

Briefing on Proposed TransLink 10-Year Plan

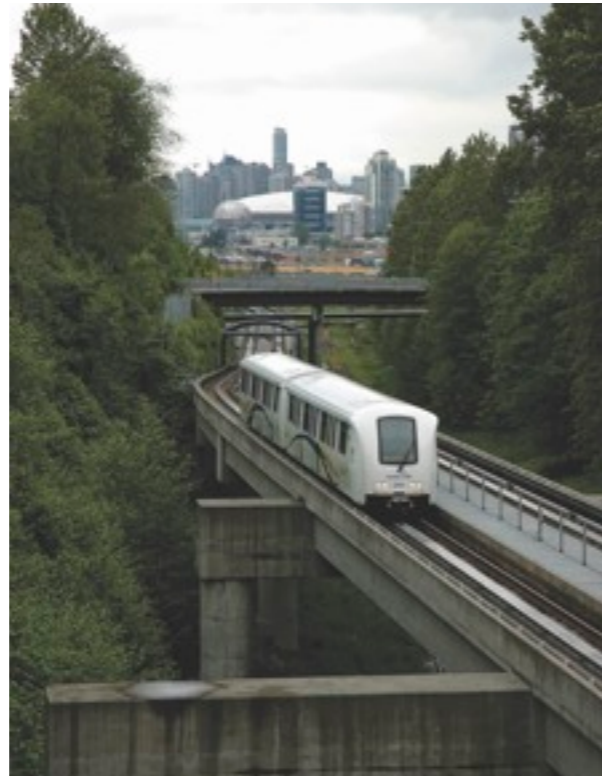
Report Reference

June 16, 2009

Special Meeting of

Standing Committee on Transportation & Traffic





Background

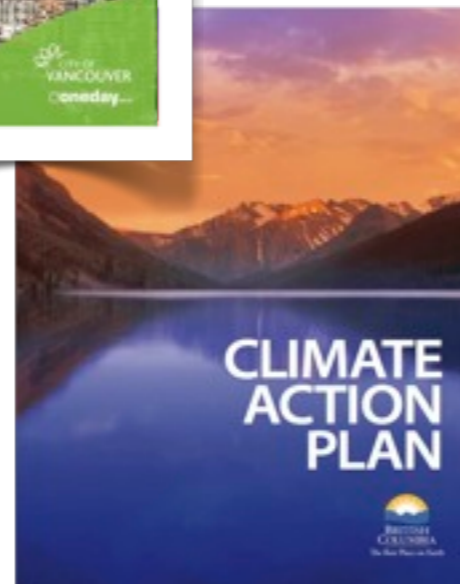
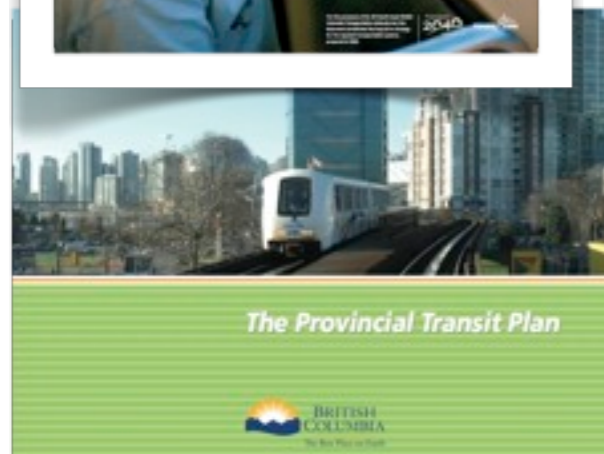
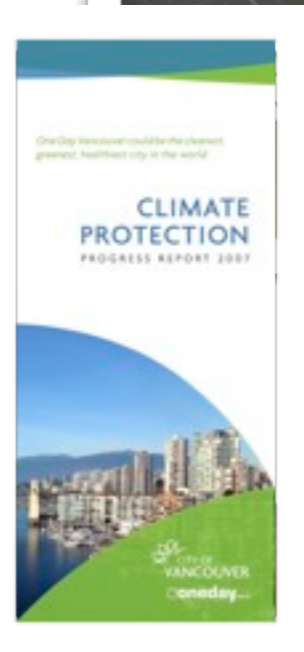
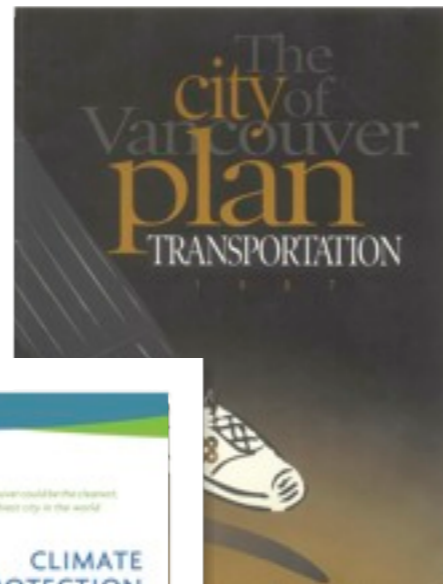
Key Questions

- How to reach transit targets for growth, livability, and GHG reductions
- Choices for bridging the funding gap
- How funding choices impact transportation goals and equity

Summary

Background

City, Regional, and Provincial Policy Documents



Regional Transportation Plan -
Transport 2021 (1993)

Vancouver Transportation Plan
(1997)

TransLink Transportation
Strategy - Transport 2040 (2008)

Provincial Transit Plan (2008)

Provincial Climate Change Plan
(2008)



Vancouver City Council (July 2007)

Response to TransLink Governance Review

- No support for property tax increases
- Balanced distribution of revenue sources throughout region (e.g. fuel taxes, tolls, other vehicle user charges)
- Assess whether revenue sources are adequate

TransLink Mayors' Council (April 2009)

Resolution on proposed 2010 10-Year Plan

- No support for property tax increases
- \$450 million / year in additional revenue, from provincial carbon taxes, federal gas taxes, new shipping container tax, etc.
- Discuss new revenue sources with TransLink and senior governments





On Track to Transport 2040 (Supplemental)

- \$450 million per year additional revenues required
- Achieve 2040 transportation goals
- Significant increase in transit mode share



Maintain What We Have (Supplemental)

- \$260 million per year additional revenues required
- Maintain current service levels & keep pace with growth
- Slight transit mode share growth



Drastic Service Cuts (Base Plan)

- \$0 - No new funding beyond inflation
- Drastic service cuts starting in 2010 to eliminate deficit
- Significant drop in transit mode share

BUS



RAPID TRANSIT



CYCLING



ON TRACK TO 2040

- + 400 new buses
- + 250 re-deployed

- + 138 new vehicles
- 2x service hours
- New Broadway, Surrey, & Evergreen Line routes

- 400% funding increase

MAINTAIN WHAT WE HAVE

- + 160 new buses

- + 100 new vehicles
- No new rapid transit lines

- 66% funding increase

DRASTIC CUTS

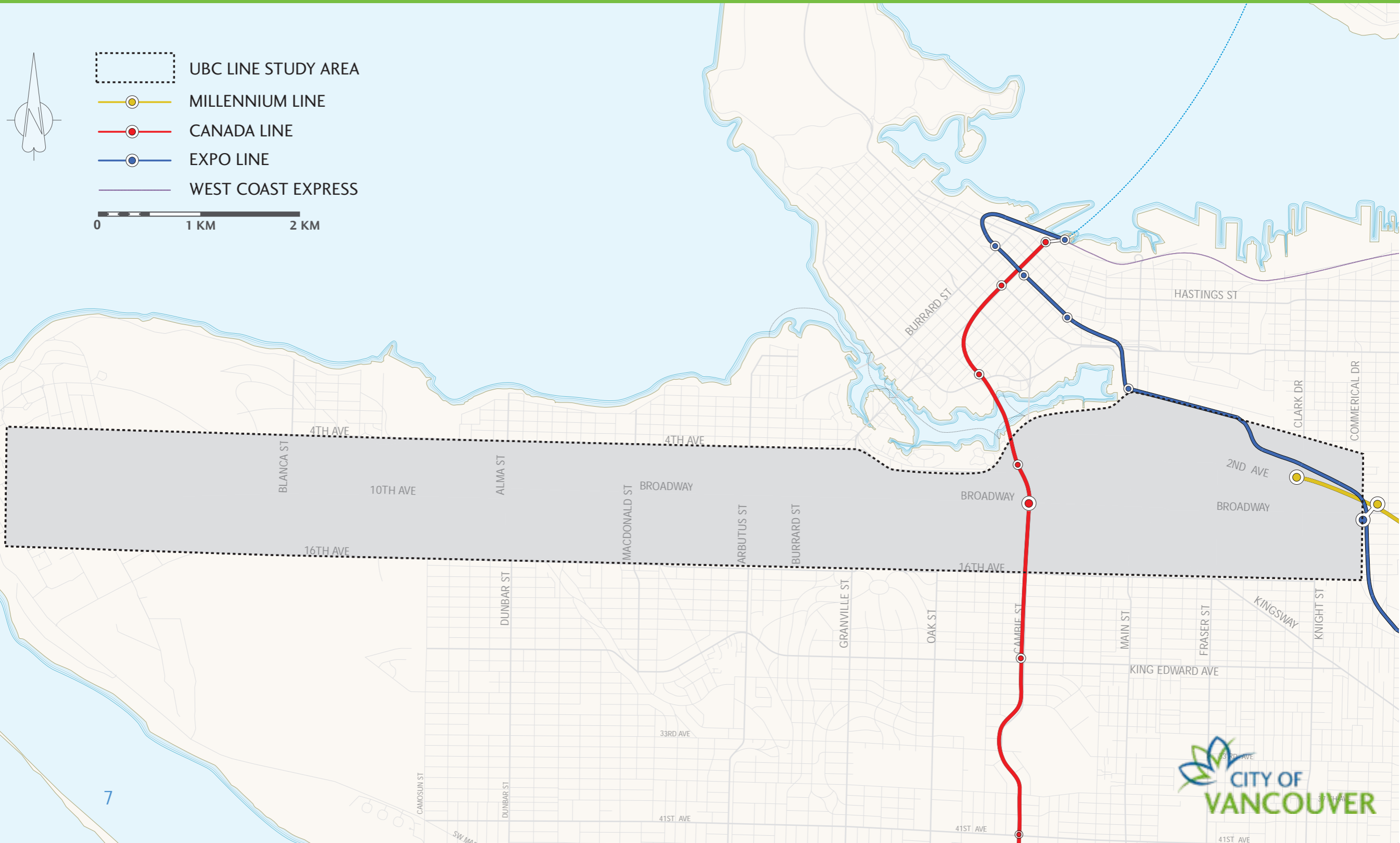
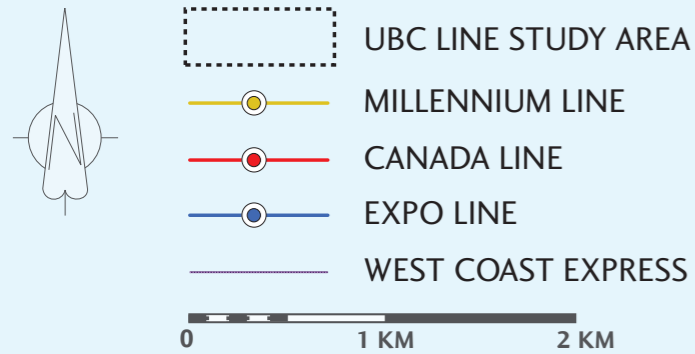
- No new buses
- 40% service decrease

- Cuts to service
- No further upgrades

- 80% funding reduction

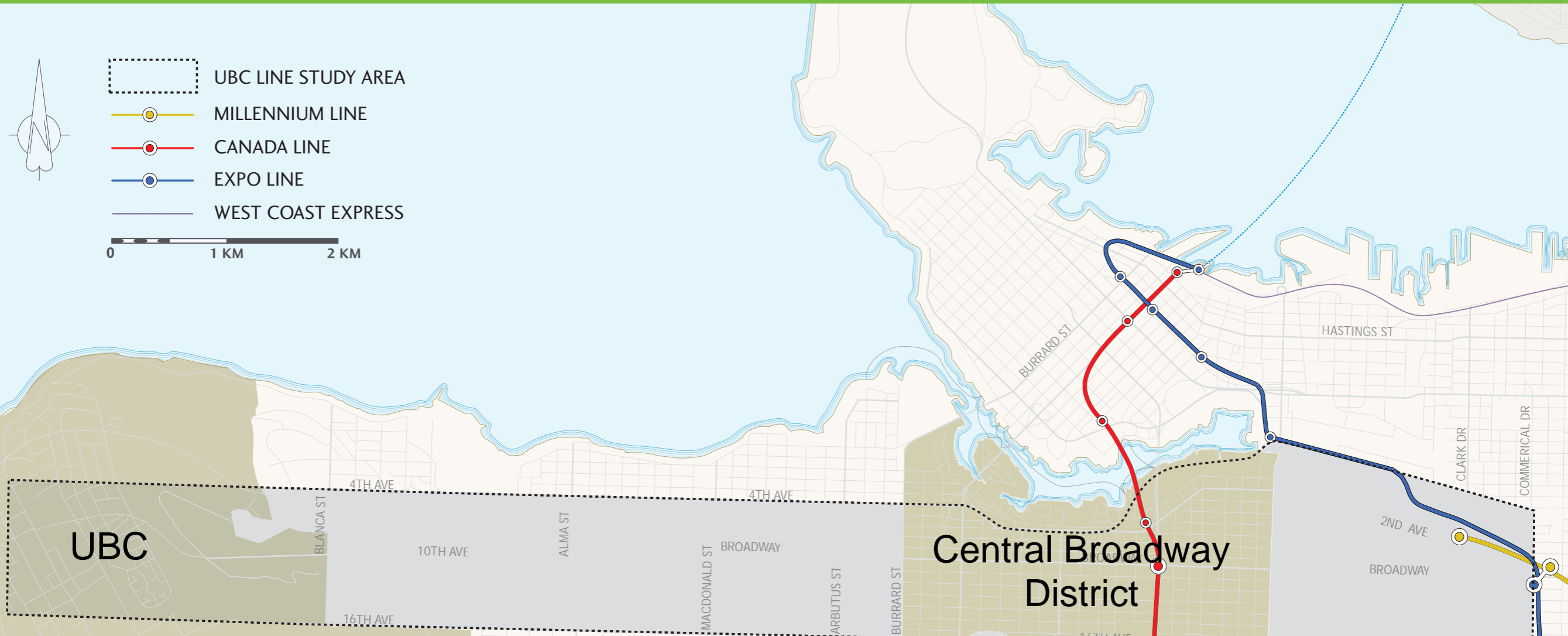
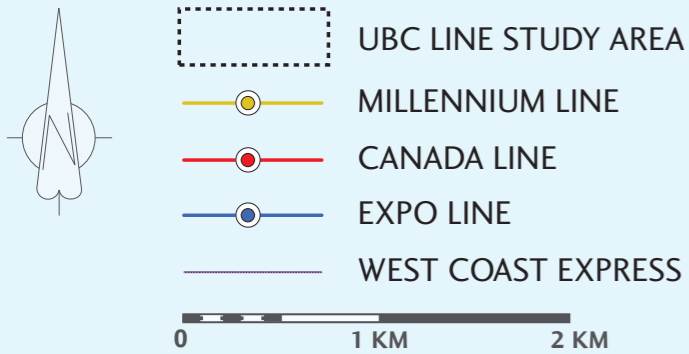
Background

UBC Line - Broadway Corridor Connecting the Region



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UBC Line - Broadway Corridor Connecting the Region

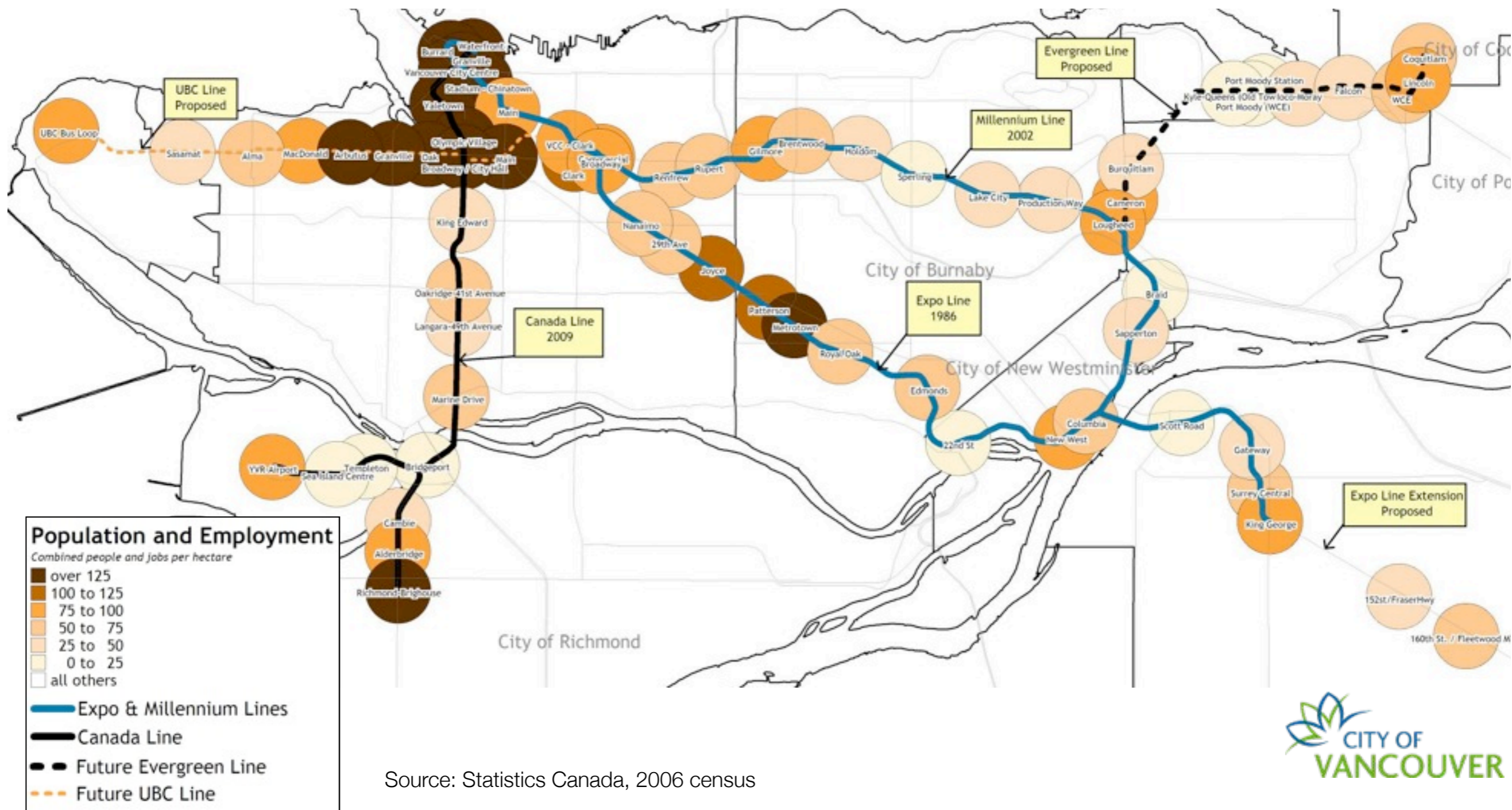


Broadway Corridor (excluding UBC/UEL)
180,000 jobs + people
Additional 50,000 by 2041

Background

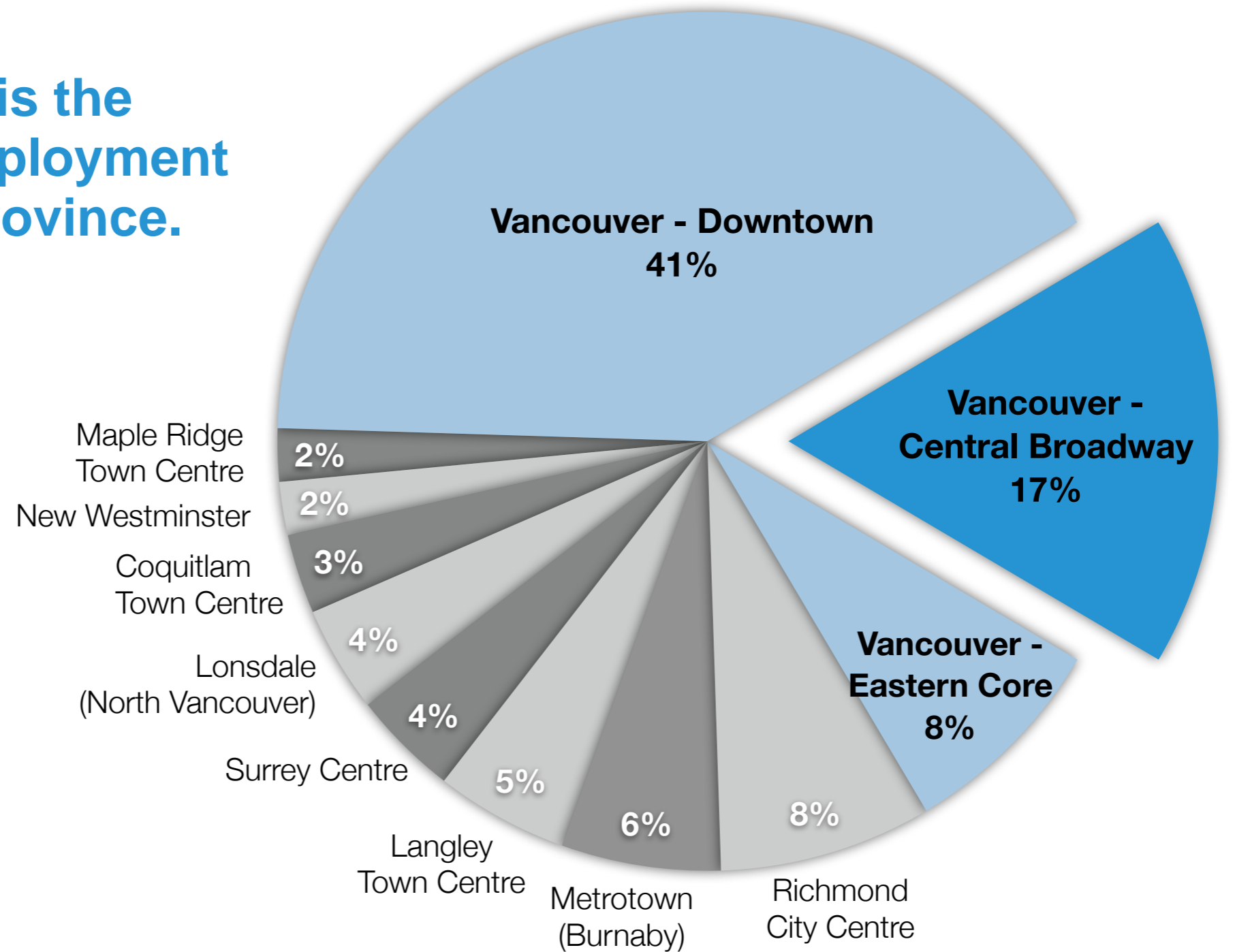
UBC Line - Broadway Corridor A City and Regional Priority

2006 Population & Employment Density around Rapid Transit Stations



UBC Line - Broadway Corridor A City and Regional Priority

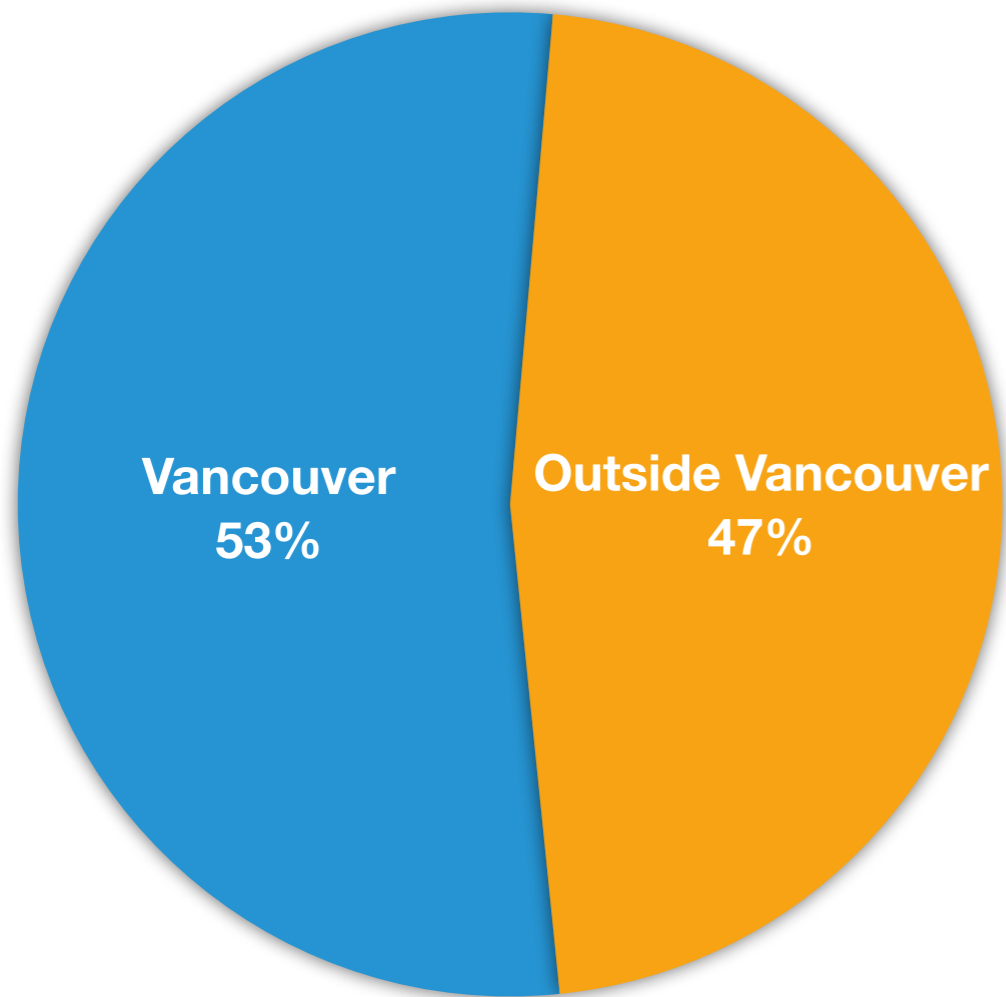
Central Broadway is the second largest employment generator in the Province.



Distribution of Regional Town Centre Jobs

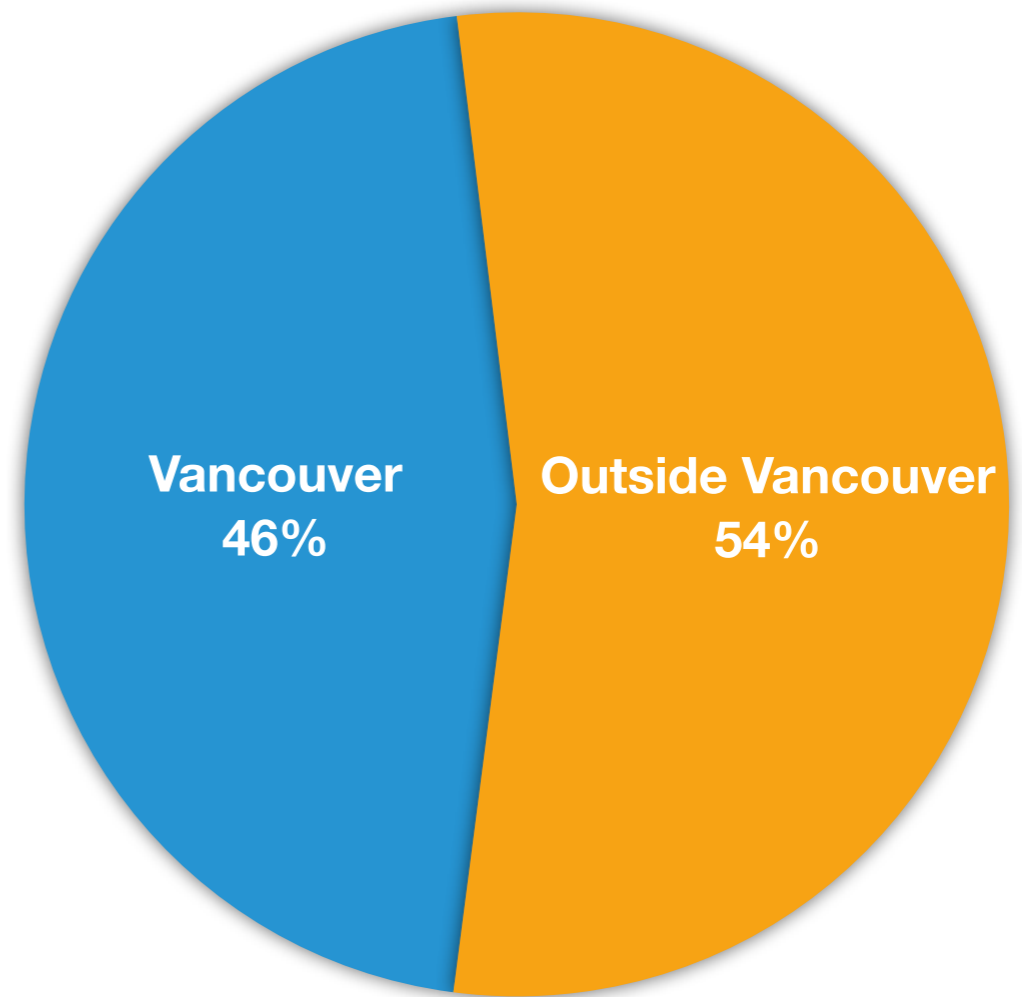
UBC Line - Broadway Corridor A City and Regional Priority

Where People Live



Central Broadway
Employees

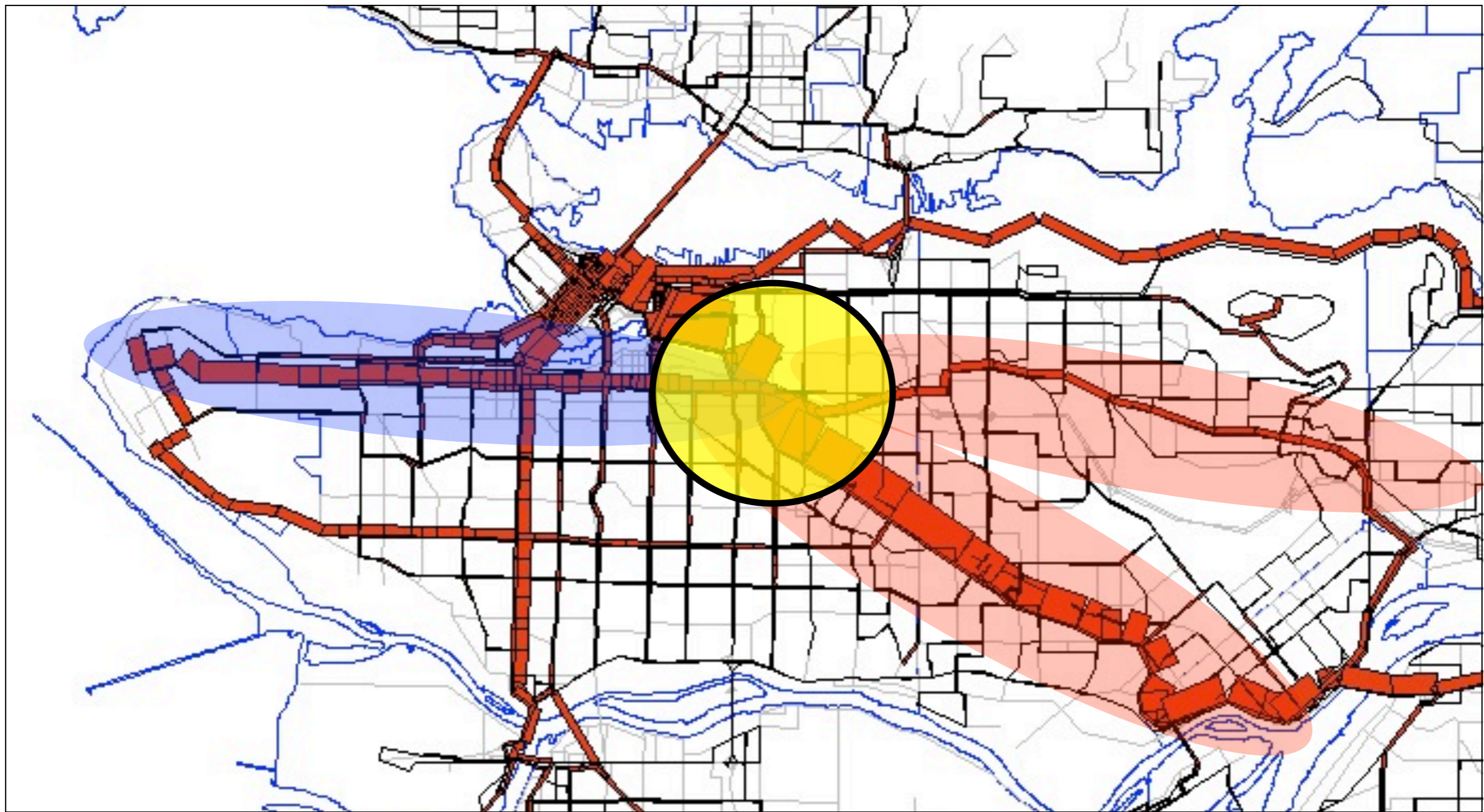
Source: Statistics Canada, 2006 census



VGH Patients

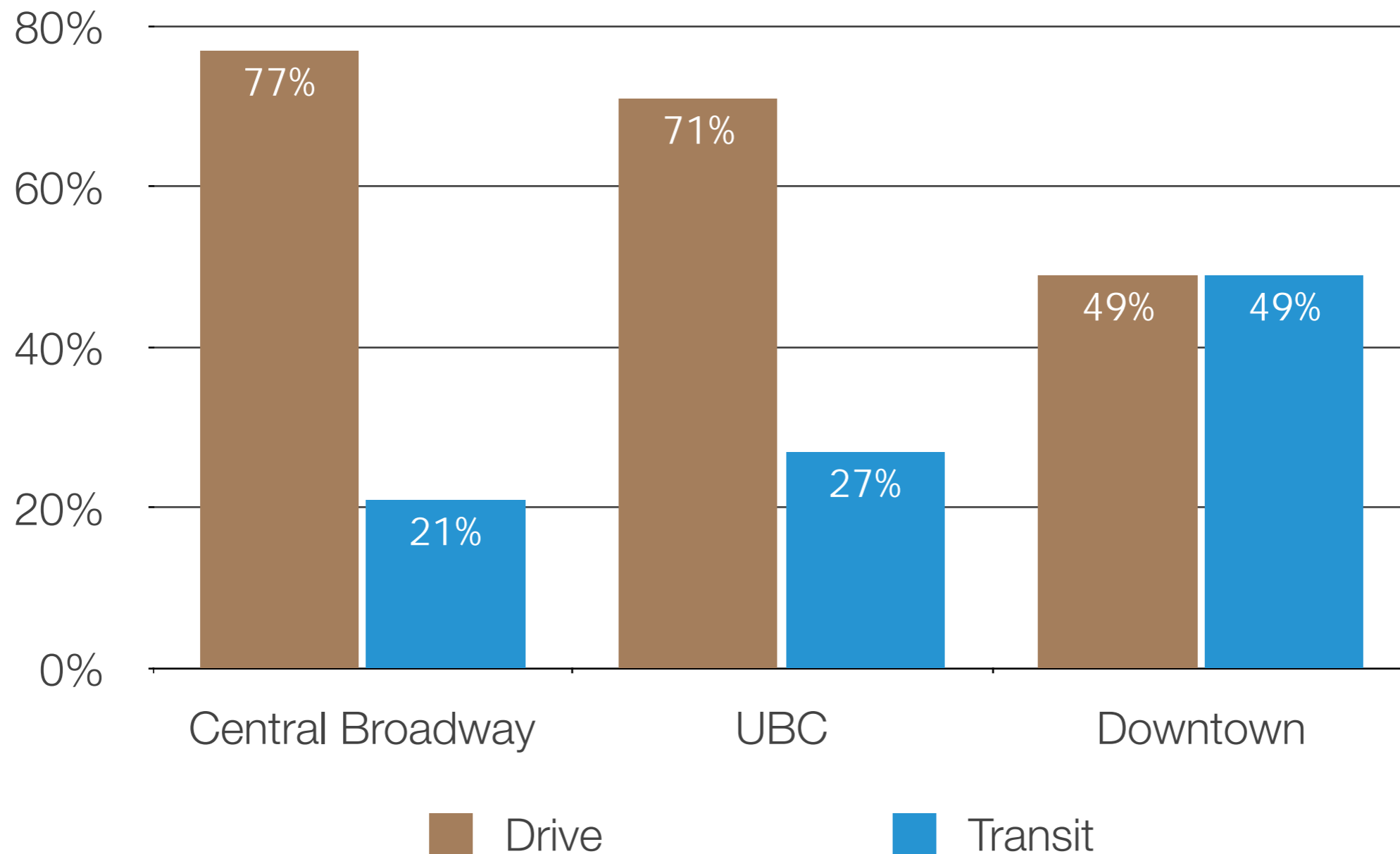
Source: Vancouver Coastal Health, 2008

UBC Line - Broadway Corridor Addressing a Regional Bottleneck



UBC Line - Broadway Corridor More Capacity Needed to Meet Targets

Trips to work from outside Vancouver by mode



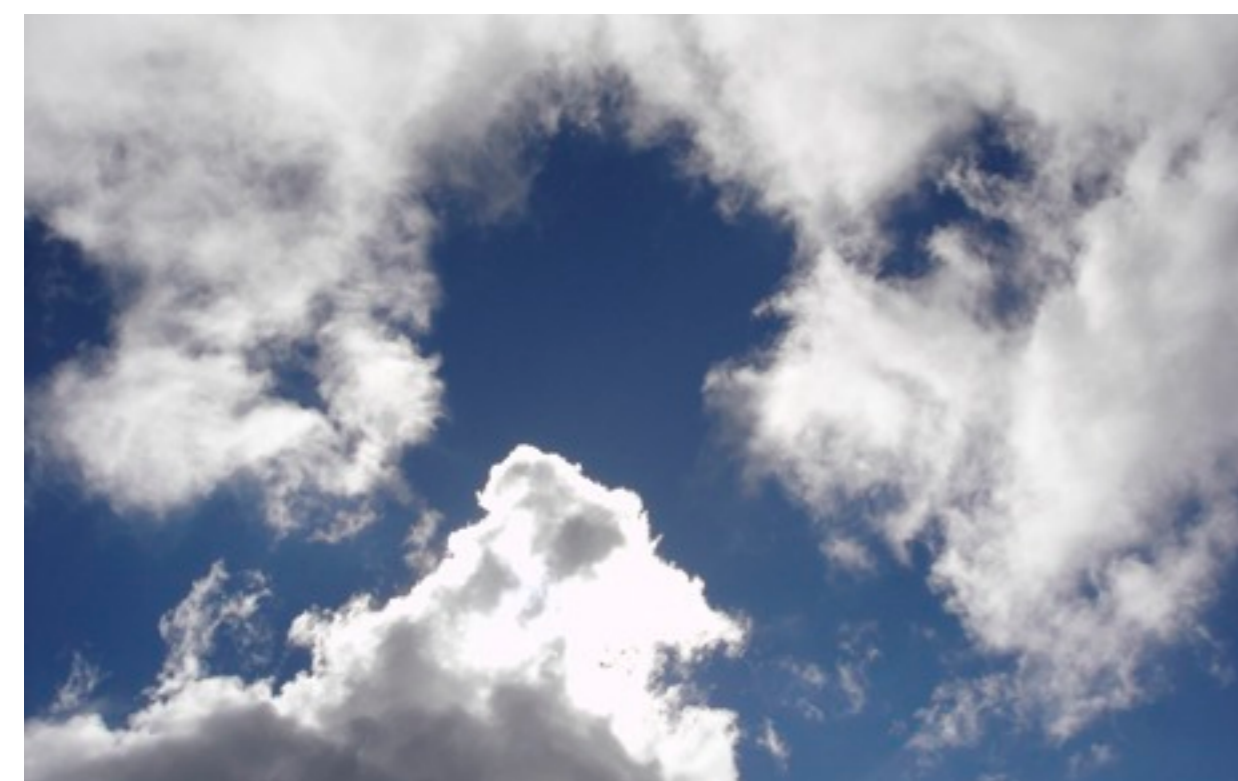
Reaching Targets

Ambitious targets require substantial investment

Ambitious targets set:

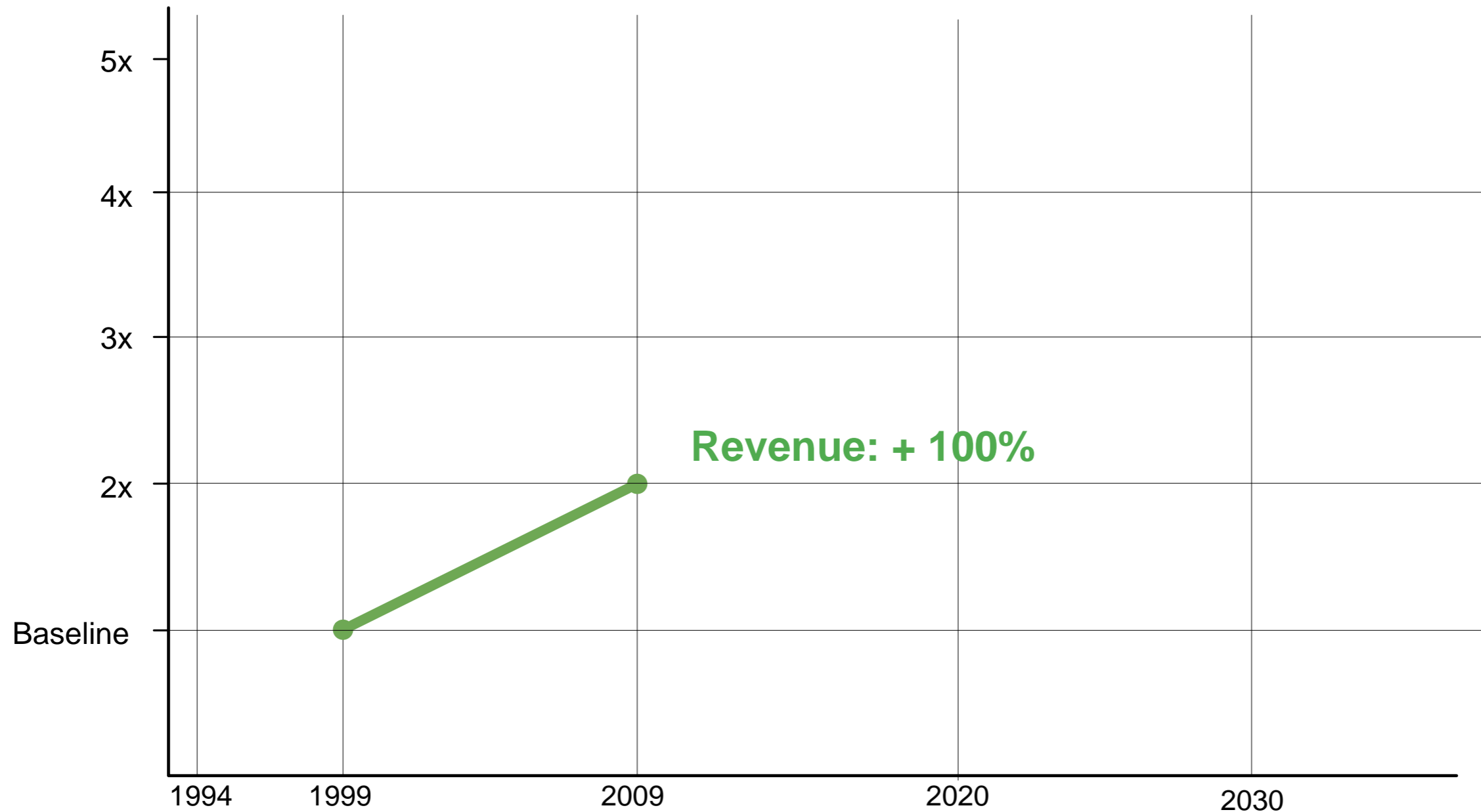
- Double ridership by 2020 (Province)
- Reduce GHGs 33% by 2020 from 2007 levels (City & Province)
- Achieve over 50% non-auto mode share by 2040 (TransLink)
- Achieve city-wide transit mode share of 23% by 2021 (City)

Dramatic increase in transit
service required to meet targets



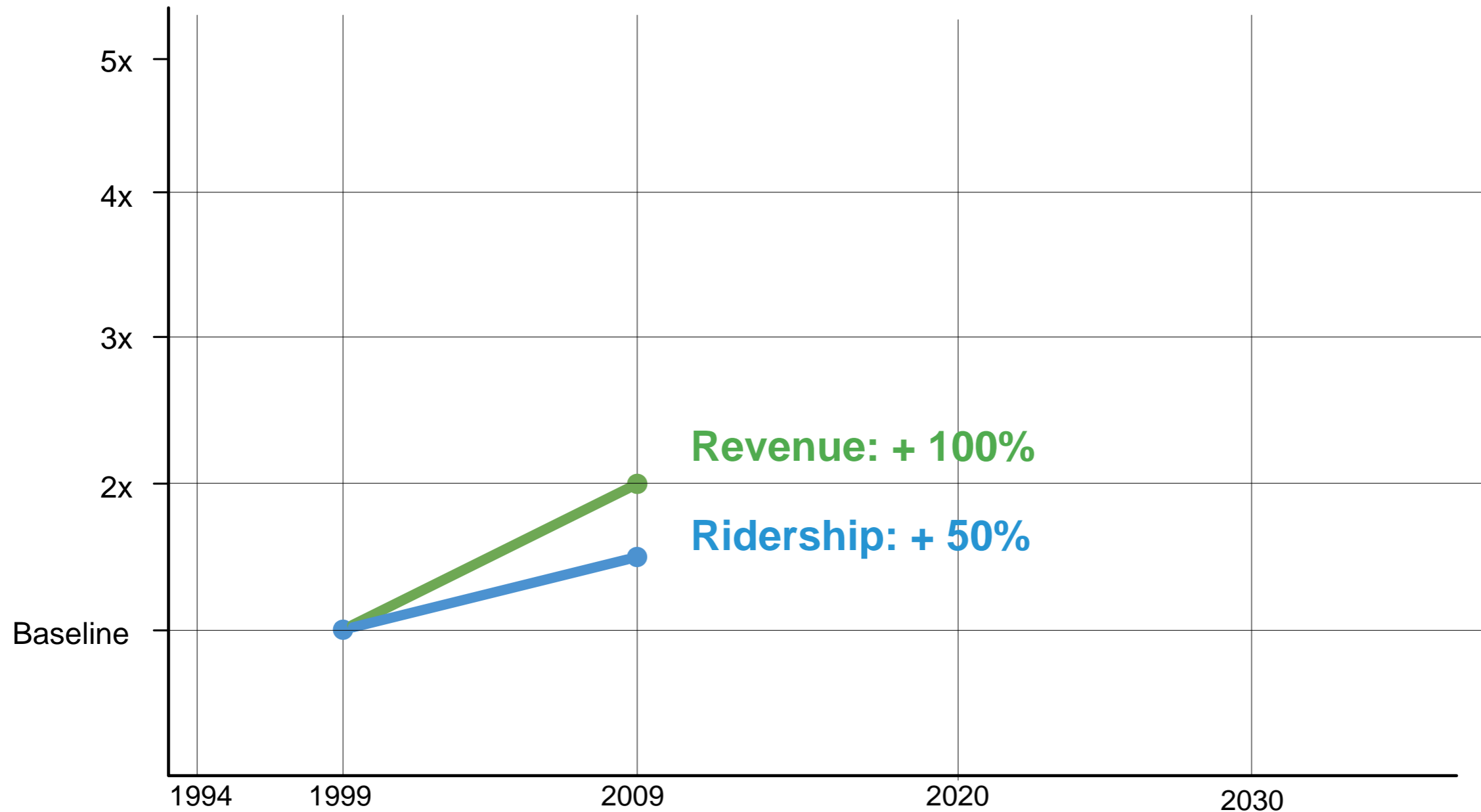
Reaching Targets

Revenue has doubled in the last 10 years



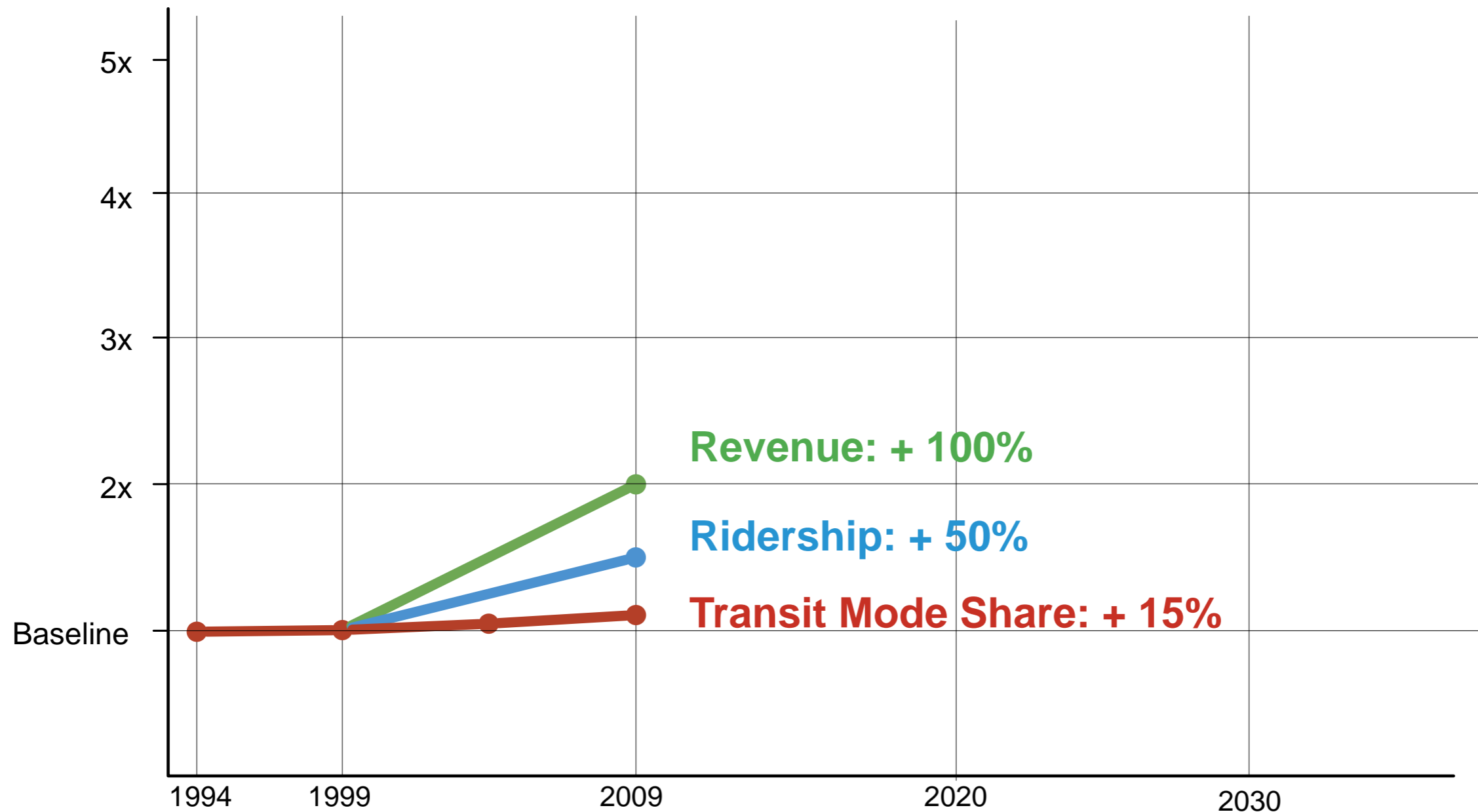
Reaching Targets

Ridership has grown 50% in the last 10 years



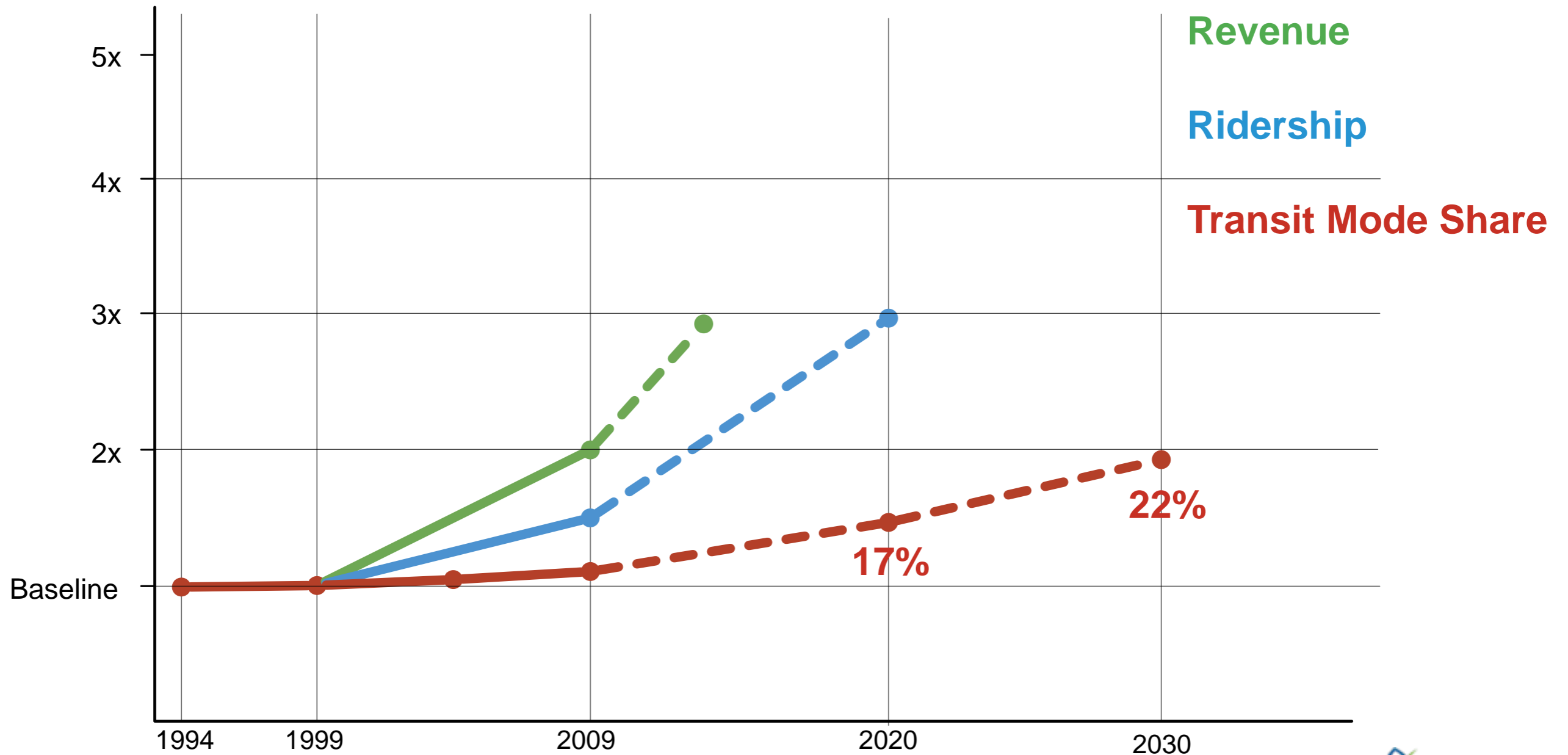
Reaching Targets

Transit mode share has grown more slowly



Reaching Targets

More funding needed to increase mode share by 2020



Funding Gap

Bridging the Gap



Significant new revenue needed to eliminate deficit and deliver new programs including rapid transit expansion

TransLink estimates an additional \$450 million per year to stay on track with planned improvements

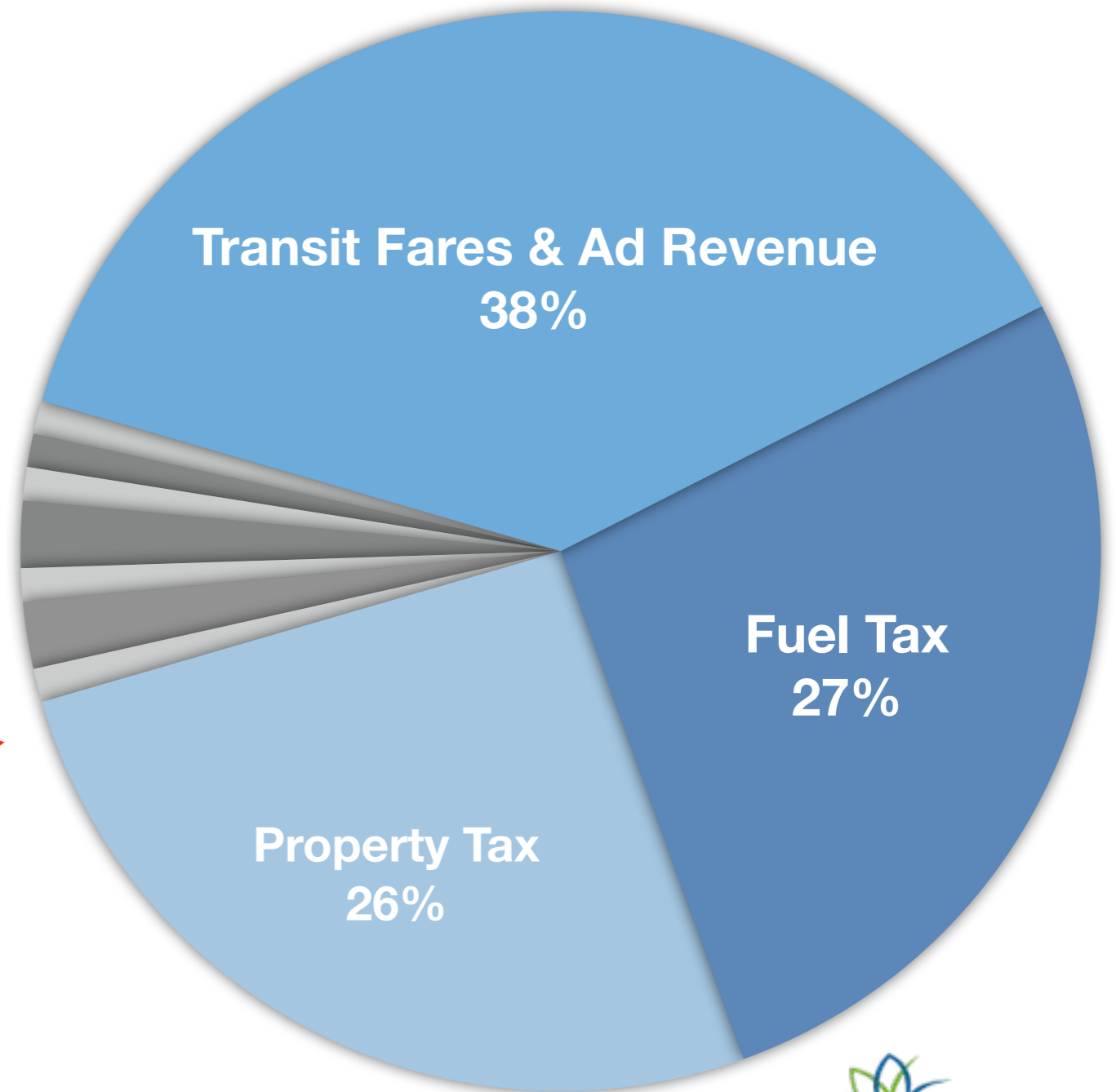
Additional revenue from

- Increased rates of existing sources
- New sources previously approved
- New sources requiring senior approval

2009 Total Revenue
Approximately \$1 Billion

**+ \$150 M
Reserves**

- 1% Real Estate*
- 1% Golden Ears Tolls
- 1% Interest Income*
- 2% Replacement Tax
- 1% Parking Sales Tax
- 2% Hydro Levy
- 1% Senior Government*



* = not part of operating budget

Source: TransLink, May 2009

2009 Total Expenditures
Approximately \$1.15 Billion

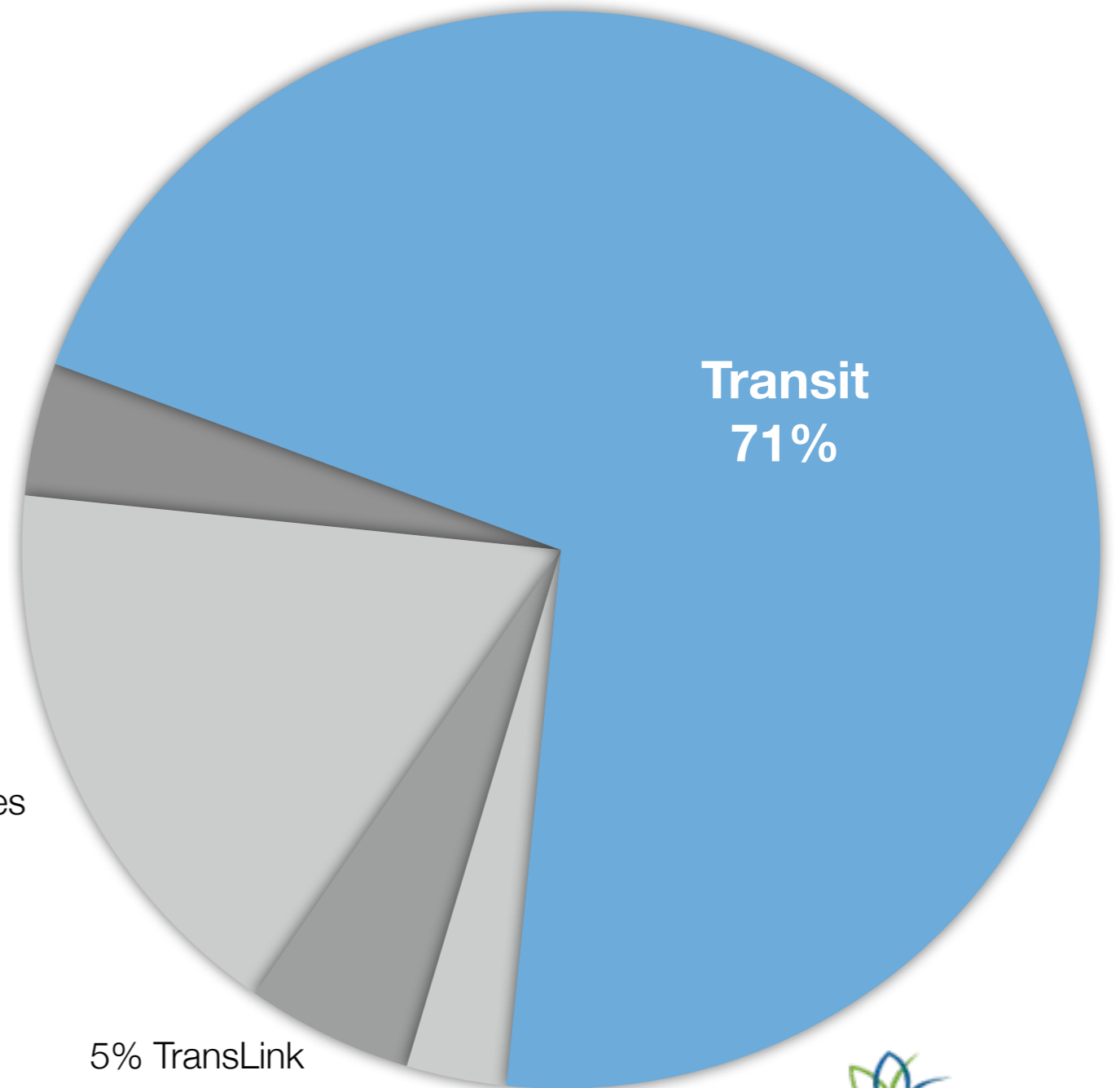
4% Roads & Bridges

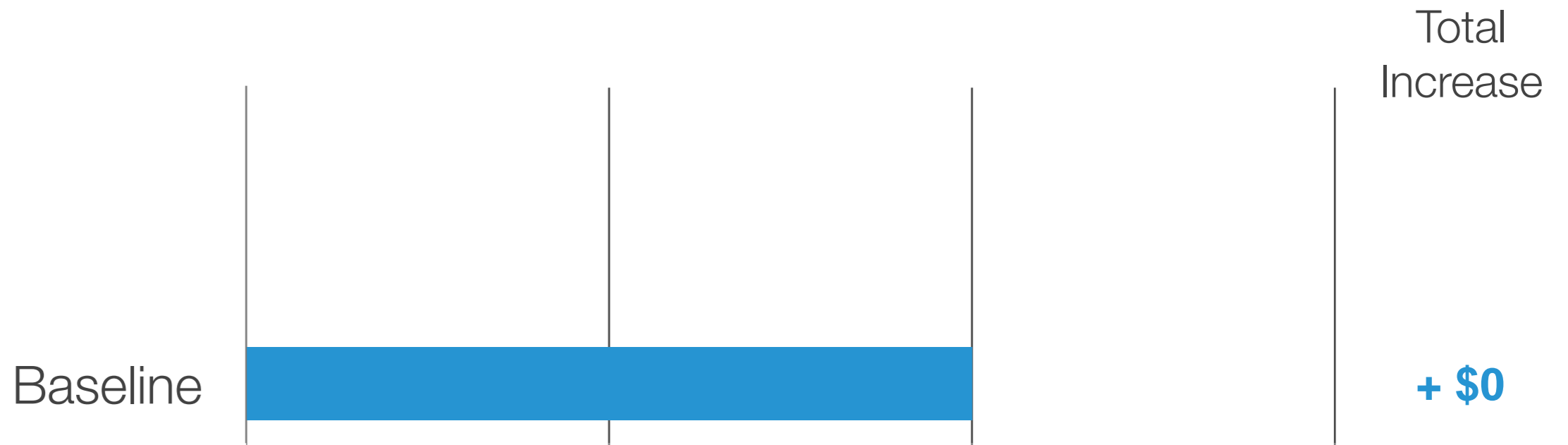
17% Debt Services

5% TransLink

3% Transit Police

Transit
71%



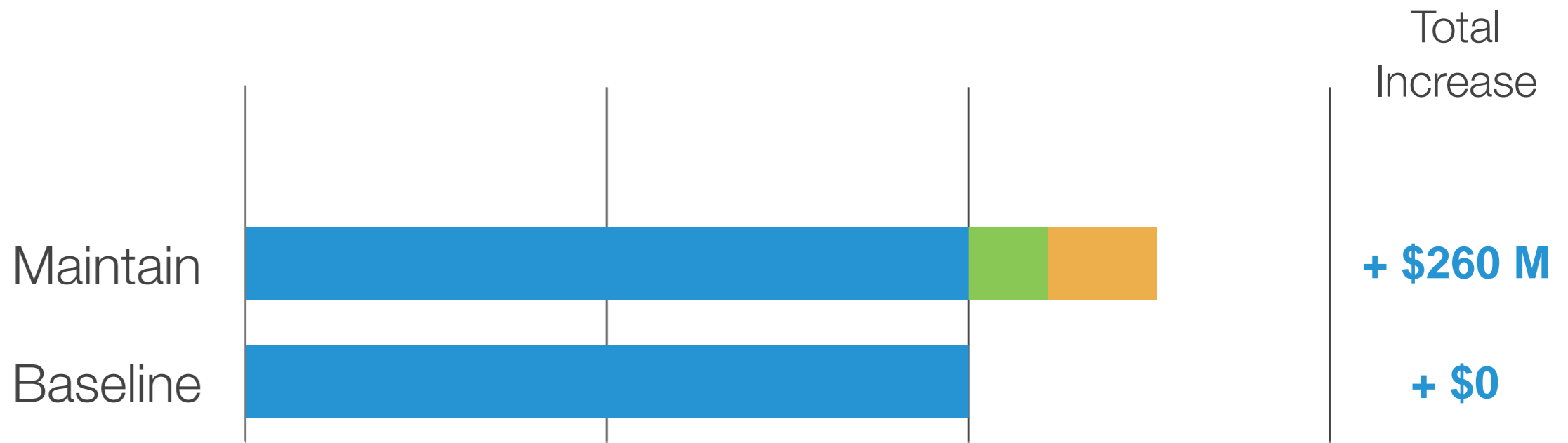


No new revenue beyond inflation

Significant cuts in service

Funding Gap

Maintain What We Have (Supplemental)



Existing Sources:

Increase Fuel Tax	\$65M
Increase Parking Sales Tax	\$15M
Increase Transit Fares	\$30M
<i>Sub-Total</i>	<i>\$110M</i>

New Sources (existing legislation)

Vehicle Levy or Property Tax Increase*	\$150M
<i>Sub-Total</i>	<i>\$150M</i>

* A lower vehicle levy could be combined with property tax increases.

Funding Gap

On Track to Transport 2040 (Supplemental)



Existing Sources:

Increase Fuel Tax	\$65M
Increase Parking Sales Tax	\$15M
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<i>Sub-Total</i>	<i>\$110M</i>

New Sources (existing legislation)

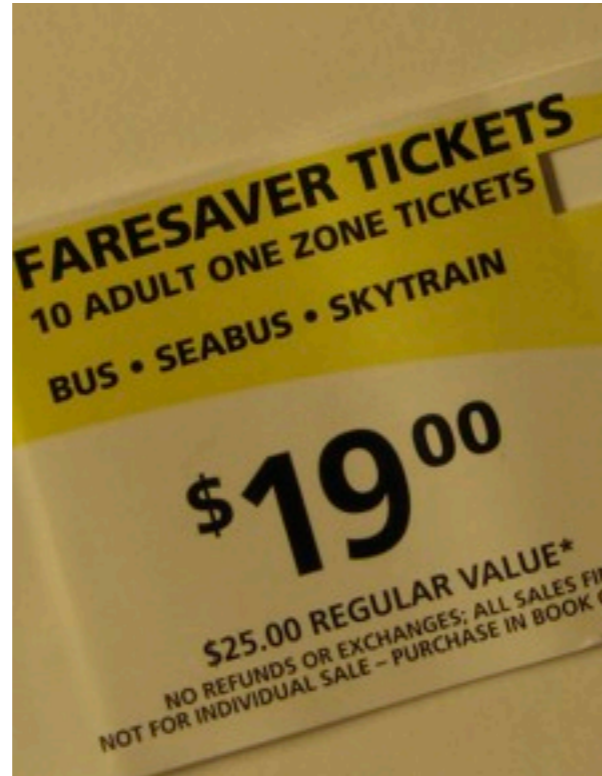
Vehicle Levy or Property Tax Increase*	\$150M
<i>Sub-Total</i>	<i>\$150M</i>

New Sources (req. senior gov. approval)

Carbon Tax	\$?
Road User Tax	\$?
Goods Movement Fee	\$?
Property Transfer Tax	\$?
<i>Sub-Total</i>	<i>\$190M</i>

* A lower vehicle levy could be combined with property tax increases.

Funding Choices, Transportation Goals, and Regional Equity



Some funding sources influence mode choice

- e.g. higher fares could reduce transit mode
- e.g. vehicle levies, higher gas taxes, parking fees, & road fees could reduce driving

Other sources have less or no influence

- e.g. property tax, hydro levy, property transfer tax

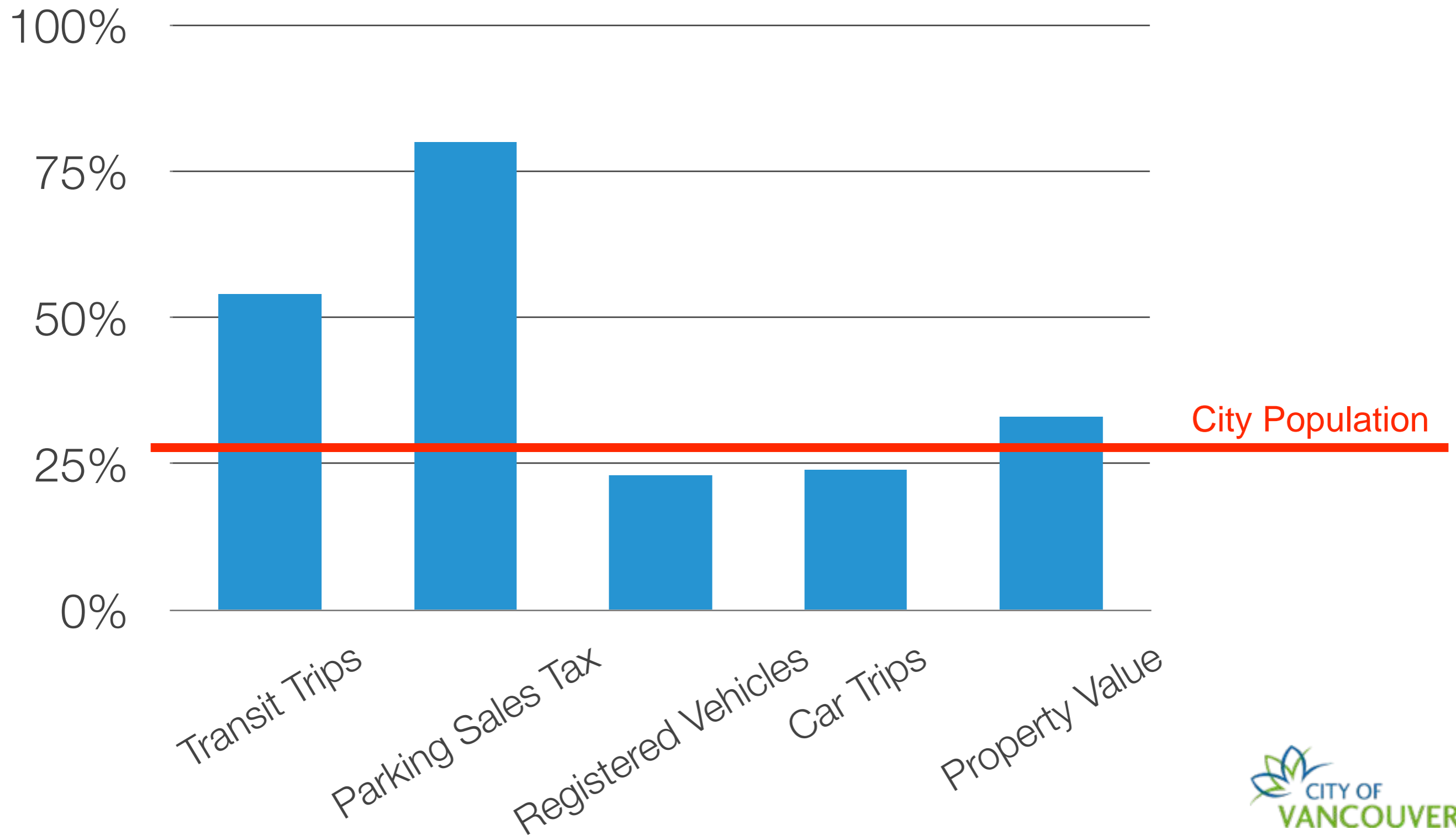
Sources can have different impacts from place to place because of regional diversity



Stats	Vancouver	Rest of Region	Source
<i>Baseline</i>			
Population (2008)	27%	73%	N/A
Employment (2006)	30%	70%	N/A
<i>Transit-Based</i>			
Transit Trips (2004)	54%	46%	transit fares
<i>Auto-Based</i>			
Parking Sales Tax (est.)	80%	20%	parking sales
Registered Vehicles (2008)	23%	77%	fuel tax, vehicle levy
Vehicle Mode Trips (2004)	24%	76%	fuel tax, tolls
<i>Property-Based</i>			
Property Value (2008)	33%	67%	property taxes

Equity

Vancouver's share of...



Equity

Impact on Vancouver: Parking Sales Tax



Currently 7% added to pay parking lot charges

- \$15 million in 2009 (~ 1.5% of total revenue)

Maximum allowed under current legislation is 21%

Supplemental options increase charge to 14%

- additional \$15 million (\$30 million total)

City of Vancouver has more pay parking relative to population than other areas

Equity

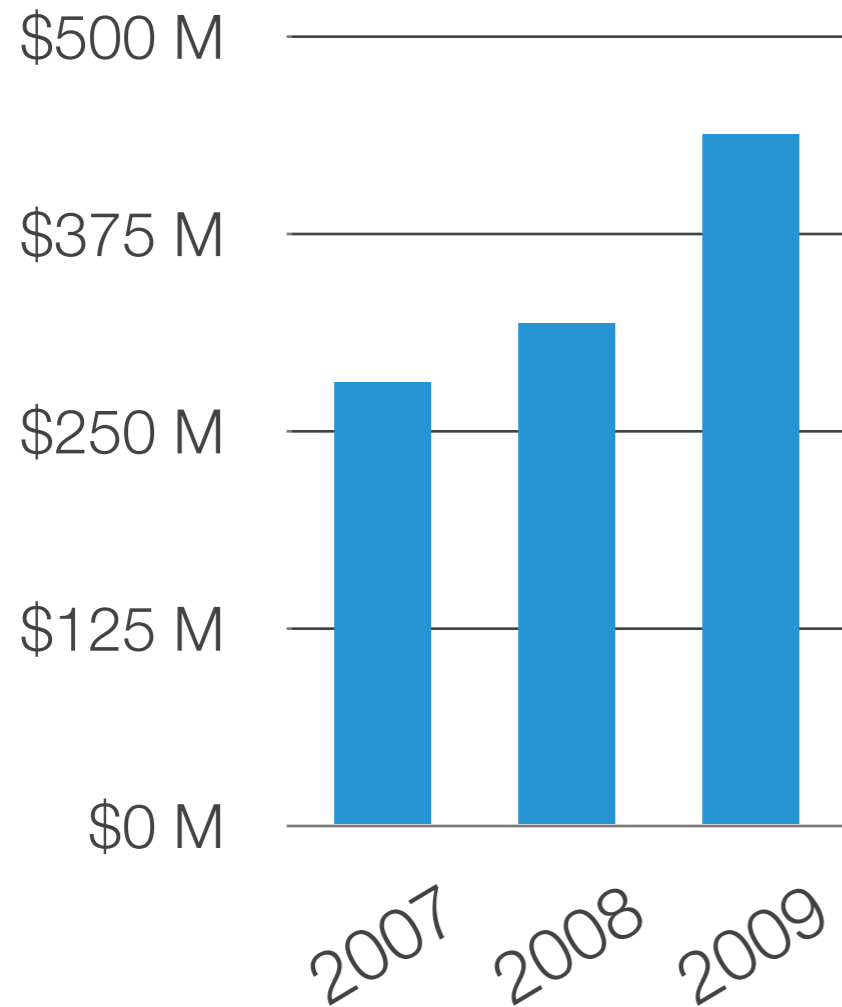
Impact on Vancouver: Property Tax



Supplemental plans include above-inflation property tax increases (no amount provided)

Vancouver TransLink property tax split approximately evenly between residential and non-residential

A 12% increase in TransLink levy would generate an additional \$35 million



Metro Vancouver
Capital Budget

Significant regional capital cost increases are needed for Metro Vancouver Liquid Waste & Water programs

Paid through increased municipal property taxes or utility rates

Summary

Significant new funding (TransLink estimates \$450 million per year) needed to

- Achieve City transportation & GHG targets
- Implement Transport 2040 & Provincial Transit Plan, including UBC Line

Bridging \$450 million gap requires

- increasing revenue from existing sources
- implementing new sources

Existing Council direction supports additional funding from vehicle user charges

- vehicle registration tax, fuel tax, road user fees

More discussion needed with senior government to find and authorize new sources