April 23, 2020
Public Meeting of the Mayors’ Council

Presentation Slides for display on screen

Meeting held via videoconference (broadcast live on Mayors’ Council YouTube Channel)

mayorscouncil.ca
Public Meeting Agenda

1. Preliminary Matters
   1.1 Adoption of Agenda
   1.2 Approval of Minutes (Feb 27, 2020)

2. Report of Translink Management
   2.1 Update on COVID-19 Response and Recovery

3. Other Business
   3.1 Next Meeting – May 28, 2020

4. Adjourn to closed session
Item 2.1

TransLink Management Report: Update on COVID-19 Response & Recovery
COVID-19 Response and Recovery Agenda

- **Acute Phase**: Emergency Scale-Down (now)
- **Recovery Phase**: Scaling Back Up
- **Uncertain Futures**: Four Plausible Scenarios
- **Rebuilding Phase**: Long-Term Sustainability
COVID-19 Response Planning: Three discrete phases

**Acute period** of physical distancing (4-18 months)
- *Transport Focus*: serve essential workers / trips
- *Revenue Drivers*: physical distancing requirements

**Recovery period** as distancing eases (many months)
- *Transport Focus*: scaling transit service back up
- *Revenue Drivers*: virus resurgence; unemployment; work from home; anxiety over transit

**Rebuilding period** post-pandemic (many years)
- *Transport Focus*: kick-start the economy; return to long-term sustainability
- *Revenue Drivers*: economic prosperity; senior gov economic stimulus
Financial challenge during acute phase

- During acute phase, collecting monthly revenues of $65M ($75M lower than budget);
- If distancing measures increased, monthly losses could grow from $75M to $90M.

Average Monthly Revenue (Apr to Sep)
COVID-19 Response and Recovery

Acute Phase: Emergency Scale-Down

Emergency planning to ensure financial viability of TransLink while continuing to serve essential trips and set the region up for solid economic recovery
Transit’s mission right now: serve essential trips and essential workers to **ensure that our region continues to function.**

- Currently: 150,000 unique riders in a week
- Eight-in-ten current riders making essential trips
- Four-in-ten current riders are “essential” workers
- One-in-ten current users say that they do not have any other options to get to and from work.

*Our challenge is to continue to meet this mission while addressing severe loss in revenue*
To support operator safety and public health we have taken measures to promote distancing on transit - this move has reduced transit capacity by 70%.
To slow the rate of revenue loss we must move ahead with large reductions in service.

<table>
<thead>
<tr>
<th>Service reductions made March to mid-April</th>
<th>Service reductions announced April 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>~20% reduction in service hours</td>
<td>~35% reduction in service hours</td>
</tr>
<tr>
<td>~24% systemwide capacity remaining</td>
<td>18% systemwide capacity remaining</td>
</tr>
</tbody>
</table>

We are also exploring options for deeper service cuts should they become absolutely necessary.
We announced cuts this week that are now underway

Systemwide: Medium impacts to service span, high number of pass-ups, low impacts to geographic coverage

<table>
<thead>
<tr>
<th></th>
<th>Details</th>
<th>Reduction in Service</th>
<th>Fully Implemented By:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bus</strong></td>
<td>65 routes suspended, frequency reductions on all remaining routes, reduced hours of service on some routes</td>
<td>-32% service hours</td>
<td>mid-May</td>
</tr>
<tr>
<td><strong>SeaBus</strong></td>
<td>SeaBus sailings every 30-minutes and no service after 7:45 p.m.</td>
<td>-62% service hours</td>
<td>April 22</td>
</tr>
<tr>
<td><strong>Expo-Mill. Lines</strong></td>
<td>Reduced peak, midday, evening, and weekend service</td>
<td>-40% car service km</td>
<td>April 22</td>
</tr>
<tr>
<td><strong>Canada Line</strong></td>
<td>Reduced peak, midday, evening, and weekend service</td>
<td>-25% car service km</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>WCE</strong></td>
<td>Trains one, three, and five will continue running with fewer cars Trans two and four remain temporarily suspended</td>
<td>-80% car service km</td>
<td>April 22</td>
</tr>
<tr>
<td><strong>HandyDART</strong></td>
<td>Scaled operations to meet existing demand</td>
<td>Based on demand</td>
<td>Existing Conditions</td>
</tr>
</tbody>
</table>

We are also exploring options for deeper service cuts should they become absolutely necessary.
Transit Network with reductions announced for April/May

18 bus routes suspended beginning Friday (April 24):


- NightBus routes: N8, N15, N17, N22, N24, N35.

Expected route suspensions in early-to-mid May (precise timing TBD):


20% of systemwide capacity remaining
We have been working to match supply to demand, but crowding will still occur on many routes.

### Ridership (demand)
- Before COVID-19: 100%
- March 23 Physical Distancing: 23%
- April 6 20% Service reduction: 17%
- April 21 (Current): 17%

### Capacity (supply)
- Before COVID-19: 100%
- Physical Distancing: 30%
- With 20% Service reduction: 24%
- With 35% Service reduction: 20%
Matching Capacity to Demand with Physical Distancing Impacts Customer

April 22 – limiting passengers at King George to enable physical distancing

Essential workers dread transit cuts

Low-income residents, those on front lines will be hit the hardest

JENNIFER SALTMAN

Eris Fowler used to take the bus and SkyTrain to and from her job as a social worker at a Vancouver long-term care facility. But late last month, TransLink began reducing service when the COVID-19 pandemic forced people to stay home, and Fowler noticed she was unable to keep a safe physical distance from other passengers, first on the bus and then on the SkyTrain. Although she hasn’t owned a car for years, she managed to find time to use for commuting and stopped taking transit a couple of weeks ago.

“I’m doing this out of concern for myself, the people that I’m working with, and also their families,” Fowler said. “I know she’s fortunate to have another transportation option, but many of her fellow essential service workers are using those vehicles in very tight quarters,” Fowler said.

“I just think it’s unbelievable, that management isn’t coming up with some kind of a sustainable plan,” Fowler said. “The people that have less resources are the ones who are going to be hurt the most.”

Although ridership is down, an average of 21,000 per cent, and TransLink is projecting losses of $716 million a month, about 78,000 people still use the transit system, which is designated an essential service, every weekday.

- Vancouver Sun, April 15 2020

With constrained capacity on the system, please consider travelling off-peak to give more room for essential service workers.
We are also reducing expenditures across all other areas

- Debt-service savings from deferring some capital projects
- Deferring 2020 Major Road Network operations, maintenance, rehab funding
- Scaling down non-service operating expenditures
- Drawing on critical reserves
COVID-19 Response and Recovery

Recovery Phase: Scaling Back Up

As distancing requirements are eased, we need corresponding transit service increases to accommodate increased travel.
The recovery phase starts as physical distancing measures begin to be eased

- Province will de-layer physical distancing in stages; may be re-introduced if there is a second wave of COVID-19
- Parts of the economy may re-open with some distancing still in place (e.g. in-restaurant dining with limits on number & distance between patrons)
- Key Questions:
  - What will be the public health guidance for transit operations?
  - What will people’s travel preferences be?
  - What levels of transit service will be needed?
Pace and timing of transit service scale-up will follow public health guidance around distancing and opening of economy.

- **Planned Service Hour Reductions: -35%** (18% of system capacity remaining)

- **If distancing eased in July, Fastest Possible Scale-Up return to -10% by Sep 2020**

Range of options to scale up service in 2020
COVID-19 Response and Recovery

Uncertain Futures: 4 Plausible Scenarios
Making decisions in the context of COVID-19 and high degrees of uncertainty
Scenarios: Four plausible COVID-19 scenarios

**Faster Rebuilding Period**
(12 month recession / 15% unemployment)

**Scenario 1: “Quick Recovery”**
People quickly return to work and travel demand is nearly restored by end of 2020.

**Scenario 2: “Lasting Impacts”**
Even this shorter period of distancing results in lasting socioeconomic impacts and changes in travel behaviour.

**Scenario 3: “Hibernation”**
Despite long period of distancing, socioeconomic conditions and travel demand quickly recover.

**Scenario 4: “Paradigm Shift”**
The long period of distancing results in long term shifts towards work-from-home and more severe impacts to the economy.

**Distancing Ends by Canada Day**
(after first wave subsides)

**Distancing Continues for 12+ Months**
(until vaccine is developed)

**Slower Rebuilding Period**
(48 month depression / 30% unemployment)
**Scenarios: Four plausible COVID-19 scenarios**

TransLink is facing a COVID-related $570-680M revenue shortfall this year

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<tr>
<td>Acute period of physical distancing</td>
<td>Ends on Canada Day</td>
<td>-$250M</td>
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<td>Economy Re-opens</td>
<td>12-month recession</td>
<td>-$460M</td>
<td>48-month depression</td>
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<td>Approximate total (full impact period)</td>
<td>-$710M</td>
<td>-$2,070M</td>
<td>-$1,370M</td>
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<td>Approximate total (in 2020)</td>
<td>-$570M</td>
<td>-$650M</td>
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Scenarios vary by:
- Duration of physical distancing period (4-18 months); and
- Nature and length of post-pandemic economic downturn (12 month recession to 48 month depression).
- Revenue Impacts are for the current 10-Year Investment Plan

Numbers may not add due to rounding.
We are losing $75M per month. We are reducing expenditures by $25M per month leaving a gap of $50M per month.
In the most optimistic scenario (Quick Recovery) we are facing a $400M financial gap in 2020 (Revenue Loss versus Expenditure Reductions)
Senior government relief is needed to fill the gap during this acute phase and keep TransLink viable

- In late March, Canadian Urban Transit Association has requested a $1.2B emergency fund, plus $400M per month.
  - This would equate to ~$45M to TransLink per month
- Today, Federation of Canadian Municipalities proposed a $2.4B federal funding program to cover transit operating losses for 6 months.
- For context, the U.S Federal Government has provided $25B to transit agencies as a part of the $2T Coronavirus, Relief and Economic (CARES) Act. On a Canadian scale this would be equal to $2.5B, with TransLink receiving $300M if it were allocated based on ridership
COVID-19 Emergency Response Planning

Rebuilding Phase:
Leveraging stimulus dollars to deliver shovel-ready projects that help kick-start the economy, advance regional priorities, and set TransLink up for long-term financial sustainability
We will need to manage losses in 2021 and beyond

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<tr>
<td>Approximate total (in 2021)</td>
<td>-$120M</td>
<td>-$660M</td>
<td>-$630M</td>
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The Impact in 2021 Will also be Significant

• Based on different scenarios, our 2021 operating revenues could be $120M-$885M lower than anticipated
• The Mayors’ Council in coordination with senior government will need to consider how to address future shortfalls
• 2021 Budget Challenges will be even larger if 2020 Financial Gap is not filled

Anticipated pre-COVID 2021 operating revenue was $1.6B

Range of shortfall $120M-$885M
The acute phase will leave TransLink’s reserves depleted; the next Investment Plan will need to replenish and rebuild

- Rebalance investments and scale our operations to match our financial capacity
- Access new stimulus funding and augment our own revenues
- Assess existing and future capital projects
What’s next

• Continue to work with the Province of BC on:
  – funding for the Recovery Phase
  – developing a plan for the Rebuilding Phase

• Support the Province of BC’s call to the Government of Canada for a national approach to public transportation relief funding

• Support FCM, CUTA, and local community leaders who are joining our call for emergency relief funding to keep Canada’s cities moving
COVID-19: Service reductions, layoffs, executive pay cuts begin this week at TransLink

Jennifer Saltman
1 day ago • 7 minute read

We, the undersigned, are calling on the federal and provincial government to provide emergency funding for essential transit service.

TransLink to significantly cut service if it doesn’t get sign of government help

FRANCES BULA

VANCOUVER
SPECIAL TO THE GLOBE AND MAIL
PUBLISHED APRIL 14, 2020

Let’s Keep TRANSIT GOING for Essential Workers

BC’s TransLink says it’s losing $75M every month. Toronto’s TTC says ridership’s dropped by ~80%.

We can’t afford to lose transit in Canada.

Let’s Keep TRANSIT GOING for Essential Workers

David Suzuki
@DavidSuzukiFDN
Apr 21
PRESS RELEASE: David Suzuki Foundation urges emergency transit funding
ow.ly/pL2p5DzkgWf

Together all the way