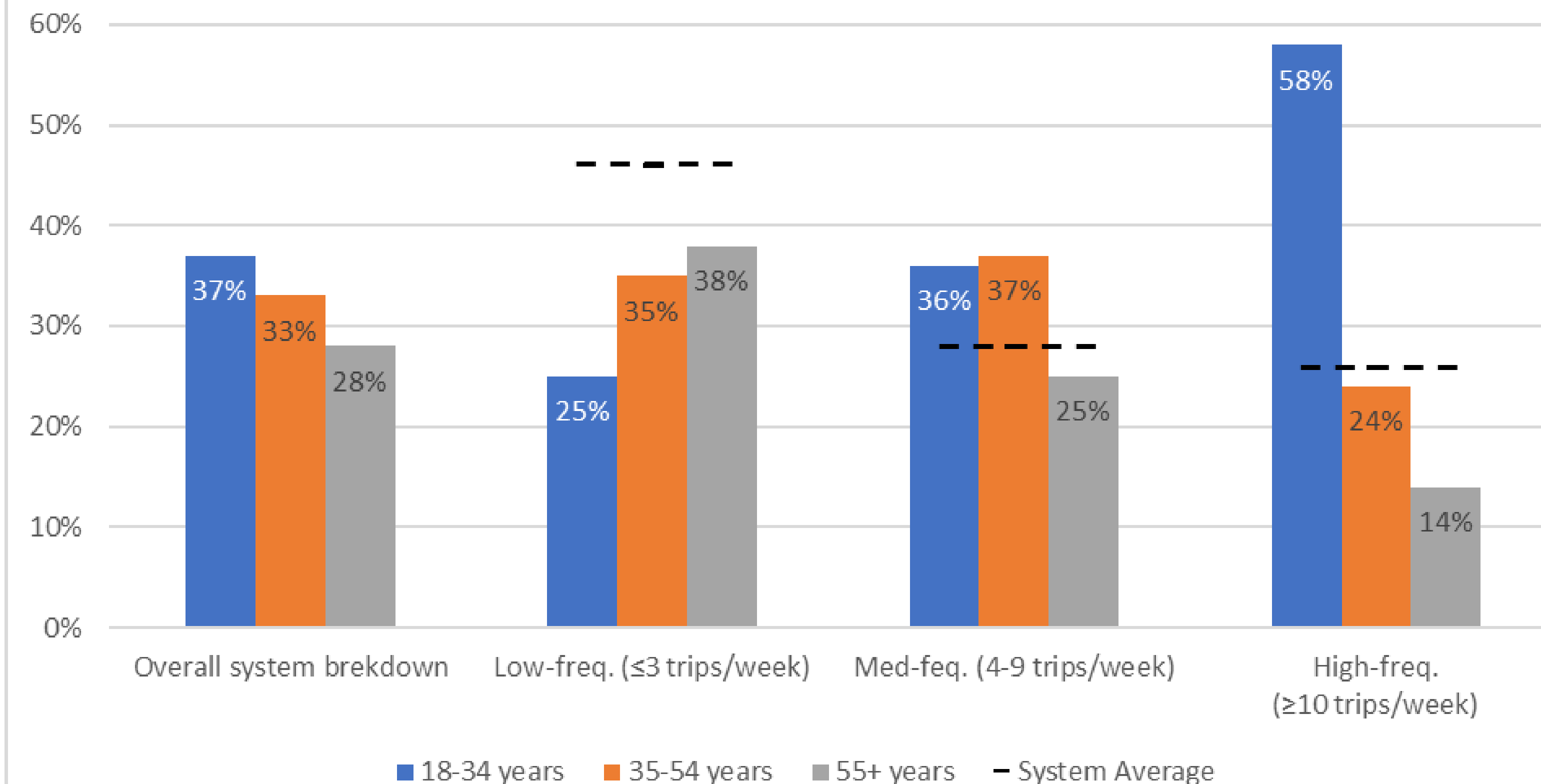
Percentage of households without children by selected income brackets  
(Census 2021)



## Percentage of households without children by selected income brackets (Census 2021)



## Ridership cohorts from 2023 (from customer service performance study)



# Metro Vancouver's BRT Customer Experience Vision Update



Mayors' Council Meeting

June 27, 2024



Together all the way



# Outline

Item	Purpose
Customer Experience Vision	For Information
What We've Heard to Date	For Information
Summer/Fall Visioning Process & Deliverables	For Information
Next Steps	For Information
Questions	For Discussion



# Starting with a Customer Experience Vision for Our BRT

## A Customer Experience Vision will be our 'North Star' for our riders' experience of BRT.



- It will serve as a holistic map of the touchpoints with our customers throughout their BRT journey highlighting key insights into our riders' complete experience.
- It will build understanding and consensus and help to chart a course of action for the program team and municipal partners.
- It will help as an evaluation tool for trade-offs as we progress through program delivery.

# Who We've Heard From



- 6 customer focus groups (two per corridor)
- 25 internal stakeholders
- Direct customer interviews
- Social media and Customer Information (CI) audit

# Key Themes – Customer Focus Groups

- Ideal BRT service would offer **reliable, frequent, and affordable service**.
- Most support a **phased delivery** of BRT.
- Reactions to BRT were **largely positive**.
- BRT can allow users to **avoid the stress that comes with driving**.
- If BRT makes it convenient to travel, **customers will choose it over driving**.
- Primary concerns related to BRT were around **comparison to rail** as a travel option, **cost to implement**, and **construction interruptions** to vehicle traffic.
- Favourability towards BRT (vs rail) improved once people understood that it is **more economical and faster to build**.

# Internal Leadership Interviews: Key Takeaways



**For many in Metro Vancouver, "rapid transit" is a rail experience.**

Work is needed to show customers that "rapid" is about service frequency and reliability - not the type of vehicle that shows up to the station.

**BRT is a journey not a destination.**

There needs to be a recognition that this is an iterative delivery model, a new approach to continual improvement in bus service.

**Friction between deliver fast and deliver transformative service.**

There needs to be decisions made around these trade-offs for launch:

- This will be an iterative delivery model to get us to our North Star
- We need agreement on the base level BRT service offering that can be delivered for launch.

# Metro Vancouver's BRT



## **BRT Corridors Need to be Our Flagship On-street Service**

Fast, frequent, reliable, safe and comfortable. Our customers don't need to pre-plan, check schedules, or worry about wait times. It is an easy experience where you can just show up and go.

## **Success of BRT is Centered on High-quality Service**

Delivering core service is of outmost importance, continual enhancement of amenities will come over time - more shelters, better signage, public art, landscape, etc.

## **An Asset for the Municipalities We Serve**

Reflecting the multimodal and cultural needs of the communities.



# Metro Vancouver's BRT



## Leverage Technology to Provide Customers with a Frictionless Experience

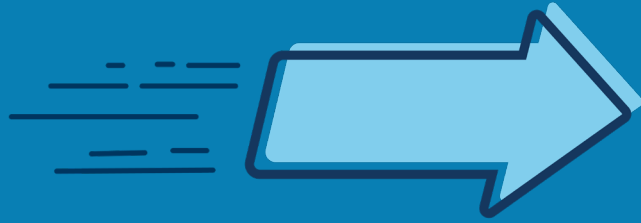
Customers can avoid wait times and skip past traffic getting where they need to go fast.

## Safety is a Top Priority

Our customers will ride with confidence and the peace of mind that they will arrive safely and comfortably every trip- rain or shine, night or day. They will feel safe waiting for their vehicle and be shielded from the Metro Vancouver elements.



# Next Steps



- Community engagement over the summer
- Engagement with municipal staff (via regional transportation advisory committee) in July
- Refinement of the BRT vision and journey maps with input from today + customer and stakeholder engagement
- Bring finished products to Board & Mayors in September



# Timeline

MARCH	APRIL	MAY	JUNE	JULY	AUG	SEPT
Internal consultation – needs of users of the Customer Experience Vision.						
	Developing the Customer Experience Vision for BRT - review, conduct, and synthesize research					
			Public Engagement – building awareness & surveys			
				Develop a Vision representing the needs of the customer & users of the Customer Experience vision		
						Final BRT CX Vision to Board & Mayors' Council





# Metro Vancouver's BRT



## Turn up and go

- 1 Real-time alerts and next bus information
- 2 Frequent service

## Peace of mind

- 3 Security features
- 4 Weather proofed stations with lighting and other comforts

## Get there fast

- 5 Signal Priority
- 6 Dedicated lanes
- 7 High-capacity Fleet

BRT CUSTOMER EXPERIENCE VISION

# Discussion & Feedback





TO: Mayors' Council on Regional Transportation

FROM: Sarah Ross, VP Transportation Planning and Policy  
Olga Kuznetsova, VP Financial Services

DATE: June 4, 2024

SUBJECT: **ITEM 6.1 - 2025 Investment Plan - Proposed Approach**

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**PROPOSED RESOLUTION:**

That the Mayors' Council endorse the proposed schedule and approval timing of a 2025 Investment Plan.

**EXECUTIVE SUMMARY**

The Investment Plan team is planning for a 2025 Investment Plan. There are three key workstreams that will build towards the 2025 Investment Plan:

- Advancing the long-term funding strategy
- Advancing the Federal Canadian Public Transit Fund (CPTF) Agreements
- Defining the Investment Plan scope

There are a number of risks that will need to be managed through the investment plan development process, including funding availability and decision-making timing. The Board and the Mayors' Council have legislated responsibilities associated with investment plans approval and ensuring that TransLink meets its financial responsibilities. To manage the risks, staff recommend working towards a preferred approval timing of the 2025 Investment Plan by end of April 2025, with June 2025 as an alternative final approval timing.

**PURPOSE**

The purpose of this report is to provide an update on the 2025 Investment Plan work program, key risks and mitigation measures, and the proposed schedule and approval timing. TransLink staff are seeking endorsement of the proposed schedule and approval timing of the 2025 Investment Plan.

**BACKGROUND**

The 2024 Investment Plan, approved on April 25, 2024, enabled a one-time property tax increase in 2024, additional transit fare increases in 2025 and 2026, and capital contribution from Provincial government to purchase expansion buses. The scope of the 2024 Investment Plan includes transit services expansion in 2024 and 2025 to address urgent overcrowding using existing assets, as well as an additional year of Streets Program cost-share program funding and \$300 million in Provincial capital contribution towards purchasing buses and supporting infrastructure to enable future transit service expansion.

The 2024 Investment Plan addressed urgent service needs but it did not address TransLink’s long-term funding gap. TransLink still faces a significant structural deficit beginning in early 2026, as well as a need to further advance and implement the *Access for Everyone* Plan. Staff are planning a 2025 Investment Plan with the key objectives to address the structural deficit and make progress on the *Access for Everyone* Plan. TransLink requires additional revenues, beyond current approvals and forecasts, to be flowing by January 2026.

## DISCUSSION

Although an updated Investment Plan is not required by statute until March 2027, a 2025 Investment Plan is required if we are to avoid the service reductions in 2026 that would be required without a new Investment Plan. A 2025 Investment Plan can also provide the opportunity to make progress on the *Access for Everyone* Plan and confirm funding from the new Canadian Public Transit Fund that begins in 2026.

### Work Program

There are three key workstreams that will build towards the final 2025 Investment Plan:

1. Advancing the Long-Term Funding Strategy
  - a. Confirm near- and medium-term revenue tools with Province, Mayors’ Council and TransLink Board, including required legislative changes.
  - b. Confirm capital contribution share between region and senior governments.
2. Advancing the Federal Canadian Public Transit Fund (CPTF) Agreements
3. Defining the Investment Plan Scope
  - a. Confirm 2025 Investment Plan projects and programs, including implementation of *Access for Everyone* Plan.
  - b. Confirm cost estimates for included projects.

There are six major decisions required in any investment plan process. Information to support these decisions will be brought forward to the Mayors’ Council and Translink Board over the course of the development of the 2025 Investment Plan.

1. **Confirm scope assumptions** (What *should we* deliver in this IP? How much do these things cost?)
2. **Confirm what is operationally feasible to deliver** (What *could we possibly* deliver in this IP?)
3. **Confirm baseline financial assumptions** (Update revenue and expenditure forecasts)
4. **Confirm revenue need** (In light of the above, how much revenue do we need to raise?)
5. **Confirm funding approach** (How will we pay for it? Negotiate with senior governments)
6. **Confirm final 2025 Investment Plan parameters** (Match scope with available funding)

### Risks and Mitigations

There are a number of risks associated with the 2025 Investment Plan, and a comprehensive risk register is being developed. Three of the most significant risks that will influence the development of the 2025 Investment Plan are as follows:

	<b>Risk</b>	<b>Mitigation</b>
<b>Timing</b>	Certainty on the 2025 Investment Plan is needed by end of June 2025 to avoid implementing reductions beginning in early 2026.	Identify multiple funding and approval scenarios to achieve objectives
<b>Scope</b>	Funding and deliverability constraints may slow the speed of <i>Access for Everyone</i> implementation.	Prioritize scope using evaluation criteria (to be brought forward at a later date), adjust as funding is confirmed.

### **Timing**

Summer & Fall 2024: Scope options development and costing

Winter 2025: Confirm proposed scope and funding required

Spring 2025: Public consultation and finalization of 2025 Investment Plan

### **Analysis of Alternatives**

Staff recommend working towards an end of April approval timeline for the 2025 Investment Plan. Staff recognize this decision will be influenced by negotiations with senior governments and that there are timing risks with Provincial decision-making as a result of the fall 2024 election and forming government.

Staff advise an alternative final deadline of June 2025 to manage both the decision-making risk, as well as mitigate the risks associated with planning for reductions to address the fiscal cliff in 2026.

### **CONCLUSION**

The 2025 Investment Plan work program, schedule and approach have been developed with the overall objectives of addressing the structural deficit and advancing the *Access for Everyone* Plan, while balancing key risks. Information and decisions will be brought forward to the Mayors' Council and TransLink Board as work progresses. TransLink staff are seeking endorsement of the proposed schedule and approval timing of the 2025 Investment Plan.

### **ATTACHMENTS**

Attachment 1 - Presentation slides: 2025 Investment Plan

# 2025 Investment Plan

Mayors' Council

June 27, 2024



# Purpose

Provide an **update** on three areas of the 2025 Investment Plan:

1. Streams of work and decisions
2. Key risks and mitigation
3. Schedule milestones

Seek **endorsement** of the proposed 2025 Investment Plan approval timing.





# 2025 Investment Plan: Three Streams of Work

## 1. Funding Strategy

### Key Tasks:

- Confirm near and medium-term revenue tools with Province, Mayors' Council and Board and legislative changes required to enable.
- Confirm capital contribution share between region and senior governments

## 2. Advancing Canadian Public Transit Fund (CPTF) Agreements

## 3. Investment Scope

### Key Tasks:

- Confirm 2025 IP projects and programs
- Confirm cost estimates for included projects



# The Six Major Investment Plan Decisions

1. **Confirm scope assumptions** (*What should we deliver in this IP? How much do these things cost?*)
2. **Confirm what is operationally feasible to deliver** (*What could we possibly deliver in this IP?*)
3. **Confirm baseline financial assumptions** (Update revenue and expenditure forecasts)
4. **Confirm revenue need** (In light of the above, how much revenue do we need to raise?)
5. **Confirm funding approach** (How will we pay for it? Negotiate with senior governments)
6. **Confirm final 2025 Investment Plan parameters** (Match scope with available funding)

**Note:** Confirming desired scope and confirming available funding is always an iterative process with much dialogue and negotiation between Feds, Province and Mayors' Council. We will need to be nimble.



# Key Risks and Mitigations

	Risk	Mitigation
<b>Timing</b>	Certainty on the 2025 Investment Plan is needed by end of June 2025 to avoid implementing reductions beginning in early 2026.	Identify multiple funding and approval scenarios to achieve objectives
<b>Scope</b>	Funding and deliverability constraints may slow the speed of <i>Access for Everyone</i> implementation.	Prioritize scope using evaluation criteria (to be brought forward at a later date), then adjust as funding is confirmed.



# Timing

- **Summer & Fall 2024:** Scope options development and costing
- **Winter 2025:** Confirm proposed scope and funding required
- **Spring 2025:** Public consultation and finalization of 2025 Investment Plan



# Recommendation

Endorse the proposed schedule and approval timing of the 2025 Investment Plan.

