



**REPORT TO TRANSPORTATION COMMITTEE
MEETING OF WEDNESDAY, OCTOBER 25, 2017**

SUBJECT **Bylaw No. 4093 Regional Transportation Service Establishment Bylaw**

ISSUE

To obtain direction regarding next steps on a Regional Transportation Service.

BACKGROUND

The Capital Regional District (CRD) Board identified establishment of a transportation service as among its 2015-2018 strategic priorities. Staff brought forward a service establishment bylaw for Board consideration in June 2016 and in response, the Board directed staff to solicit local government feedback. Feedback confirmed interest in and concern with the establishment of a transportation service. There was general acknowledgement that transportation issues transcend municipal boundaries. While some were interested in an expanded role for the CRD, others were more reticent, citing concerns about losing municipal control over transportation decisions and concerns about costs.

Seven municipal councils and two electoral area (EA) directors, representing over 72% of the region's population, supported establishment of a regional transportation service. Three municipal councils and one EA director were not supportive. Three municipal councils conveyed no position.

In December 2016, the Board directed that further work on a transportation service be held in abeyance pending provincial government release of the Capital Integrated Services and Governance Initiative report. At the time of the Board decision the report was expected to be released in January 2017. The report was, however, not released until August 2017. While the provincial report acknowledged that transportation is a regional issue that could benefit from integration it did not specify how such integration could be best achieved.

A motion with notice was advanced by two directors at the September 13, 2017 Board meeting. The CRD Board approved an amended motion directing staff to take the necessary measures to establish a regional transportation service within the next six months.

Establishing a regional transportation service requires adoption of a service establishment bylaw. To respond to the Board's direction, staff have prepared such a bylaw (Attachment 1). The bylaw content has been adjusted to lower the maximum requisition from what was proposed earlier. This was done to respond to feedback provided by local governments during consultation.

Over the past month there has, at a political level, been intensified exploration and discussion of alternative transportation governance models. Some local mayors have discussed the creation of a transportation advisory committee consisting of the 13 mayors and the Director of the Juan de Fuca EA. The proposed purpose of this group would be to establish a common vision for regional transportation priorities. The City of Victoria will consider a resolution requesting that the CRD create a Transportation Advisory Group that would also sit as the Transit Commission. In addition, the City of Langford has requested the CRD establish an advisory committee to provide

recommendations and priorities to BC Transit and the Ministry of Transportation and Infrastructure. Attachment 2 supplies copies of correspondence related to a Mayor's Transportation Advisory Committee.

ALTERNATIVES

Alternative 1

That the Transportation Committee recommend to the Capital Regional District Board:

- a) That Bylaw No. 4093 "Regional Transportation Service Establishment Bylaw, 2017" be introduced and read a first and second time, and read a third time; and
- b) That the Board direct staff to forward Bylaw No. 4093 "Regional Transportation Service Establishment Bylaw, 2017" to the Inspector of Municipalities for approval.

Alternative 2

That the Transportation Committee recommend to the Capital Regional District Board:

That Bylaw No. 4093 "Regional Transportation Service Establishment Bylaw, 2017" be received for information and not be advanced further at this time but rather that the CRD's transportation work continue to be carried out within existing service mandates.

IMPLICATIONS

Financial Implications

When the Regional Transportation Plan was drafted, the CRD had access to Regionally Significant Projects Funding (RSPF) which the Board determined would be used exclusively for transportation. The regional pool of funding encouraged regional collaboration to identify regional transportation priorities. Pooled funding allowed for significant regional transportation projects to be undertaken. Examples of transportation projects that received RSPF are the Craigflower Bridge replacement, Phase 2 of the E and N Rail Trail and implementation projects of the Regional Pedestrian and Cycling Master Plan. The funding from this federal program administered by the Province has now been redirected to local governments and it is in many areas not being used exclusively for transportation. Without a regional funding mechanism there is little incentive for local governments to cooperatively identify regional transportation priorities. Local governments compete for senior government grants and goodwill and advance local priorities which while important at a local level may not be beneficial at a regional scale.

At this time, there is no funding dedicated to *regional* transportation capital projects. The CRD has, through discussions between the Board Chair and the Honourable Clair Trevena, Minister of Transportation and Infrastructure, raised this concern and sought Ministry support for the Province to play a role in facilitating a governance review that could assist in securing consistent funding for regional transportation initiatives (see Attachment 2).

In the absence of new funding mechanisms, either through the Province or through CRD capital project requisitioning, regional transportation projects would rely on funding agreements between local government partners whereby each local government, on a case-by-case basis agrees to contribute to a percentage of a given project. While this approach preserves local government control, it may be challenging and time consuming to reach agreement.

The service establishment bylaw (Attachment 1) has been drafted to provide for a \$1 million increase from existing budgets for regional trails and transportation-related functions within Regional and Strategic Planning. This increased limit would give the Board the option of responding to emerging needs. Staff would identify potential new contributions through the annual work plan and budget process. Examples of initiatives that could be advanced are identified in Appendix 3. The requisition amount identified in the bylaw would not be sufficient for the CRD to raise funds for infrastructure projects. Infrastructure funding would thus remain with the Province/municipalities.

If there is no desire to pursue new transportation functions and no desire to potentially increase future funding, then there is no need to pursue a transportation service. Alternative 2 provides for a continuation of current CRD roles.

Governance Implications

In discussions with the Minister of Transportation and Infrastructure, the Board Chair has communicated a desire for Ministry support in taking on a fractured transportation governance, planning and delivery model (Attachment 2).

Current governance discussions could be relevant to both a CRD transportation service and a scenario that sees the CRD's current roles continuing without a transportation service.

In the absence of legislated changes, any new governance entity (e.g., a Mayors' Transportation Advisory Committee) would not have any special delegated authority and would thus be limited to making recommendations to municipalities, CRD committees, the Board and provincial agencies. Implementation and funding would have to be through the associated administrative entities – the same situation as exists today.

Should the Mayors' Transportation Advisory Committee be realized, then it will be important to clearly define the relationships between and the responsibilities of associated entities including the CRD's Transportation Committee, the CRD Board and the Victoria Regional Transit Commission.

Some form of governance structure will be needed to oversee CRD transportation initiatives whether the region's roles are as they are now or as they would be under a transportation service. Governance structures currently under political discussion can work both in conjunction with a new transportation service and with current CRD roles. Governance discussions can take place concurrently with advancing the proposed service establishment bylaw through the Inspector of Municipalities and electoral assent processes.

Service Implications

Attachment 1 provides a transportation service bylaw that would apply across the entire region (i.e., all municipalities and EAs participating). The creation of a *region*-wide transportation service would provide a framework for regional collaboration around transportation where regional priorities could be established and acted upon both financially and politically. A region-wide mandate would provide the most compelling voice with which to approach senior governments with funding requests.

In the absence of a transportation service, the CRD's role is limited to existing mandates which provide for planning, information gathering, partnerships and trails operations. There is scope within those mandates for better supporting resolution of regional transportation issues. Examples of potential new initiatives include enhancing the data collection program, setting regional transportation targets, identifying and advocating for regional transportation priorities and/or extending travel planning services (Attachment 3). Staff's intent would be to evaluate these opportunities and bring forward recommendations for Committee/Board consideration within the context of Service Plans and budgets.

Procedural Implications

The *Local Government Act (LGA)* requires that the Service Establishment Bylaw be approved by the Inspector of Municipalities. The *LGA* further requires that the bylaw be approved by one of the three voter assent options identified in Attachment 4.

Given feedback received to date, a region-wide Alternate Approval Process (AAP) is most likely to achieve the Board priority of establishing a transportation service. Should the Board wish to proceed with a region-wide AAP process, then the Board would need to pass a resolution to that effect with a 2/3 majority approval. Unless requested to be identified by the Inspector of Municipalities, the voter assent option to be used does not need to be determined until after the Inspector of Municipalities has approved the bylaw content. As drafted, the Bylaw (Attachment 1) does not specify the approval mechanism.

Timing Implications

The CRD Board identified establishment of a transportation service as among its 2015-2018 strategic priorities. Inspector of Municipalities review and completion of an electoral assent process could take 9-12 months.

Implementation Implications

Not all transportation matters need to be dealt with regionally. Initiatives that make sense to tackle regionally are those for which a regional approach improves user experiences, decreases costs or increases access to grant funding.

Those moving about the region want seamless connections between modes and municipalities. A region-wide service could consider connectivity issues when identifying needs, when planning and when prioritizing.

There are numerous transportation initiatives that can be delivered more cost-effectively on a regional basis (data collection, travel planning, programming, etc.). These are the types of initiatives included in the bylaw provided in Attachment 1. Putting in place a transportation service would allow (but not compel) programming to be delivered regionally where such makes economic sense.

Granting agencies often prioritize capital projects and programs that deliver regional benefit. A regional transportation service could help identify grant opportunities, identify strong candidate projects, coordinate matching contributions, and pursue funding.

CONCLUSION

Staff have prepared a transportation service bylaw as per the Board's direction. Advancing the service requires assent of voters as per the *LGA*. Governance structures currently under political discussion can work both in conjunction with a new transportation service and with current CRD roles.

RECOMMENDATION

That the Transportation Committee recommend to the Capital Regional District Board:

- a) That Bylaw No. 4093 "Regional Transportation Service Establishment Bylaw, 2017" be introduced and read a first and second time, and read a third time; and
- b) That the Board direct staff to forward Bylaw No. 4093 "Regional Transportation Service Establishment Bylaw, 2017" to the Inspector of Municipalities for approval.

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JH/tt

Attachment 1. Bylaw No. 4093 Regional Transportation Service Establishment Bylaw
Attachment 2. Correspondence relating to a Mayors' Transportation Advisory Committee
Attachment 3. Transportation Initiatives
Attachment 4. Voter Assent Options