

INFORMATION BRIEFING NOTE

DATE: March 30, 2022

PREPARED FOR: Honourable Rob Fleming, Minister of Transportation and Infrastructure

ISSUE: Budget 2022 Impacts on the Capital Regional District (CRD)

PURPOSE: To provide background for meeting with Colin Plant, Saanich Councillor/CRD Board Chair on

March 31, 2022

SUMMARY:

There is a lot of work underway to support transportation initiatives in the CRD including;

- 1) Transit Funding,
- 2) South Island Transportation Strategy,
- 3) Belleville Terminal
- 4) Active Transportation

Transit Funding

Commitments to transit in Budget 2022 directly benefit the Victoria Regional Transit System (VRTS), including additional operating funding, and support for youth under 12 to ride the bus for free.

In 2022/23 the Province is forecasted to invest \$139.8 million in operating grant funding (an increase of \$13.9M from 2021/22 budget), this includes \$47.8M for the VRTS. This funding will support increased operating costs, as well as the continuation of transit expansion in the VRTS, meaning that there will be up to 20,000 additional hours of bus service in the region in 2022/23 compared to 2021/22.

South Island Transportation Strategy (SITS)

There are many projects moving forward in alignment with the goals of the South Island Transportation Strategy:

- Highway 17 Keating Flyover (TB Approval required)
- Highway 17 at Mt Newton Queue Jumpers \$7.6M Underway, estimated completion late 2022.
- Highway 14 Connie to Glintz Re-alignment and Park and Ride Underway, estimated completion mid-late 2022
- Highway 14 Otterpoint to Woodhaven Road \$85M Underway, estimated completion mid-late 2022
- MoTI is working with BC Transit and District of Saanich on the Uptown area, to develop concepts for a future mobility hub.



Belleville Terminal

MOTI is investigating redevelopment of the Belleville Ferry Terminal site, which is outdated and has capacity issues.

s.12; s.13; s.16

s.13; s.16

Active Transportation

Budget 2022/23 commits a further \$30M over three years to active transportation grants and programs to support communities across the Province. The next intake for the BC Active Transportation Grant program will get underway this fall.

BACKGROUND:

Transit

In 2022/23 the Province is forecast to provide, \$139.8 million in operating grant funding (an increase of \$13.9M from 2021/22 budget).

- In 2021/22, the Province provided \$45.7M in direct operating subsidy to the VRTS, and will increase to \$47.8M in 2022/23,
- This funding will support increased operating costs, as well as the continuation of transit expansion in the VRTS, meaning that there will be up to 20,000 additional hours of bus service in the region in 2022/23 compared to 2021/22.

In 2020 the Province negotiated \$88.3 million in funding under the Safe Restart Program.

• The VRTS received \$49.5M to directly compensate for passenger fare revenue losses, increased COVID-19 related expenses and reduced motor fuel tax revenues for 2020/21 and 2021/22.

The Province is financially supporting the "Get on Board" program which allows children aged 12 and under to ride all BC Transit services free of charge. The province is forecast to contribute \$0.65M and \$1.05M in 2021/22 and 2022/23 to cover BC Transit costs.



South Island Transportation Strategy

Starting in spring 2019, work commenced with a focus to identify improvement options for transit, cycling, pedestrian movements, ferry services, rail and existing roads and the connections between them. The study area went as far north as the Duncan area and as far west as the Sooke area.

The South Island Transportation Strategy, released in September 2020, outlined a transportation philosophy and identified priority transportation strategies which could be implemented in the short, medium and long terms. It looked at current transportation demands and developed a roadmap for future investments across all modes of travel.

The Strategy was developed with input from key stakeholders, including municipalities, the CRD, BC Transit and South Island First Nations to align with regional aspirations and goals. The work aligns with government's objectives in CleanBC, supports the Ministry's goals in our active transportation strategy (Move. Commute. Connect).

Four goals were developed to advance the South Island Transportation Strategy:

- 1. Ensure sustainable options for a variety of travel modes
- 2. Strengthen connections between travel modes and improve connections between communities
- 3. Improve the safety and reliability of the transportation network
- 4. Support and encourage active transportation option

The goals were developed in consideration of the planning principals of Integrated Transportation and Developing and reflects the need to coordinate with local government on decisions around land use which can influences transportation travel throughout the region.

There are many projects moving forward in alignment with the goals of the South Island Transportation Strategy.

The Island Corridor Foundation (ICF) has contacted MoTI to discuss the future of rail in light of the September 2021 SCC ruling regarding the need for a decision on rail, or the possibility for Nanoose to appeal for a land reversion. No decisions have been made. MoTI has also been contacted by Transport Canada on the matter.

Belleville Terminal

The Belleville Ferry Terminal is in Victoria's Inner Harbour and hosts the Clipper and Black Ball ferries. Annual contributions by Belleville operations include \$114 million direct spending by visitors, \$190 million in economic output, \$105 million in value-added Gross Domestic Product, 1,686 permanent jobs, and \$11 million in government revenues. In total, it accounts for 18% of Victoria's international visitors (681,000 passengers/year in 2019).

For many years, the City of Victoria and ferry operators have been requesting government take part in a redevelopment of this terminal.



Belleville Terminal is facing several challenges that must be addressed to maintain its economic viability:

- 1. Its border security facilities do not meet current US and Canada Customs requirements;
- 2. Several pieces of key marine and terminal infrastructure are at or beyond their useful lives; and
- 3. The passenger handling facilities are undersized, creating a bottleneck for current ferry volumes, and do not support growth plans of the ferry operators.

s.13; s.16

Active Transportation Investments

The inclusion of high-quality active transportation facilities within the CRD increases access to employment, schools and community services for a larger and more diverse population. An integrated multi-modal active transportation also provides low-cost transportation options to those with lower incomes. In addition, active transportation facilities that are separated from vehicle traffic are safer and more comfortable for a wider group of people, including children, women, seniors, and BIPOC individuals.

Active transportation is a priority in CRD communities

Communities within the Capital Regional District are developing or have developed robust active transportation plans (Victoria, Saanich, Esquimalt, Colwood). The BC Active Transportation grant program provides funding for Indigenous and local governments to access cost-shared funding to a maximum of \$500,000 per phase of a project. The next intake for the 2022/23 BCAT program is currently scheduled for early fall of 2022.

Ministry staff continue to engage on a regular basis with the CRD on SITS and aligning priorities.

DISUSSION:

Transit

<u>Additional Pandemic Funding:</u> The federal government is providing additional funding to British
Columbia (Federal Pandemic Funding Agreement) to ensure that transit systems have resources
to address revenue shortfalls as a result of the pandemic. The Province is working with the
federal government to fully access this funding, which will benefit the Victoria Regional Transit
System.



South Island Transportation Strategy

Projects moving forward in alignment with the goals of SITS:

- Highway 17 Keating Flyover is expected to get under construction later this year which will
 improve safety on Highway 17 and provide width for future bus rapid transit along the corridor.
- Highway 17 at Mt Newton Queue Jumpers are under construction (\$7.6M) and completion is fall 2022. The project provides priority movement for buses at the intersection and also upgrades to bus stops and pedestrian connections.
- Highway 14 Connie to Glintz Re-alignment and Park and Ride is well underway and expected to be complete by fall 2022. It includes wider shoulders for active transportation, improve alignment for safety as well as a new park and ride facility.
- Highway 14 Otterpoint to Woodhaven Road (\$85M total including Connie to Glintz) includes 11km of shoulder widening to benefit all road users. This work is expected to be completed in summer 2022.
- MoTI is working with BC Transit and District of Saanich on the Uptown area, to develop concepts for a future mobility hub.

Belleville Terminal

MOTI began assembling a project team in 2018 to explore the potential for redevelopment of the Belleville Terminal site. In November 2021, Treasury Board approved MOTI's Stage 1 – Conceptual Plan for the redevelopment project, allowing the ministry to begin work on the Stage 2 – Detailed Business Plan. The business plan is intended to be complete and submitted to Treasury Board in early 2023.

The recommended service delivery option being advanced during the detailed business plan is a modern consolidated terminal facility that meets contemporary US & Canada Customs needs and is capable of handling increased future passenger volumes. The Project Team is also working to advance several priority provincial initiatives through the design work including GBA+ and accessibility considerations, green building standards (LEED Gold or better), mass timber construction, climate change adaptation, and potential for EV charging/ferry shore power.

As part of the detailed business plan MOTI will be seeking funding opportunities with the Federal government, the City of Victoria, and both ferry operators. Contributions from all parties will be required for the Project to advance. The Project Team is actively exploring several federal funding opportunities including a focused expression of interest to the National Trade Corridors Fund for the commercial processing aspects of the project. Discussions on contribution agreements with the city and the operators are also advancing.

While a preliminary cost estimate for the Project was provided as part of the Stage 1 – Concept Plan, that number will be refined during the detailed business plan and will be made available at its conclusion. The Project will also be undertaking focused stakeholder and limited public engagement during the business plan to assist in completing its due diligence.



GBA+ OR DIVERSITY AND INCLUSION IMPLICATIONS:

Belleville Terminal

There are no GBA+ considerations specific to this meeting; however, the Project has been working to include design considerations to support inclusivity. This includes gender-neutral and accessible washroom facilities in public areas, improving accessibility by reducing stairs and other vertical circulation wherever feasible, and designing all public spaces to be low-barrier

FINANCIAL IMPLICATIONS:

Transit

None.

South Island Transportation Strategy

Highway 17 Keating - Seeking TB Approval

Belleville Terminal

s.12; s.13; s.16; s.17

Active Transportation Investments

Budget 2022 included \$10M/yr. in funding over three years. This brings the total annual investment in AT funding and programs to \$24M/yr.

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