

REPORT TO TRANSPORTATION COMMITTEE MEETING OF WEDNESDAY, JUNE 25, 2025

SUBJECT Transportation Governance

ISSUE SUMMARY

To provide an overview of the governance options considered for the recently established Capital Regional District (CRD) Regional Transportation Service (RTS), including the initial governance structure and potential alternative models, and to seek direction on future analysis and reporting.

BACKGROUND

Transportation is a priority for residents and the CRD Board. A 2023-2026 strategic priority for the CRD Board is to present options for transportation governance change so residents can access convenient, green and affordable multi-modal transportation systems to enhance livability. This priority shifts focus from goal setting to implementation and advancing the goals of the Regional Transportation Plan (RTP) through a new RTS.

The CRD is in the process of implementing the RTS, which will improve connectivity across municipalities, strengthen coordination and ensure our transportation system can meet future needs. In September 2024, the CRD Board gave three readings to Bylaw No. 4630 to establish the RTS and directed staff to report back in 2025 on governance options. Bylaw No. 4630 was adopted by the CRD Board on June 11, 2025.

To support this work and better understand the current state of governance issues and explore future options, the CRD engaged KPMG to conduct a governance and service design study (see Appendix A). The study explores governance models for delivering a more integrated regional transportation system. CRD staff have also undertaken work to prepare for the RTS establishment, including interdepartmental coordination and engagement with the Traffic Safety Commission (TSC) and Transportation Working Group (TWG).

Current State

Prior to the establishment of the RTS, transportation services and planning within the CRD were fragmented across multiple departments, while external agencies such as BC Transit (BCT), the Ministry of Transportation and Transit (MoTT), and local governments pursued jurisdictional priorities.

The KPMG governance and service design study noted three primary regional transportation governance issues:

1. No centralized governance or advocacy for regional transportation.
2. Inconsistent service standards, policies and bylaws.
3. Decentralized investments, limiting incentives for cross-jurisdictional planning and inter-modal connectivity.

For the RTS to address these three key regional issues, a governance structure will need to evolve with greater authority, scope and capacity. The base case governance model is within the ability of the CRD legislation and builds upon the current Transportation Committee structure. The first alternate model is also within the CRD's legislative ability and would support the RTP outcomes, whereas the second alternate model requires engagement and approval from the Province to develop new legislation to implement.

Base Case Governance Model

The base case model largely retains the governance design of the current state. It allows for the gradual implementation of the RTS by focusing on consolidating existing CRD transportation functions and supporting key strategic planning to guide future service delivery. Key changes from the current state include:

- The establishment of a new Regional Planning and Transportation division. The division will be accountable for all transportation related activities including regional trails.
- The Transportation Committee (TC) (a standing committee of the CRD Board) as the single governance body to advise the CRD Board on regional transportation matters (see Appendix B).
- The establishment of a new Regional Transportation Advisory Committee (RTAC), comprised of professional representatives from the CRD, local governments, BCT, MoTT and other relevant agencies to serve as the main integrated strategic advisory body to the TC. Subcommittees and technical working groups would report to the RTAC.

The Regional Planning and Transportation division would support the TC and the RTAC. Any subcommittees or working groups formed to address specific topics would report through the RTAC to ensure there is a strategic integration of multi-modal topics and one set of priorities across all participating agencies being recommended to the TC. Leading to the establishment of the RTAC, the TSC and TWG would continue to report to the TC.

As part of the ongoing development and implementation of the RTS, staff have informed both the TWG and the TSC of potential governance changes that may emerge. Given that the TSC has its own bylaw and budget approval process, staff conducted additional engagement with the TSC to ensure its perspectives are considered in shaping regional transportation governance. While specific outcomes are still emerging, engagement with the TWG and the TSC reflects a commitment to integrating existing advisory bodies to inform a more coordinated regional approach.

Alternative Governance Models

Additional models were assessed in the study to provide additional governance authority and capacity, and increase the scope of the RTS. Based on an assessment of potential alternative governance models and their respective limitations and strengths, the following two models were shortlisted:

1. Commission (internal to the CRD)

Similar to the base case, the new Regional Planning and Transportation division would deliver the RTS with advisory support from RTAC. Staff and the RTAC would report to a commission, rather than a standing committee. The strength of this model is that the Board may delegate certain authorities (excluding bylaw adoption) to a commission. In addition to Board members, membership may include non-elected officials, such as senior leadership and subject matter experts from agencies and non-governmental organizations. This model would allow for greater decision-making autonomy and

potentially a wider range of professional expertise and perspective. While this model is still limited by the CRD's existing authority, KPMG's report suggests that this model can provide some efficiencies by delegating more responsibility to a commission, requiring fewer decisions to be made at the Board level.

2. Provincial Entity (external to the CRD)

A potential longer term alternative model external to the CRD includes the establishment of a Crown Corporation (e.g., BCT, BC Ferries) or a provincial Authority (e.g., TransLink), which would require legislative changes. This model would not be bound by the CRD's existing authority, offering full autonomy over funding and decision-making and full optimization of regional transportation outcomes. This model would be inclusive of both the CRD's and BCT's responsibilities of delivering regional transportation services in the capital region.

In addition to these alternative governance models, the KPMG study examined the potential for the CRD Board, potentially through a committee or commission, to assume the functions currently performed by the Victoria Regional Transit Commission (VRTC). This approach could enhance the CRD's ability to achieve regional transportation goals with less complexity and at a lower cost than establishing a new provincial entity. However, this option also requires legislative changes.

Stepwise Approach to Governance

As the RTS is being established, several foundational elements are underway or planned. These include completing the consolidation of regional trails and transportation planning functions into the new Regional Planning and Transportation division, the development of a new RTP, and the establishment of a RTAC (through the development of a Terms of Reference). The RTP is expected to be a key early deliverable of the RTS and will help guide future governance and service delivery discussions.

The base case governance model could serve as an initial step to enable continued progress while further structures are developed. The establishment of the RTAC would provide a more formalized advisory capacity for the RTS, with recommendations for any new subcommittees or working groups following its establishment.

Through the multi-year process of creating a new RTP, the potential advantages of transitioning to a commission model could be explored with local governments, BCT, MoTT and other regional interest-holders. These considerations could be brought forward for further discussion in the later stages of RTP development.

Another stepwise approach that could be considered is transferring responsibilities currently held by the VRTC to the CRD. This change could occur under either a committee or commission structure and would support stronger integration of multi-modal priorities and decision-making. Legislative change is required to implement this option.

Finally, requesting the Province to establish a new external transportation authority remains a longer-term consideration. This option could be revisited if existing governance approaches do not support the pace or scale of RTP implementation desired by the Board and partners.

Taken together, these steps represent a possible progression for governance development. Each step would depend on ongoing discussions, emerging needs, and direction from the Board as the RTS evolves.

ALTERNATIVES

Alternative 1

The Transportation Committee recommends to the Capital Regional District Board:

1. That the Transportation Committee continue to oversee and make recommendations to the Board regarding matters related to regional transportation, including regional trails;
2. That the updated 2025 Terms of Reference for the Transportation Committee be approved as attached as Appendix B;
3. That staff be directed to develop a Terms of Reference for the establishment of a Regional Transportation Advisory Committee and supporting working groups and report back in the third quarter of 2025; and
4. That staff report back on the merits of establishing a Transportation Commission through the forthcoming process of updating the Regional Transportation Plan.

Alternative 2

That this report be referred back to staff for additional information based on Transportation Committee direction.

IMPLICATIONS

Alignment with Board & Corporate Priorities

The actions in this report align with the 2023-2026 CRD Board strategic priority to present options for changes in governance for transportation in the region, including the electoral areas. Additionally, they align with, Initiative 4a-1 in the CRD Corporate Plan to develop governance options, including consideration of a new transportation authority.

Alignment with Existing Plans & Strategies

Establishing new models of transportation governance was identified as a key step in the 2014 CRD RTP.

Equity, Diversity & Inclusion Implications

A delegated commission model has increased potential to have representatives from more diverse backgrounds.

Financial Implications

The base case and delegated commission governance option both have similar financial implications for steady-state and one-time implementation, whereas the provincial entity has significant increases in both steady-state and one-time implementation costs.

First Nations Implications

A delegated commission model would allow for membership to be drawn from First Nation's leadership.

Intergovernmental Implications

Ongoing collaboration with local municipalities, electoral areas and partner agencies will remain critical to the success of the RTS.

A shift to a provincial entity would require significant intergovernmental coordination, including legislative action by the Province. It would also remove some level of local control over transportation decision-making.

Service Delivery Implications

The consolidation of the CRD's transportation activities into a new division is a significant level of effort. Staff have established a transition team to help guide the process and develop a detailed implementation plan. Service implementation will be gradual, focusing initially on the consolidation of existing transportation functions, including the regional trails. The service will develop a new RTP, which will update regional transportation goals and objectives and provide a framework for long term service growth.

CONCLUSION

This report presents governance options for the newly-established Regional Transportation Service to support more integrated, effective regional transportation planning and service delivery. The base case model builds on the current structure with the addition of a Regional Transportation Advisory Committee to provide an enhanced advisory capacity. Two alternative models—a delegated commission and a provincial entity—were also explored, offering varying degrees of autonomy and scope.

Staff are seeking direction to proceed forward with a stepwise approach to governance change, commencing with the proposed base case model to best enable service implementation while continuing to undertake strategic planning. This Committee model will also enable the formalization of an enhanced advisory structure. Through a forthcoming update and development of a new Regional Transportation Plan, staff will also report back on the potential merits of further enhanced governance options, including a Transportation Commission.

RECOMMENDATION

The Transportation Committee recommends to the Capital Regional District Board:

1. That the Transportation Committee continue to oversee and make recommendations to the Board regarding matters related to regional transportation, including regional trails;
2. That the updated 2025 Terms of Reference for the Transportation Committee be approved as attached as Appendix B;
3. That staff be directed to develop a Terms of Reference for the establishment of a Regional Transportation Advisory Committee and supporting working groups and report back in the third quarter of 2025; and
4. That staff report back on the merits of establishing a Transportation Commission through the forthcoming process of updating the Regional Transportation Plan.

Submitted by:	Patrick Klassen, MCIP, RPP, Senior Manager, Regional Planning
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Housing, Planning and Protective Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

Appendix A: Executive Summary – Regional Transportation Service Governance Model
Options Project – KPMG (February 2025)
Appendix B: 2025 Transportation Committee Terms of Reference (Redlined)
Presentation: Transportation Governance