

MEMORANDUM

November 5, 2021

TO: Mayor and Council

CC: Paul Mochrie, City Manager
Karen Levitt, Deputy City Manager
Katrina Leckovic, City Clerk
Lynda Graves, Administration Services Manager, City Manager's Office
Maria Pontikis, Chief Communications Officer
Aftab Erfan, Chief Equity Officer
Anita Zaenker, Chief of Staff, Mayor's Office
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Alvin Singh, Communications Director, Mayor's Office
Margaret Wittgens, Deputy General Manager, Engineering Services
Paul Storer, Director, Transportation, Engineering Services

FROM: Lon LaClaire
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SUBJECT: Transport Pricing – Project Update

RTS #: 14240

In November 2020, City council approved the Climate Emergency Action Plan, which included direction to assess the feasibility of transport pricing within Vancouver's city centre including ensuring a pricing strategy supports COVID-19 pandemic recovery and considers regional impacts in close collaboration with TransLink and the Province. Further, Council directed staff to report back before the end of 2022 on stakeholder engagement and feedback and to do so prior to bringing forward further recommendations related to transport pricing.

The purpose of this memo is to provide an update on transport pricing, including what is planned for the first phase of work "Explore" taking place between fall 2021 and spring 2022.

Project overview

Transport pricing is a promising tool to reduce carbon emissions while making the city centre a better place for everyone. People come to Vancouver's city centre to work, play, and access services. However, too many vehicles travelling into, and through, the city centre creates congestion and delays, pollution, and takes up valuable, scarce public space.

A road use fee would reduce the number of vehicles on the road and:

- Enable more people and goods to move into, and through, the city centre with more reliable travel times
- Reduce air and noise pollution and carbon emissions
- Increase the amount of road space for sustainable travel and help create new, vibrant public spaces

Transport pricing has four phases, beginning with a feasibility study, and includes multiples phases of engagement. If Council decides to approve a recommended transport pricing option, implementation would be no earlier than 2026.

- **Explore (2021 – 2022)**

Stakeholder engagement on interests and priorities, supported by technical research and analysis, including impacts of COVID-19 and equity considerations.

Council update on findings

- **Develop (2023)**

Develop feasible transport pricing scenarios that include potential boundaries and pricing. Engage public to discuss impacts, mitigation, and opportunities.

Council decision to move forward and refine recommended option.

- **Refine (2024)**

Refine transport pricing strategy with further stakeholder input.

Council decision to move forward and implement transport pricing in Vancouver.

- **Implement (2026)**

If approved, transport pricing will be implemented.

Phase 1 ‘Explore’

In September 2021, the City retained an integrated consultant team with expertise in transportation, engagement and communication through a Request for Proposals (RFP) process. The team consists Mott MacDonald, Lucent Quay and KI Squared. The consultant team will support the work of phase 1, which includes:

- Engage stakeholders to understand interests, priorities, and concerns related to transport pricing and to develop an evaluation criteria for the draft evaluation framework
- Prepare an analysis of how the city’s transportation network serves the needs of diverse users (the work will include defining and assessing transportation equity and setting out a 5-year post-pandemic travel demand outlook for the city centre)
- Prepare draft evaluation framework and ‘building blocks’ of transport pricing scenarios (e.g. geographic boundaries, technologies, pricing concepts)¹ to be used in assessing recommended scenarios in futures phases of work

The City has signed a Memorandum of Understanding with TransLink and is working in partnership to include a regional perspective for transport pricing for the city centre. In addition,

¹ The scenario ‘building blocks’ work is anticipated to be completed by the end of 2022. The phase 2 engagement will include engagement on various transport pricing scenarios. Further details about phase 2 will be presented to Council in 2022.

staff has approached Province and the North Shore municipalities. In September 2021, referral letters were sent to the Musqueam Indian Band, Squamish Nation and Tseil-Waututh Nation, introducing the feasibility study and inviting their participation.

Engagement and Technical Research

Stakeholder engagement and technical research will be interwoven in Phase 1:

- **Round 1 – Share, Listen and Learn (November - December 2021):** Through approximately 80 interviews, we will meet with stakeholder organizations or associations, who may be impacted or interested in the transport pricing study. Stakeholder groups represent interests in business, essential services, residents, tourism, and those who rely on private vehicles, active transportation and transit for work. Through the interviews staff will share the project purpose and objectives and hear initial priorities, interests and concerns and what information would help inform their participation in the study. The stakeholder input will inform the preparation of draft evaluation criteria for the transport pricing options evaluation framework and refinement of supportive technical research.
- **Round 2 – Collaborate (January - February 2022):** Through a series of stakeholder workshops, staff will share findings from round 1 interviews along with technical research and analysis on city and regional mobility patterns, including impacts of COVID-19, along with emerging equity considerations. This will be an opportunity to look at how forms of pricing have been implemented in other cities. Workshops will be an opportunity to develop draft evaluation criteria for transport pricing options evaluation framework.
- **Round 3 – Involve (March – April 2022):** We will hold workshops or interviews with stakeholders who have not been able to participate to-date, or who wish to have more in-depth discussions on the emerging draft evaluation framework and supportive technical research and analysis.

Concurrent to this process, staff will also engage City Advisory Committees and the Climate and Equity Working Group and continue to collaborate with TransLink, the Province, host nations and the North Shore municipalities. Given that road pricing is a new concept for this region, staff will also hold a series of focus groups to gauge public understanding of project concepts.

Future phases of transport pricing

Broader public engagement would take place in Phase 2 of the Project in 2023, and focus on refining the draft evaluation framework and beginning to test possible transport pricing options. This will enable the public to test tangible transport pricing scenarios to support a discussion of potential impacts, challenges and benefits.

Prior to commencing future phases of transport pricing, staff will be updating Council on the findings of the Phase 1 “Explore” including engagement, technical research, equity considerations and a draft evaluation framework.

Update on regional mobility pricing

With respect to a region-wide approach to mobility pricing, the current draft Regional Transportation Strategy (Transport 2050) notes that road usage charging “remains one of the most promising tools to reduce traffic congestion and improve travel time reliability for people and goods travelling in and through our region”.

However, with respect to potential implementation across the Metro Vancouver region, Transport 2050 notes that greater levels of political support are needed before a region-wide approach to road usage charging could be more seriously contemplated. Furthermore, it notes that “these conditions are not expected to materialize within the next 5–10 years”.

We anticipate there may be a renewed interest in transport pricing from the media once the stakeholder engagement commences. Please don’t hesitate to refer media inquiries you may receive regarding transport pricing to our Civic Engagement and Communications Department via media@vancouver.ca.

If you have any questions, please contact me directly.



Sincerely,
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