



PUBLIC MEETING AGENDA

Revised: October 17, 2017

October 19, 2017, 9:00AM to 10:30AM

TransLink, Room 427/428, 400 – 287 Nelson’s Court, New Westminster, BC

Chair: Mayor Gregor Robertson **Vice-Chair:** Mayor Linda Hepner

9:00AM	1. PRELIMINARY MATTERS	
	1.1. Call to order	
	1.2. Adoption of agenda	Page 1
	1.3. Approval of Minutes (September 21, 2017)	2
9:05AM	2. REPORT OF THE JOINT COMMITTEE ON TRANSPORTATION PLANNING AND FUNDING	
	2.1. Phase Two Plan of the 10-Year Vision	8
	• Update on Fall 2017 Work Plan	
	• Closing the Regional Funding Gap	
	• Report on Engagement Workshops	
	• Pattullo Bridge Investment Plan	
	2.2. Phase One Investment Plan	
Report added:	• Update on proposed DCC for Transportation	17
9:50AM	3. REPORT OF TRANSLINK MANAGEMENT	23
10:10AM	4. PUBLIC DELEGATIONS	ORAL
10:20AM	5. REVISED NOTICE OF MOTION	27
10:30AM	6. OTHER BUSINESS	
	6.1. Upcoming Mayors’ Council meeting: November 16, 2017	
10:30AM	7. ADJOURN to closed session	

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

Minutes of the Public Meeting of the Mayors' Council on Regional Transportation (Mayors' Council) held on Thursday, September 21, 2017 at 9:00 a.m. in Rooms 427/428, TransLink Offices, 287 Nelson's Court, New Westminster, BC.

PRESENT:

Mayor Gregor Robertson, Vancouver, Chair
Mayor Wayne Baldwin, White Rock (arrived at 9:06 a.m.)
Mayor Malcolm Brodie, Richmond
Mayor Karl Buhr, Lions Bay
Mayor Mike Clay, Port Moody
Mayor Derek Corrigan, Burnaby
Mayor Jonathan Coté, New Westminster
Mayor Ralph Drew, Belcarra (arrived at 9:06 a.m.)
Councillor Tom Gill, Surrey (alternate)

Director Bill Holmes, Electoral Area A (alternate)
Mayor Lois Jackson, Delta
Councillor Craig Keating, North Vancouver City (alternate) (arrived at 9:06 a.m.)
Mayor John McEwen, Anmore
Mayor Greg Moore, Port Coquitlam
Mayor Ted Schaffer, Langley City
Mayor Murray Skeels, Bowen Island
Mayor Michael Smith, West Vancouver
Chief Bryce Williams, Tsawwassen First Nation (arrived at 9:38 a.m.)

REGRETS:

Mayor John Becker, Pitt Meadows
Mayor Jack Froese, Langley Township
Mayor Nicole Read, Maple Ridge

Mayor Richard Stewart, Coquitlam
Mayor Richard Walton, North Vancouver District

ALSO PRESENT:

Michael Buda, Executive Director, Mayors' Council on Regional Transportation Secretariat

PREPARATION OF MINUTES:

Rae Ratslef, Recording Secretary, Raincoast Ventures Ltd.

1. Preliminary Matters

1.1 Call to Order

The Chair called the meeting to order at 9:02 a.m. Due notice having been given and a quorum being present, the meeting was properly constituted.

1.2 Adoption of Agenda

Draft Agenda for the September 21, 2017 Public Meeting of the Mayors' Council on Regional Transportation, version dated September 16, 2017, was provided with the agenda material.

Mayor Jackson proposed amending the agenda to allow for the consideration of a motion regarding the George Massey Tunnel Replacement, which had been circulated to Mayors' Council members the prior evening via email.

Section 13 of the Mayors' Council on Regional Transportation Rules for the Conduct of Meetings, which provided information on how motions could be introduced and considered, was reviewed. The Chair advised that the notice of motion could be waived if approved by two-thirds of the Mayors' Council members present. Otherwise, the motion would be considered at the next meeting.

Mayors Wayne Baldwin and Ralph Drew and Councillor Craig Keating arrived at the meeting at 9:06 a.m.

Discussion ensued on:

- Concern that the late distribution of the motion did not allow adequate time for review and reflection
- Acknowledgement that this matter is already being considered by the Metro Vancouver Board of Directors
- Suggestion that the issue raised is important but not sufficiently urgent to be dealt with by way of a special motion at this meeting
- Alternates in attendance at the meeting did not previously receive the motion and would therefore be unable to make a decision on the matter.

It was MOVED and SECONDED

That the Mayors' Council on Regional Transportation adopts the agenda for its Public meeting scheduled September 21, 2017 with amendment to add new Item 4.2, George Massey Tunnel Replacement.

DEFEATED

The Chair advised that the motion introduced by Mayor Jackson would be considered on notice and would be included on the agenda of the next Mayors' Council meeting on October 19, 2017.

It was MOVED and SECONDED

That the Mayors' Council on Regional Transportation adopts the agenda for its Public meeting scheduled September 21, 2017, as circulated.

CARRIED

1.3 Approval of Minutes – April 7, 2017

Draft Minutes of the April 7, 2017 Public Meeting of the Mayors' Council on Regional Transportation was provided with the agenda material.

It was MOVED and SECONDED

That the Mayors' Council on Regional Transportation adopts the minutes of its Public Meeting held April 7, 2017, as circulated.

CARRIED

1.4 Approval of Minutes – July 27, 2017

Draft Minutes of the July 27, 2017 Public Meeting of the Mayors' Council on Regional Transportation was provided with the agenda material.

It was MOVED and SECONDED

That the Mayors' Council on Regional Transportation adopts the minutes of its Public Meeting held July 27, 2017, as circulated.

CARRIED

2. Report of the Joint Committee on Transportation Planning and Funding

2.1 Completing the 10-Year Vision

Report titled "Completing the 10-Year Vision for Metro Vancouver Transit & Transportation" was provided with the agenda material.

Mayor Jonathan Coté, Co-Chair, Joint Committee on Transportation Planning and Funding, referenced efforts made to inform the new Provincial Government on key issues:

- Implementation of the final portion of Development Cost Charges (DCCs) to fund Phase 1 of the 10-Year Vision for Metro Vancouver Transit and Transportation (10-Year Vision)
- Funding model and next steps for the Pattullo Bridge Replacement Project
- Framework for moving ahead with Phase 2 of the 10-Year Vision (Phase 2).

Geoff Cross, Vice President, Policy and Planning, TransLink, led the review of the presentation provided with the agenda material and highlighted:

- Timeline to complete the 10-Year Vision
- Federal and provincial capital funding required for the next phase
- Regional capital and operating funding required and the funding gap
- Timeline, key milestones and key elements of the Pattullo Bridge Replacement Investment Plan
- Update on the Pattullo Bridge Replacement Project business case
- Service Expansion and New Rapid Transit Investment Plan (formerly Phase 2 Plan).

Discussion ensued on:

- Indications that there has been a significant increase in traffic following the removal of tolls on the Port Mann Bridge and Golden Ears Bridge
- Need to reflect on changes in traffic flow in the Pattullo Bridge design
- Interest in ensuring that any costs of tunneling the Millennium Line Broadway Extension (MLBE), beyond that which is technically required, are borne by the local government
- Confirmation that staff will report back at the next meeting with the business case for the MLBE tunneling, include the local government contribution
- Acknowledgement that the 10-Year Vision outlined the requirement to arrange Partnership Agreements with municipalities to lower project costs

Chief Bryce Williams arrived at the meeting at 9:38 a.m.

- Importance of ensuring that local governments' commitments to the growth required to justify major projects is reflected in their community plans
- Need for a fair regional funding arrangement other than increasing property tax levies to expand transit
- Need to clarify the methodology for determining priorities going forward
- Status of discussions with Provincial officials

- Interest in an update on the commitments of the Provincial and Federal Governments with respect to funding for the 10-Year Vision
- Note that the 10-Year Vision framework has not changed in terms of the nature and schedule of investments, with the exception of a two year delay in implementation due to the ongoing funding conversations
- Recognition that costs had increased since the Plan was written, well beyond forecasted amounts.

It was MOVED and SECONDED

That the Mayors' Council on Regional Transportation receives the report.

CARRIED

2.2 Phase One Investment Plan

Presentation titled "Phase One Investment Plan", was provided with the agenda material.

Mr. Cross led the review of the presentation provided with the agenda material and highlighted:

- Next steps on development cost charges (DCC) for transportation
- Status of the Federal Gas Tax Fund application to Metro Vancouver
- Summary of projects, total costs and Federal Gas Tax Fund (GVRF) request
- Plans for a highway double decker purchase and to shift to a low-carbon fleet.

Discussion ensued on:

- Preference for a weighted criteria for DCCs rather than a flat tax
- Note that the Province has not objected nor confirmed plans to enact legislation to enable the implementation of DCCs
- Confirmation that staff will report back with options in terms of the DCC design
- Pros and cons of the plan to shift to a low-carbon fleet
- Need for a clear nexus between DCC costs and where investments/revenues are applied
- Clarification that double decker buses would be too high to operate through the George Massey Tunnel and under highway overpasses
- Anticipation that there will be a mixed fleet of articulated, diesel and hybrid vehicles
- Concern that the Mayors' Council has not received sufficient information to make an informed choice about the types of fuel technology being advanced for the fleet
- Support for more buses rather than more expensive buses on the road.

It was MOVED and SECONDED

That the Mayors' Council on Regional Transportation receives the report.

CARRIED

3. Report of TransLink Management

3.1 Progress Report on Phase 1 Plan Implementation

Kevin Desmond, Chief Executive Officer, TransLink, led the review of a presentation titled "TransLink Management Report" and highlighted:

- Positive response to the third instalment of bus service improvements initiated in September 2017
- Extensive marking and customer information campaign on the fall service changes

- Continuing record ridership gains for the year-to-date in 2017
- Strength of the long term projections for the West Coast Express corridor
- Service increases to bus route 555, which has generated more demand
- Acknowledgement of the effort by human resources staff on the bus operator recruitment campaign launched in May 2017
- High profile presence of TransLink ambassadors at major public events
- Public and stakeholder engagement around the MLBE, Surrey-Newton-Guildford (SNG) light rapid transit (LRT) line and Southwest Area Transportation Plan
- Next generation in fare payment technology
- Plans to test double decker buses on the system
- Interest in more fuel efficient hybrid buses to stretch funds as effectively as possible
- Vanpool pilot that will be launched later in 2017 with Modo Cooperative.

Discussion ensued on:

- Confirmation that suppliers are able to deliver buses and SkyTrain cars in the timeframe required
- Need to provide cellular access in the Evergreen Line tunnel
- Communication challenges in the George Massey Tunnel, particularly for first responders
- Importance of ensuring that the investment is made in the right technology
- Expectation that electric buses will be the dominant approach in the next several years because of the rapid improvement in battery technology
- Possibility that 2019 will be the inflection point for TransLink to move forward on alternative fuels
- Recollection of the trend in the 1990's to put natural gas fleets in place, which was later reversed by many organizations when the technology proved unreliable
- Support for taking a more conservative approach to technology in order to guarantee service levels and reliability
- Importance of providing fulsome information to the Mayors' Council on the implications of different technologies, before the choices are made.

It was MOVED and SECONDED

That the Mayors' Council on Regional Transportation receives the report.

CARRIED

4. Other Business

4.1 Upcoming Meetings

The agenda noted that the next meeting of the Mayors' Council is scheduled October 19, 2017. It was noted that there is a commitment to a joint meeting of the Mayors' Council and the TransLink Board, which was likely to occur in late October/early November 2017.

4.2 Notice of Motion from Mayor Lois Jackson

Email dated September 21, 2017 from Mayor Lois Jackson regarding “Motion Being Put to the Mayors’ Council, relative to the George Massey Tunnel Replacement”.

Therefore be it resolved, that the Mayors Council write a letter to the leaders of all Provincial Parties, to all MLAs and all Metro Vancouver Municipal councillors, confirming that the Mayors Council, has not studied nor discussed any elements of the George Massey Replacement, nor how it fits into the Metro transportation plan, as this corridor has been under the sole Jurisdiction of the Provincial Government and Transportation Minister; and

Further, that the Mayors Council invites the representatives from all three Provincial parties to attend a meeting with the Mayors Council to discuss the George Massey Tunnel replacement project and the needs of the occupants of the 90,000 vehicles that traverse this aged tunnel each day.”

5. Termination

It was MOVED and SECONDED

That the Mayors’ Council on Regional Transportation on Regional Transportation Public Meeting held September 21, 2017, be now terminated.

CARRIED

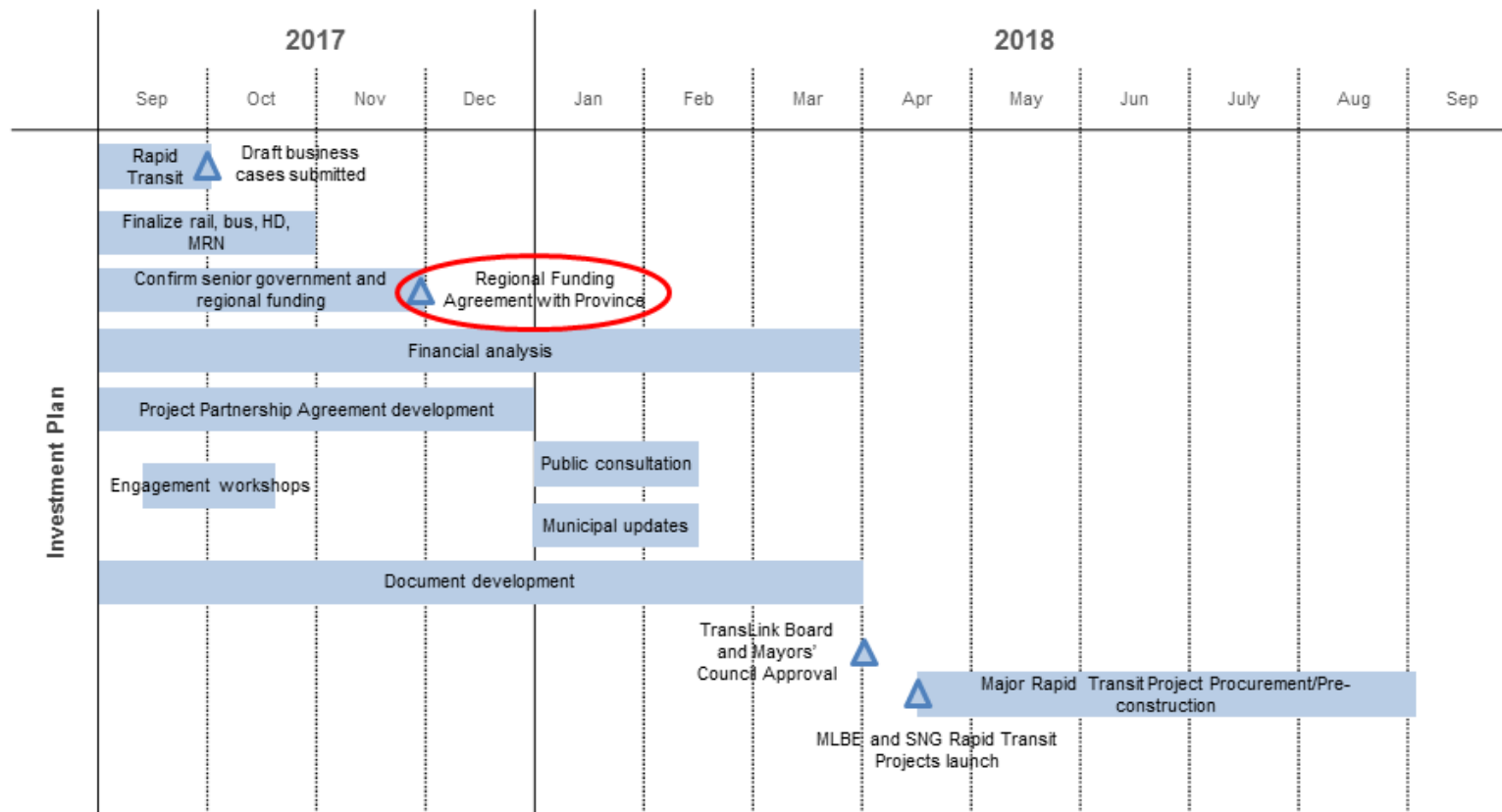
(Time: 10:50 a.m.)

Certified Correct:

Mayor Gregor Robertson, Chair

Rae Ratslef, Recording Secretary
Raincoast Ventures Ltd

Fall 2017/Spring 2018 Work Plan



Closing the Regional Funding Gap: Phase Two Plan Funding Requirements

Confirmed/expected funding for Phase Two Plan:

- Government of Canada: **\$2.2B** from PTIF; more from GIF?
- Province of B.C.: **40%** of all capital costs in 10-Year Vision
- Gas Tax Fund: **\$400M** over 10 years
- TransLink: **~\$100M** annually (from increased ridership revenue due to transit service expansion, sale of surplus property and contributions from operational savings)

Remaining Regional Funding Gap: **\$60-\$80M/year**

Regional Funding Gap Options (from April 2016 Fair Funding Strategy)	Estimated Annual Value	Estimated Impact (annual, unless otherwise noted)
\$7-9 tonne notional Regional Carbon Tax (net of current \$30/t)	\$70m/year	\$50/year per average household
\$48 Average Annual Vehicle Registration Fee (same rate structure for personal and commercial)	\$70m/year	\$56/year per average household
4¢/litre Fuel Tax Increase (net of current 17¢/l regional Fuel Tax)	\$70m/year	\$53/year per average household

Closing the Regional Funding Gap: 2018 Pre-Budget Submission

- Pre-budget submission to the Select Standing Committee on Finance and Government Services on October 16;
- Mayors' Council's "ask" of B.C. Budget 2018:
 1. 40% capital contribution and ongoing operating subsidies (in-lieu of tolls) for Pattullo Bridge Replacement Project
 2. 40% provincial capital funding for Phase Two transit, road, bridge, walking and cycling projects.
 3. Fair share of new Provincial Carbon Tax revenues, generated by proposed carbon tax increases over the next four years, as the regional funding share of the Phase Two Plan

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Investment Plan engagement workshops

- Municipal and Metro Vancouver Staff:
 - Friday Sept 15
 - Wednesday Sept 20
- Provincial MLAs
 - Monday Oct 2
 - Tuesday Oct 24
- Regional Decision-makers (Mayors, CAOs, Board)
 - Thursday Oct 5
 - Tuesday Oct 10
 - Wednesday Oct 18



Investment Plan engagement workshops

- Staff are currently considering all input for the draft Phase Two Investment Plan for public consultation.
- Summary report about engagement workshops will describe common themes heard and note any changes that have been made to the working scope. This should be circulated by the end of November 2017.
- Specific questions about TransLink projects outside the scope of the Phase Two investment plan will be answered after the summary report is completed.

Pattullo Bridge Replacement Investment Plan Update

Detailed update to come on table on October 19



Completing the 10-Year Vision for Metro Vancouver Transit & Transportation



ENTIRE 10-YEAR VISION

		FUNDED IN PH 1 INVESTMENT PLAN	NOT FUNDED PH 2 IN PROGRESS	NOT FUNDED FUTURE INVESTMENT PLAN
BUS SERVICE	<ul style="list-style-type: none"> • 25% increase • 12 B-Lines • 10 new service areas 	<ul style="list-style-type: none"> • 10% increase • 5 new B-Lines • 5 new service areas 	<ul style="list-style-type: none"> • 6% increase • 2 new B-Lines • New service areas to be confirmed 	<ul style="list-style-type: none"> • 9% increase • 5 new B-Lines • Any remaining new service areas
SEABUS SERVICE	<ul style="list-style-type: none"> • 1 new SeaBus • 10-minute peak frequency; 15-minute all day 	<ul style="list-style-type: none"> • 1 new SeaBus • 10-minute peak frequency; 15-minute all day 		
HANDYDART SERVICE	<ul style="list-style-type: none"> • 30% increase 	<ul style="list-style-type: none"> • 15% increase 	<ul style="list-style-type: none"> • 7% increase 	<ul style="list-style-type: none"> • 8% increase
SKYTRAIN & WEST COAST EXPRESS (WCE)	<ul style="list-style-type: none"> • 164 Expo/Millennium Line cars • 24 Canada Line cars • 10 WCE cars + new locomotive • Upgrades of power and control systems, stations 	<ul style="list-style-type: none"> • 58 Expo/Millennium Line cars • 24 Canada Line cars • 2 new + 8 refurbished WCE locomotives • Upgrades to Expo/Millennium & Canada Line stations and systems 	<ul style="list-style-type: none"> • 108 Expo/Millennium Line cars (including Broadway Extension) • 10 WCE cars • Upgrades to Expo/Millennium & Canada Line stations and systems 	<ul style="list-style-type: none"> • Upgrades to Expo/Millennium & Canada Line stations
MAJOR PROJECTS	<ul style="list-style-type: none"> • Millennium Line Broadway Extension • South of Fraser Rapid Transit (SOFRT) • Pattullo Bridge Replacement • Burnaby Mountain Gondola 	<ul style="list-style-type: none"> • Pre-construction of Broadway Extension • Pre-construction of Stage 1 of SOFRT (Surrey-Newton-Guildford LRT) • Design for Pattullo Bridge Replacement 	<ul style="list-style-type: none"> • Construction of Broadway Extension • Construction of Stage 1 of SOFRT (Surrey-Newton-Guildford LRT) • Construction of Pattullo Bridge Replacement • Pre-construction of Stage 2 of SOFRT (Surrey-Langley Line) • Project development for Gondola 	<ul style="list-style-type: none"> • Construction of Stage 2 of SOFRT (Surrey-Langley Line) • Potential construction of Burnaby Mountain Gondola
MAJOR ROAD NETWORK (MRN)	<ul style="list-style-type: none"> • MRN upgrades: \$200M 	<ul style="list-style-type: none"> • \$50M (25% of Vision) 	<ul style="list-style-type: none"> • \$40M (20% of Vision) 	<ul style="list-style-type: none"> • \$110M (55% of Vision)
	<ul style="list-style-type: none"> • MRN seismic: \$130M 	<ul style="list-style-type: none"> • \$32.5M (25% of Vision) 	<ul style="list-style-type: none"> • \$26M (20% of Vision) 	<ul style="list-style-type: none"> • \$71.5M (55% of Vision)
	<ul style="list-style-type: none"> • MRN expansion: 1% annual increase + one-time 10% increase 	<ul style="list-style-type: none"> • MRN expansion: 1% annual increase + one-time 10% increase 		
WALKING & CYCLING	<ul style="list-style-type: none"> • Regional Cycling: \$131M 	<ul style="list-style-type: none"> • \$41.3M (32% of Vision) 	<ul style="list-style-type: none"> • \$23.8M (18% of Vision) 	<ul style="list-style-type: none"> • \$65.9M (50% of Vision)
	<ul style="list-style-type: none"> • TransLink-owned Cycling: \$34M 	<ul style="list-style-type: none"> • \$12M (35% of Vision) 	<ul style="list-style-type: none"> • \$13M (38% of Vision) 	<ul style="list-style-type: none"> • \$9M (27% of Vision)
	<ul style="list-style-type: none"> • Walking Access to Transit: \$35M 	<ul style="list-style-type: none"> • \$12.5M (38% of Vision) 	<ul style="list-style-type: none"> • \$10M (29% of Vision) 	<ul style="list-style-type: none"> • \$12.5M (38% of Vision)
TRANSIT EXCHANGES	<ul style="list-style-type: none"> • 13 new or expanded transit exchanges 	<ul style="list-style-type: none"> • 4 updated transit exchanges 	<ul style="list-style-type: none"> • 2 upgraded transit exchanges 	<ul style="list-style-type: none"> • 7 upgraded transit exchanges
MOBILITY INNOVATION	<ul style="list-style-type: none"> • Integrated travel planning and payment • New technologies and services 	<ul style="list-style-type: none"> • Vanpool pilot • Innovation Lab to explore mobility concepts 	<ul style="list-style-type: none"> • Mobility pricing development 	<ul style="list-style-type: none"> • Mobility pricing implementation

TO: Mayors' Council on Regional Transportation
FROM: Geoff Cross, Vice President Transportation Planning and Policy
DATE: October 16, 2017
SUBJECT: **ITEM 2.2** – Update on Regional Transportation Development Cost Charge

PURPOSE

The purpose of this report is to provide an update on the development of the proposed Regional Transportation Development Cost Charge needed to fund the outstanding portion of the Phase One Investment Plan.

BACKGROUND

In 2014, the 10-Year Vision proposed some form of land value capture or development fee as a supporting revenue tool to help deliver the Vision. Following further analysis in 2016, the Mayors' Council approved the Phase One Investment Plan with a new regional Development Cost Charge as one of the funding sources. The Phase One Plan assumes that the DCC would come into effect in 2020 and would ultimately net approximately \$20M in annual revenue in order to contribute \$127M towards the capital costs of the Plan associated with new growth and development.

DISCUSSION

In Spring 2017, TransLink convened a regional DCC Local Government Working Group made up of municipal and regional planning, engineering and finance staff in order to collaborate on the development of a framework for the proposed regional transportation DCC.

Housing Affordability

A key principle in establishing this new regional DCC is to ensure that it does not affect housing prices or have any negative impact on housing affordability. As housing prices are set by overall supply and demand in the marketplace, developers cannot unilaterally increase prices on individual projects. Rather, the usual response to an increase in developer cost is to reduce what developers are willing to pay for land. As long as a new cost is small enough, it won't have enough impact to result in reduced availability of development sites and therefore would not affect the sale price of new housing units.

In order to ensure that the new DCC does not slow the pace of redevelopment and hence hurt housing affordability, the Working Group has worked closely with Coriolis Consulting to first conduct a survey of all existing and approved local and regional DCCs in Metro Vancouver and then to conduct an analysis of development sites in different markets across the region to understand what rates are affordable. The analysis conducted to date has confirmed that it is possible under a variety of scenarios to raise at least \$20-25M annually from a regional transportation DCC without impacting housing affordability.

Draft Framework

The Local Government Working Group has reviewed, discussed and arrived at a preferred approach on several key policy questions including: which agency should be responsible for the DCC, in which legislation it should reside, use of the funds, the area over which the DCC should apply, the types of development for which the DCC will be collected, the basis for calculating the charge and the process for future increases. The recommended approach for each of these issues is outlined in Appendix A.

One area where further analysis and discussion is required is on the rate structure. Two possible models are under consideration:

- Uniform rates across the region for each type of development\
- A tiered structure in which there is a higher rate in parts of the region with higher intensity of transit service

Next Steps

The recommended approach described in the draft framework and the question of rate structure (uniform or tiered) will be the subject of broader consultation with local government staff and with the development community through workshops in mid-October. A preferred approach will be advanced for approval by the Mayors' Council in December 2017.

A formal request has been made to the Province to introduce legislation enabling this new DCC no later than the spring 2018 legislative session. This timing will allow TransLink to give the development community at least one year's notice before implementing the new DCC in 2020.

CONCLUSION

Based on the latest technical analysis, it will be possible to raise the DCC revenue required to fund the remainder of the Phase One Investment Plan without negatively impacting housing affordability. The Regional Transportation DCC Local Government Working Group has come to a consensus on the preferred approach for most issues related to structuring a new regional transportation DCC. One issue that requires further consultation is the rate structure. Once a preferred approach is confirmed in 2017, and enabling legislation is passed in 2018, the DCC is on track to be implemented in 2020 as per the assumptions in the Phase One Investment Plan.

Appendices:

- A. Proposed draft Framework for a Regional Transportation DCC
- B. Frequently Asked Questions about the proposed Regional Transportation DCC

**A DCC FOR REGIONAL TRANSPORTATION INFRASTRUCTURE IN METRO VANCOUVER:
DRAFT PROPOSED STRUCTURE FOR REVIEW BY JOINT COMMITTEE ON PLANNING & FUNDING
4 OCTOBER 2017**

Agency Responsible for the DCC:

TransLink will be responsible for establishing DCC rates and will receive all the revenue. Local governments will collect the DCCs as part of their development approval process and remit the funds to TransLink. Municipalities may elect to not collect the DCC and instead remit an equivalent sum to TransLink.

Legislation:

The legislation will be in the form of amendments to TransLink's enabling legislation (South Coast British Columbia Transportation Authority Act), patterned on the GVSDD's DCC legislation.

Use of Funds:

The DCC revenue will fund new capital investment in transit infrastructure, cycling infrastructure, and pedestrian infrastructure in support of the 10-Year Vision. Funds will not be applied to existing debt or to operating expenses.

Area of Collection:

The new DCC will be collected throughout all of Metro Vancouver, except First Nations reserve lands.

Types of Development for which the DCC Will Be Collected:

The DCC will apply to residential, commercial, industrial, and institutional development. There will be exemptions for affordable rental housing and agricultural use, as well as statutory exemptions such as public places of worship. Definitions for affordable housing and agricultural uses will be aligned with the definitions used by GVSDD for the regional sewer DCC.

Basis of the Charge:

The DCC will be calculated per housing unit, with separate rates for single detached, townhouse/duplex, and apartment units. The DCC will be charged per m² of floor space for all other uses.

Rate Structure:

It is TransLink's intent that the rates will be such that there will be no significant impact on the pace or financial viability of new urban development or on the market price of new residential, industrial, or commercial space. TransLink is continuing to analyze and consult on two models for the DCC rate structure:

- Uniform rates across the region for each type of development
- A tiered structure in which there is a higher rate in parts of the region with higher intensity of transit service.

Effective Date:

The target for commencing DCC collection is January 1, 2020.

Inflation Adjustment:

The DCC rates will be automatically adjusted annually for inflation. There will be comprehensive reviews of the DCC rate to align with the development of future 10-Year Investment Plans or at least every 3 years.

Development Cost Charge for Regional Transportation Infrastructure

The Mayors' Council and TransLink are currently seeking approval from the provincial government to implement a Regional Transportation Development Cost Charge (DCC), which is anticipated to come into effect in 2020.

The DCC will help fund the capital portion of our investment plan and ensure the Mayors' 10-Year Vision stays on track. With more than a million people coming to the region in the next 30 years, delivering the 10-Year Vision is critical for keeping the region moving and livable.

A new DCC would allow a fee to be collected from new developments to help pay for new transportation infrastructure required to support growth. DCCs are widely used in BC to help cover growth-related infrastructure costs (such as roads, sewer and water). Transit infrastructure, however, is not currently an eligible cost and would require new legislation.

In anticipation of the Province approving the DCC, we are working with our partners and stakeholders to determine the structure, rates and best way to implement the DCC.

One of our goals is to ensure the DCC is set at a rate that won't curb new developments or increase housing prices. In addition, we're looking at reducing or waiving the DCC to support affordable-rental housing, similar to the programs offered by local governments. We're committed to ensuring that a new DCC will not impact the price or supply of affordable-housing development.

We expect to have a draft framework on the structure and implementation of the DCC completed in early 2018. The draft framework will then go to the Mayors' Council and TransLink Board for input and further review. Our goal is to have a bylaw drafted and adopted by the TransLink Board, including final rates, by the end of 2018. We anticipate that we'd begin collecting the new DCC in 2020.

FAQs

1. **Why does TransLink need another revenue source?**

- We must come up with new regional funding sources to complete the Mayors' 10-Year Vision, which is critical for keeping the region moving and livable.
- There is increased demand on Metro Vancouver's transportation network, while some existing funding sources are static or declining.
- Rather than only rely on existing revenue sources such as taxes and fares, we want to find new revenue-generating opportunities to meet the region's growing demands.

2. **What is a Development Cost Charge?**

- A DCC is a fee that would be applied to new developments in Metro Vancouver, starting in 2020, to help pay for new transportation infrastructure.
- DCCs are widely used in BC to help cover growth-related infrastructure costs (such as roads, sewer and water). Transit infrastructure, however, is not currently an eligible cost and would require new legislation.

3. **What are the advantages of a Development Cost Charge?**

- It's transparent, easy to understand and easy to administer.
- A DCC obtains revenue from new urban development, which is consistent with the idea that growth should help pay for growth-related infrastructure costs.
- Provided that DCC rates are set carefully, the cost of a DCC tends to be borne by land owners who are selling property for development property, rather than home-owners or renters.
- It generates a reasonable and relatively reliable stream of revenue.

4. **What Infrastructure will be funded by the DCC?**

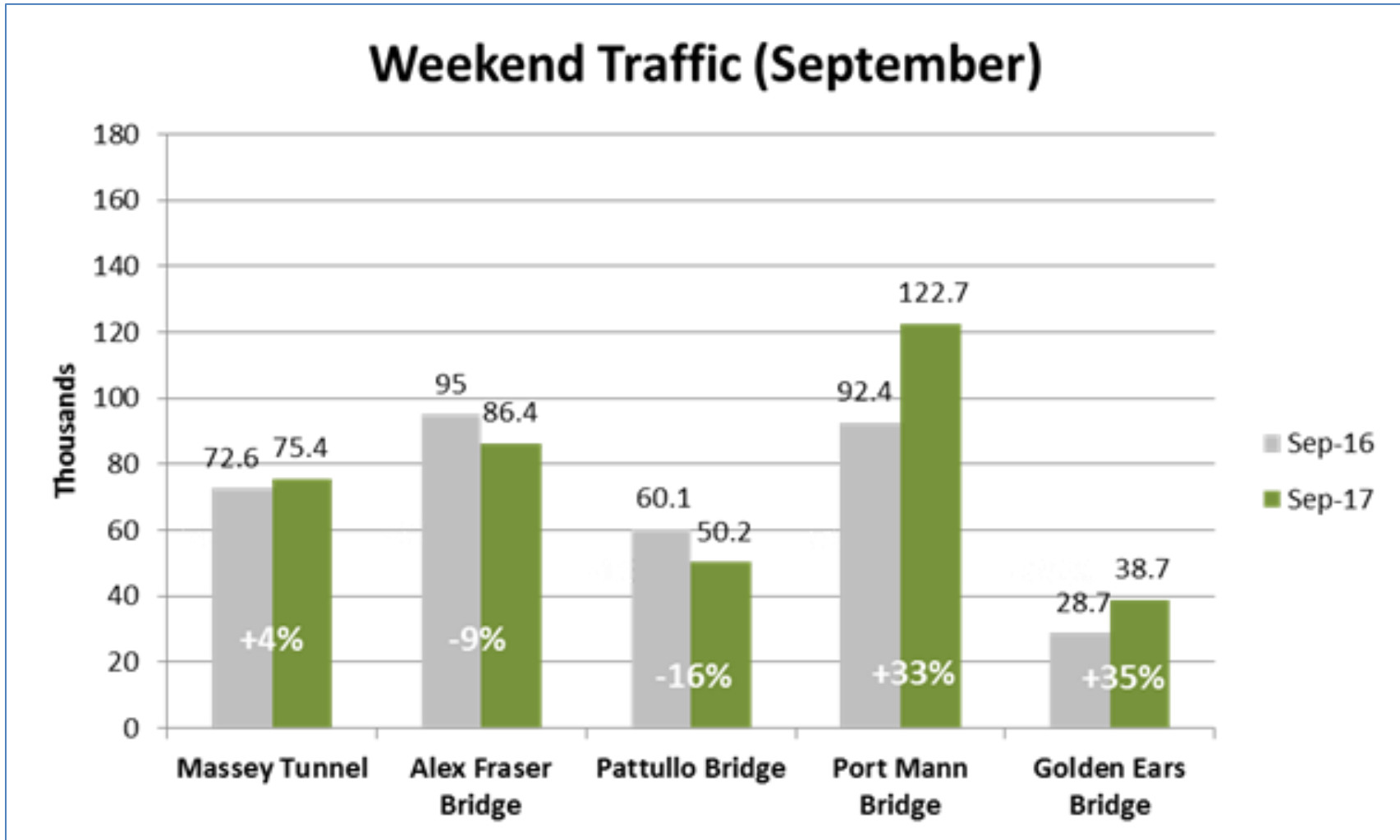
- The new DCC will help fund capital projects in the 2017 and future Investment Plans.
- The DCC can only be used for capital purposes, not operating expenses.

5. **How much do you expect to charge for the DCC?**

- Proposed DCC rates are still being determined and will be informed by stakeholder consultation.

6. **Will the rate of the DCC be higher for developments closer to transit hubs?**
 - Specific options for structuring the DCC will be discussed during the consultation process with stakeholders. We will have a better sense of how the DCC will be structured once we have a draft framework in early 2018.
7. **How much revenue do you expect to be collected by the DCC?**
 - The structure and rates are still being determined, however, the new DCC is expected to generate between \$15 and \$20 million per year.
8. **How can you be sure developers won't download the cost of the DCC to home buyers?**
 - Housing prices are set by overall supply and demand in the marketplace, so developers can't unilaterally increase prices on individual projects.
 - The usual response to an increase in developer cost is to reduce what developers are willing to pay for land. As long as a new cost is small enough, it won't have enough impact to result in reduced availability of development sites. Therefore, it will not affect the sale price of new housing units.
9. **What public consultation has TransLink done on the proposed DCC?**
 - We carried out public consultation on the proposed funding sources, including the DCC, for our 2017-2026 Investment Plan in October, 2016. Now that the investment plan has been adopted, stakeholder consultation will focus on the design decisions of the DCC and preliminary rates.
10. **What is the overall process and anticipated timeline?**
 - In October, we're conducting initial stakeholder consultation to seek input on how to structure the DCC and preliminary rates. We will take the input we receive and create a draft framework, including preliminary rates, by early 2018. The draft framework will then go to the Mayors' Council and TransLink Board for input and further review. Our goal is to have a bylaw drafted and adopted by the TransLink Board, including final rates, by the end of 2018.
 - We will inform the development community of the approved DCC throughout 2019.
 - We anticipate that we'd begin collecting the new DCC in 2020.

Item 3



The Transit Fare Review is now in Phase 3



Item 3

Key things we've heard and learned to date through public and stakeholder consultation in Phases 1 and 2

Nearly **2/3 of people** disagree that the current fare system works well.

Over **70% of people** support a distance-based fare system in principle.

Around **3/4 of people** agree that fares should be lower at less busy times of the day.

There is **strong support** for a system that is more affordable, especially for frequent users and for people with less ability to pay.

In Phase 3, we will be consulting with the public and stakeholders on the following:

1. Level of support for shortlisted **pricing by distance** options
2. Level of support for shortlisted **fare product** concepts
3. Input on opportunities for expanding **customer discounts**

Public and stakeholder consultation will occur during November and December 2017

TO: Mayors' Council on Regional Transportation
FROM: Mike Buda, Executive Director, Mayors' Council Secretariat
DATE: September 21, 2017
SUBJECT: **ITEM 5 – October 13, 2017 Notice of Motion by Mayor Jackson**

RECOMMENDATION:

That the Mayors' Council on Regional Transportation:

1. Consider the October 13, 2017 Notice of Motion from Mayor Jackson;
 2. Receive this report.
-

PURPOSE:

The purpose of this report is to present the following Notice of Motion, originally introduced by Mayor Jackson on September 21, 2017, and revised on October 13, 2017:

WHEREAS the Provincial Government has stated they would like to advice from the region's mayors on the Massey crossing project; and,

WHEREAS TransLink is the regional transportation authority with the mandate to manage the movement of goods and people and to review the transportation implications of major developments including to the provincial highway system within the region; therefore,

BE IT RESOLVED that the Mayors' Council and TransLink, consulting with Metro Vancouver, work collaboratively to provide input to the provincial government's review of the Massey crossing project with a focus on how the project fits into long term regional transportation and land use plans.