

EXECUTIVE COMMITTEE OF COUNCIL

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: FEDERAL FINANCIAL SUPPORT FOR TRANSIT OPERATIONS

RECOMMENDATIONS:

1. THAT Council support the following resolution by the Canadian Urban Transit Association:

WHEREAS the situation of an unprecedented drop in public transit ridership provoked by the COVID-19 outbreak accompanied by massive revenue losses is affecting public transit agencies right across Canada putting in jeopardy their financial viability and future ability to operate;

WHEREAS the Canadian Urban Transit Association (CUTA), Canada's largest public transport lobby, the membership of which includes most Canadian transit agencies, has called for urgent emergency funding to address the immediate liquidity issues of transit operators while providing financial stability while ridership rebuilds;

WHEREAS CUTA estimates as many as 40% of systems may require bridge funding over the coming months requiring some \$1.2 billion to help them keep the buses and trains running;

WHEREAS CUTA is seeking \$400 million a month to keep services running as fare box and other revenue drop by up to 100%;

WHEREAS CUTA notes that it will likely take some time for transit operators to rebuilt ridership to February 2020 levels during a gradually return to more normal economic activity;

WHEREAS without a quick infusion of funds by the Government of Canada it is impossible to assure that the gains made over the past decade in growing the modal share of all rides taken via collective transit will not be lost;

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From: Executive Committee of Council
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WHEREAS while transit is a provincial jurisdiction, only the Government of Canada has the budgetary capacity to stabilize public transit during the COVID-19 emergency;

THEREFORE BE IT RESOLVED THAT Burnaby City Council endorse CUTA's request to the Government of Canada for emergency funding to provide immediate liquidity to transit operators and on-going funding to alleviate revenue loss as ridership rebuilds;

THEREFORE BE IT FURTHER RESOLVED THAT a copy of this motion be sent to the Prime Minister of Canada, the Minister of Transport of Canada and the Minister of Finance of Canada.

2. THAT Council support the following resolution by TransLink:

WHEREAS prior to the beginning of the COVID-19 pandemic in March 2020, Metro Vancouver transit was a success story, with a 20% increase in transit ridership from 2016 to 2019, leading to the 4th highest per-capita transit ridership in North America behind only New York City, Montreal and Toronto;

WHEREAS in a highly transit-oriented city like Burnaby, good public transit is an essential service that is critical for the ongoing functioning of the regional economy, congestion and GHG reduction, and the provision of an affordable mobility option for lower income families;

WHEREAS transit ridership in Metro Vancouver has fallen by more than 80% due to the COVID-19 pandemic, leading to a 50% drop, or \$75 million, in TransLink's monthly revenues, with \$400 to \$600 million in losses projected by the end of the year;

WHEREAS TransLink has taken steps to slow monthly losses to \$50 million by reducing all non-essential expenditures, deferring capital projects, and cutting transit service hours by almost 40%;

WHEREAS just 18% of the passenger carrying capacity of the transit system will remain once these cuts are in place by May 18 and combined with the physical distancing measures in place on TransLink's transit system today (no standing, every other seat closed off);

WHEREAS TransLink continues to provide an essential service to 75,000 residents every day, 80% of who are using transit for essential trips like getting to work, buying groceries and getting medical appointments, 40% of whom are from households with an income of \$40,000 or less, and one in ten say they do not have any other option to get to work;

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WHEREAS even before the most recently announced transit service reductions, Burnaby residents were already experiencing long lines at SkyTrain stations and more frequent pass-ups on many bus routes, making transit and less safe or practical option for many;

WHEREAS these transit service cuts are not a viable option for Burnaby residents or businesses;

WHEREAS in the United States, the federal government delivered an emergency transit operating relief fund of \$25 billion in March to ensure that US transit agencies do not need to cut service as a result of decreases in fare revenues;

WHEREAS to date, TransLink has not received any emergency operating funding from senior governments, making these service cuts unavoidable;

THEREFORE BE IT RESOLVED THAT Burnaby City Council join the TransLink Mayors' Council on Regional Transportation to call on senior governments to provide emergency operating funding to TransLink immediately, to protect transit access to essential services during the current COVID-19 crisis and to support the economic recovery to come;

THEREFORE BE IT BE FURTHER RESOLVED THAT a copy of this resolution be sent to the Prime Minister of Canada and the Premier of British Columbia;

THEREFORE BE IT BE FURTHER RESOLVED THAT a copy of this resolution be sent to the Mayors' Council and TransLink for their information.

3. THAT Council forward copies of this report and resolutions to:

- a. Burnaby School District Board;
- b. Burnaby Board of Trade;
- c. Burnaby Association for Community Inclusion;
- d. Voices of Burnaby Seniors;
- e. Simon Fraser University;
- f. British Columbia Institute of Technology;
- g. Mayors and Councils of all Metro Vancouver municipalities;
- h. TransLink Mayors' Council;
- i. TransLink Board;
- j. Metro Vancouver Board;
- k. Fraser Health Authority;
- l. Union of British Columbia Municipalities;
- m. BC Minister of Transportation and Infrastructure;

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- n. Canadian Urban Transit Association;
- o. Federation of Canadian Municipalities;
- p. Prime Minister of Canada;
- q. Canada Minister of Transport;
- r. Canada Minister of Finance; and,
- s. Marvin Rotrand, Councillor, City of Montréal;
- t. The Premier of British Columbia;
- u. Burnaby MLAs; and
- v. Burnaby MPs.

REPORT

The Executive Committee of Council, at its meeting held on 2020 May 05, received the attached report requesting that the Federal Government provide financial support to transit operators, due to the COVID-19 pandemic. Arising from discussion, the Committee **AMENDED** recommendation No. 1 to include CUTA's resolution on the subject matter, and added recommendation No. 2 to include a related resolution submitted by TransLink. Further, the Committee **AMENDED** recommendation No. 3 to forward resolutions with the report to the Premier of British Columbia, Burnaby MLAs, and Burnaby MPs, in addition to already noted recipients.

Respectfully submitted,

Councillor S. Dhaliwal
Chair

Mayor M. Hurley
Vice Chair

Copied to: City Manager Director Planning and Building Director Engineering Director Corporate Services Director Finance
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TO: CHAIR AND MEMBERS
EXECUTIVE COMMITTEE OF COUNCIL

DATE: 2020 Apr 30

FROM: DIRECTOR PLANNING AND BUILDING

FILE: 2156 00
Reference: Covid-19 Financial Support

SUBJECT: FEDERAL FINANCIAL SUPPORT FOR TRANSIT OPERATIONS

PURPOSE: To request the federal government to provide financial support to transit operators, due to the COVID-19 pandemic.

RECOMMENDATIONS:

1. **THAT** Council support the federal funding request made by the Canadian Urban Transit Association.
2. **THAT** Council forward copies of this report to:
 - a. Burnaby School District Board;
 - b. Burnaby Board of Trade;
 - c. Burnaby Association for Community Inclusion;
 - d. Voices of Burnaby Seniors;
 - e. Simon Fraser University;
 - f. British Columbia Institute of Technology;
 - g. Mayors and Councils of all Metro Vancouver municipalities;
 - h. TransLink Mayors' Council;
 - i. TransLink Board;
 - j. Metro Vancouver Board;
 - k. Fraser Health Authority;
 - l. Union of British Columbia Municipalities;
 - m. BC Minister of Transportation and Infrastructure;
 - n. Canadian Urban Transit Association;
 - o. Federation of Canadian Municipalities;
 - p. Prime Minister of Canada;
 - q. Canada Minister of Transport;
 - r. Canada Minister of Finance; and,
 - s. Marvin Rotrand, Councillor, City of Montréal.

REPORT

1.0 INTRODUCTION

At the 2020 April 27 Council meeting, Council referred a letter received by Mayor Hurley to the Executive Committee. The letter was from Marvin Rotrand, a Councillor for the City of Montreal. The letter requested support for the position taken by the Canadian Urban Transit Association (CUTA) regarding the funding and viability crisis faced by transit operators nation-wide in light of the COVID-19 pandemic. This report provides background for the Committee's consideration.

2.0 POLICY SECTION

This report aligns with the following goals and sub-goals of the *Corporate Strategic Plan*:

- A Safe Community
 - Transportation safety –
Make City streets, pathways, trails and sidewalks safer
- A Connected Community
 - Social connection –
Enhance social connections throughout Burnaby
 - Partnership –
Work collaboratively with businesses, educational institutions, associations, other communities and governments
 - Geographic connection –
Ensure that people can move easily through all areas of Burnaby, using any form of transportation
- A Healthy Community
 - Healthy life –
Encourages opportunities for healthy living and well-being
 - Healthy environment –
Enhance our environmental health, resilience and sustainability
- A Dynamic Community
 - Economic opportunity –
Foster an environment that attracts new and supports existing jobs, businesses and industries

3.0 BACKGROUND

The COVID-19 pandemic has caused social and economic disruption throughout our society. As a result, there has been an abrupt and steep decline in the number of trips being made. Many people work from home (or not at all) and discretionary trips have largely vanished. The scale of this decline is unprecedented.

This has had a particular impact on transit operators. Fare revenues have declined with ridership. A further decline has come because many agencies (such as TransLink) have eliminated fare collection on buses, for employee and public health reasons. TransLink also receives significant revenues from a motor fuel sales tax, and those revenues have been severely impacted by the steep decline in vehicular travel.

The request received by Mayor Hurley is for support of CUTA's position on federal aid for transit. CUTA's position is outlined in a series of press releases between March 19 and April 23. These indicate that:

- Transit ridership is down between 85 and 90 percent on most systems in Canada;
- Farebox revenue has declined even more, since some systems have gone to rear-door boarding (and no fare collection) to protect driver health;
- There are additional expenses associated with vehicle cleaning;
- Transit is a vital public service that brings essential workers to their jobs and allows for other essential trip purposes;
- Transit operators have begun, or are planning, major layoffs to reduce costs; and,
- Other countries have included transit in their pandemic relief packages.

On this basis, CUTA is requesting that the federal government provide transit operators with \$400 million monthly to cover lost farebox revenue (though not other revenue declines). This position has also recently been endorsed on 2020 April 23 by the Federation of Canadian Municipalities.

4.0 DISCUSSION

An efficient and desirable transit system is one of the foundations on which the successful modern city is built. It is vital to the economic, social, and environmental health of the community. It provides mobility for people in essential jobs. Transit is accessible to a broader range of income levels than driving, allows our roads to move more people in less space, supports our economy, and emits a lower volume of greenhouse gases and other pollutants. It creates a more livable community by enhancing equity and reducing the physical, economic, and environmental footprint of transportation. Burnaby's emerging *Transportation Plan* relies even more heavily on transit, without which other goals are not achievable.

Transit is facing a financial crisis today that is severe and prolonged. Revenues will not rebound as rapidly as they fell; some people will seek out other modes, such as driving, that allow for greater physical separation. Others will return to transit, but there may be an ongoing need for transit vehicles to carry fewer people and to maintain distances between passengers. Transit operators may thus need more vehicles and employees to carry the same number of people, therefore increasing agency costs. Any attempt to recover costs by increasing transit fares would be counter-productive, pushing more people into cars and disproportionately impacting people with lower incomes.

To: *Executive Committee of Council*
From: *Director Planning and Building*
Re: *Federal financial support for transit operations*
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5.0 RECOMMENDATIONS

Transit service is vital to cities. This report has described the current financial crisis being faced by transit systems across Canada.

It is recommended that the Committee request Council to support the federal funding request made by the Canadian Urban Transit Association; and, forward copies of this report to:

- a. Burnaby School District Board;
- b. Burnaby Board of Trade;
- c. Burnaby Association for Community Inclusion;
- d. Voices of Burnaby Seniors;
- e. Simon Fraser University;
- f. British Columbia Institute of Technology;
- g. Mayors and councils of all Metro Vancouver municipalities;
- h. TransLink Mayors' Council;
- i. TransLink Board;
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- m. BC Minister of Transportation and Infrastructure;
- n. Canadian Urban Transit Association;
- o. Federation of Canadian Municipalities;
- p. Prime Minister of Canada;
- q. Canada Minister of Transport;
- r. Canada Minister of Finance; and,
- s. Marvin Rotrand, Councillor, City of Montréal.



E.W. Kozak, Director
PLANNING AND BUILDING

SR:tn

cc: City Manager
Director Engineering
Director Corporate Services
Director Finance