

March 8, 2021

Honourable Chrystia Freeland
Deputy Prime Minister and Minister of Finance
and

Honourable Catherine McKenna
Minister of Infrastructure and Communities
House of Commons
Ottawa, Ontario K1A 0A6

Sent via e-mail: chrystia.freeland@canada.ca // infrc.minister-ministre.infrc@canada.ca

Re: Submission to the Government of Canada's Pre-Budget Consultations 2021

Deputy Prime Minister Freeland and Minister McKenna,

I am writing to you on today with our submission to the 2021 pre-budget consultations.

First off, I want to thank the Government of Canada for its recent commitment of \$14.9 billion in new transit funding, including \$2.7 billion for zero-emission buses. This was a welcome response to our 2019 call for long-term, predictable funding. In fact, it is a game-changer for transit in Metro Vancouver, and will enable us to advance planned but unfunded projects like the Surrey-Langley SkyTrain project and to accelerate our Low-Carbon Fleet Strategy, that will help our region create new jobs, protect transit service and recover from the pandemic more quickly, at the same time as giving us funding certainty to support better and more sustainable long-term planning.

In our pre-budget submission below, we urge the government to:

1. Commit recently announced stimulus and zero-emission bus funding as soon as possible to \$2.1 billion in approved and widely supported shovel-ready projects in Metro Vancouver's current transit plans:
 - Surrey-Langley SkyTrain (Stage Two - Fleetwood to Langley)
 - Low Carbon Fleet Strategy (Phase Two)
 - Expo-Millennium Line Upgrade Project (OMC4)
 - Active transportation projects
 - Project plans and studies to advance development of future transit expansion projects to be confirmed through the Transport 2050 planning processes
2. Extend the Safe Restart Agreement for COVID-19 recovery to 2022 and beyond.

COVID-19 recovery

Recovering Canada's transit systems from a global health emergency is too big a challenge for any one order of government to handle on its own which is why we welcomed the Province of BC's and the Government of Canada's partnership with us to get through this crisis with the

Safe Restart Agreement (SRA). This funding has been a critical tool to maintain transit service at levels that essential workers need and to keep our region moving as the economy recovers.

Although transit ridership, which decreased as much as 80% last spring, will continue to recover as the pandemic crisis passes, it is projected to take up to 4-5 years for ridership to return to pre-pandemic levels depending on the speed and nature of the economic recovery and changes in travel behaviour. This will result in additional pandemic-related losses of \$800 million to \$1 billion between 2022 and 2026. Without additional senior government relief funding, TransLink will be confronted with the need to reduce transit service levels and delay planned transit expansion – which would prolong ridership recovery, hold back the economy and impact those who depend on transit – and/or dramatically increase regressive revenues like fares or property taxes.

With TransLink’s pandemic-related losses projected to outstrip current SRA funding later in 2021, and to continue for another 4-5 years, we join the Federation of Canadian Municipalities and the Canadian Urban Transit Association in calling on the federal government to extend SRA funding to provinces beyond 2021.

Building back better

At the same time as we focus in the near-term on returning TransLink to financial sustainability following the pandemic, we remain committed to delivering the region’s long-term transit expansion plans. We know that Metro Vancouver’s pandemic recovery and future economic growth, affordability and sustainability prospects rest in part on continuing to expand mobility options that will reduce congestion and GHG emissions and improve quality of life.

Our [10-Year Vision for Metro Vancouver Transit and Transportation](#) was midway through implementation when the pandemic delayed some already-approved and about-to-be approved projects. We are updating our 30-year region-wide, multi-modal transportation strategy, Transport 2050, to identify the region’s future transit priorities that will look to investments from the Permanent Transit Fund.

In the near-term, we have committed to delivering these shovel-ready projects from the 10-Year Vision that are eligible for recently announced stimulus funding and ZEV bus funding:

- Surrey-Langley SkyTrain Stage Two (Fleetwood to Langley):¹ **~\$1.5B**
- Low Carbon Fleet Strategy (Phase Two):² **\$560M**
- Expo-Millennium Line Upgrade Project (OMC4): **\$300M**
- Active transportation projects, and project plans and studies to support Transport 2050 planning processes: **\$50M**

See backgrounder attached for more information on these shovel-ready projects.

¹ Stage One from King George Boulevard to Fleetwood is already funded through ICIP, provincial and regional contributions. Stage 2 cost estimate based on 2019 planning for the whole corridor.

² Phase One (years 1-3) funded by Gas Tax Fund, and regional contributions

TransLink has already directed 94% of its \$2.4 billion Investing in Canadian Infrastructure Program (ICIP) allocation to specific, funded and approved projects in the 10-Year Vision that are either in service, in construction or about to go to procurement. The unfunded projects listed above are included in our region's transit plans that date back to 2014 or earlier and are designed to boost ridership and reduce congestion and GHG emissions, are widely supported, and procurement-ready once senior government funding is finalized.

We believe our region's track record at delivering transit projects based on region-wide, long-term transit plans that in turn lead to dramatically increased transit usage is nation-leading and should be considered in funding allocation decisions.

We look forward to continuing to work in partnership with the Government of Canada, along with the Province of BC, to expand and improve transit, active transportation and new mobility options in Metro Vancouver to keep our economy and residents moving quickly, safely, affordably and cleanly.

Sincerely,

A handwritten signature in blue ink, consisting of a large circular loop followed by a horizontal line that tapers to the right.

Mayor Jonathan X. Côté
Chair

cc: Minister Selina Robinson, BC Minister of Finance
Minister George Heyman, BC Minister Responsible for TransLink
Metro Vancouver-area Members of Parliament
Councillor Garth Frizzell, President, Federation of Canadian Municipalities
Marco D'Angelo, President & CEO, Canadian Urban Transit Association
Members of the Mayors' Council and TransLink Board

BACKGROUND

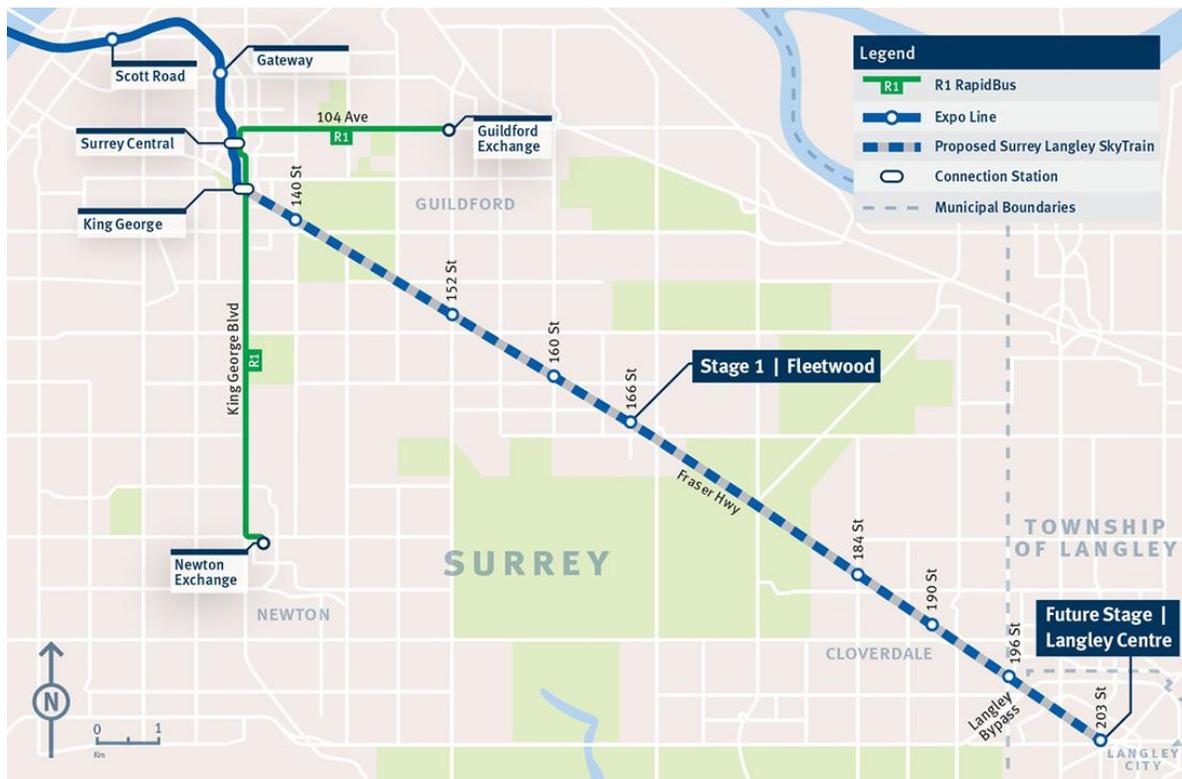
SHOVEL-READY TRANSIT PROJECTS IN METRO VANCOUVER

March 8, 2021

Surrey-Langley SkyTrain

The Surrey Langley SkyTrain project will extend the Expo Line along Fraser Highway, improving connectivity and accessibility for residents and businesses south of the Fraser River – a part of our region that will welcome 420,000 new residents and 147,000 new jobs by 2050 – with high-speed and frequent transit service that provides more than 10 times the capacity of bus service today.

Current estimates put the capital cost of the proposed Surrey Langley SkyTrain – from King George SkyTrain Station to Langley City Centre – at \$3.1 billion. Currently, there is approximately \$1.63 billion in confirmed funding, including \$500 million from the Federal Government, which is enough for Stage 1 to reach 166 St in Fleetwood by 2024. Stage 2 of the project from Fleetwood to Langley City was estimated in 2019 to cost \$1.5 billion but is currently without a federal contribution.



Low Carbon Fleet Strategy

In October 2018, the Mayors' Council and the TransLink Board of Directors approved the target to reduce greenhouse gas emissions by 80% by 2050 and use only renewable energy in all operations by 2050. The Low-Carbon Fleet Strategy (LCFS) was designed and approved to support these targets by replacing all retiring conventional diesel buses with battery-electric buses and transitioning to a fleet operating entirely on renewable energy by 2050. Each bus is expected to reduce 100 tonnes of greenhouse gas emissions and save \$40,000 in fuel costs per year compared to a conventional diesel bus.

Pilot testing and an initial order of 15 new battery-electric buses was funded through the federal Gas Tax Fund. To accelerate the next phase of LCFS, TransLink requires senior government funding of \$560 million for 57 more battery-electric buses and the supporting charging infrastructure.

Expo-Millennium Line Upgrade Project (OMC4)

To accommodate the future growth of the region, and to support longer trains and more frequent service, TransLink's Expo-Millennium Line Upgrade Project (EMUP) is making major investments over the next ten years to the existing SkyTrain network. These upgrades will keep the system safe, reliable, and comfortable for our current and future customers. EMUP includes the purchase and delivery of 200+ new train cars to expand capacity and replace aging fleet, expanded vehicle storage facilities to accommodate new fleet, and upgrades to operations and maintenance centres, mainline power, and control systems to support more frequent train service and longer trains.

The Government of Canada, Government of B.C., and the region have already committed to investing \$1.47 billion in the Expo and Millennium Upgrade Program until 2027. This program is funded through Phase 2 of the 10-Year Vision includes funding from the Investing in Canada Infrastructure Program. One component of the project, the new Operations and Maintenance Centre 4 in Coquitlam, remains underfunded by \$300 million, and is critical to supporting already ordered new SkyTrain vehicles to support expanded capacity of the existing network, as well as extensions on Broadway and in Surrey to Langley.

Transport 2050

TransLink is now leading the development of a new Regional Transportation Strategy called "Transport 2050". As a blueprint for the region, Transport 2050 (T2050) will set out the vision, goals, strategies, and key initiatives for Metro Vancouver for the next 30 years. It will outline transportation projects, services and policies that our region will work to deliver between now and 2050. At the same time, Metro Vancouver is developing Metro 2050, an updated regional growth strategy. Together, these strategies will shape our region over the next 30 years.

T2050 will help the region identify and prioritize the expansion of the region's rapid transit network, interregional commuter connections, active transportation and the role of emerging transportation technologies. This planning process will lead to a funding priorities for the new Permanent Transit Fund.

For more information, please contact Mike Buda, Executive Director, Mayors' Council Secretariat, at (778) 375-7669 or mike.buda@mayorscouncil.ca.