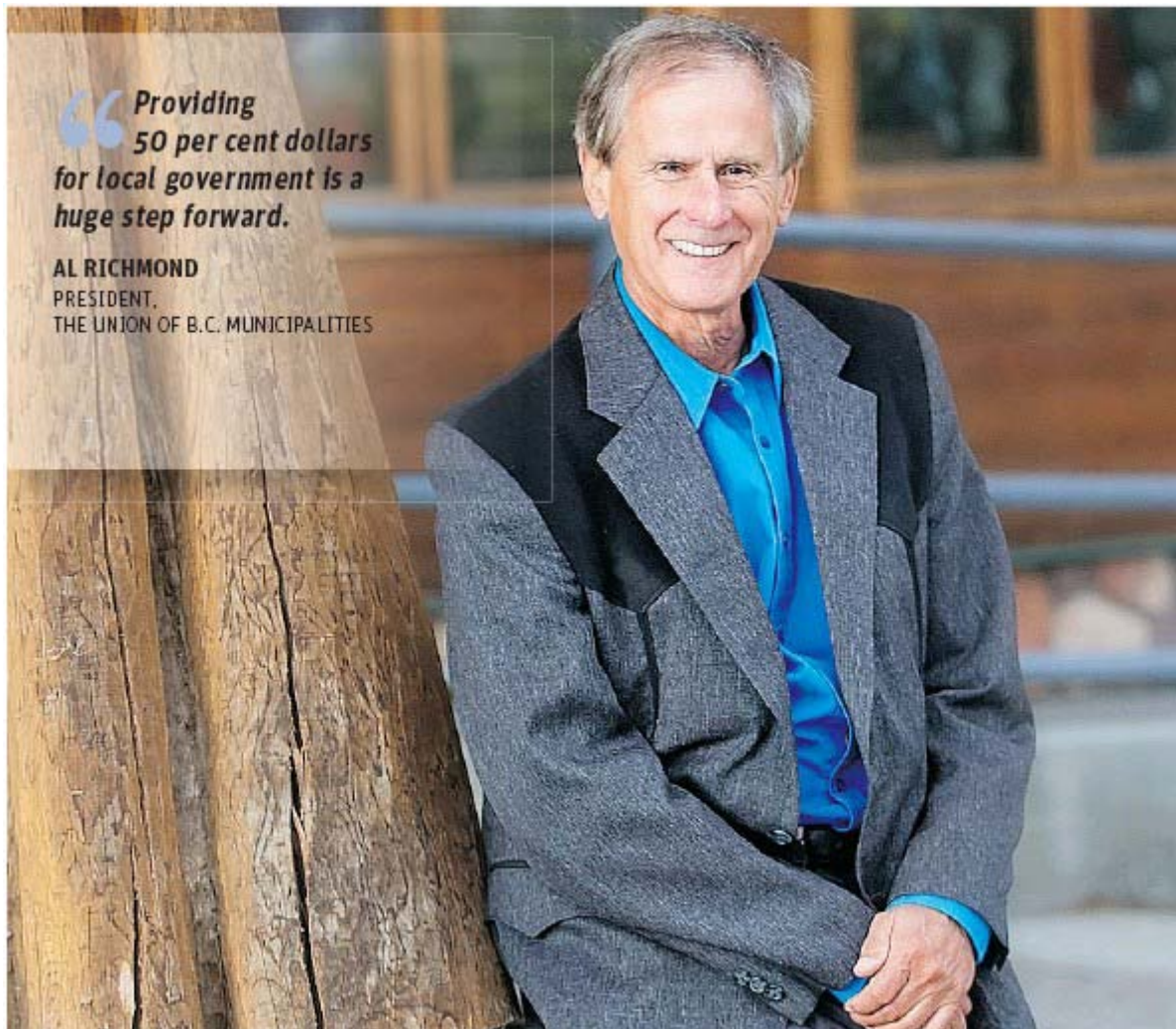


Mayors, minister to meet on transit plan

Ottawa's pledge to pay half alters outlook for major projects, pressures province

"Providing 50 percent dollars for local government is a huge step forward."
AL RICHMOND PRESIDENT, THE UNION OF B.C. MUNICIPALITIES

The federal government's promise to pay half the cost of transportation and infrastructure projects, rather than its usual one-third, has dramatically changed the numbers behind Metro Vancouver's ambitious 10-year transit plan.



Less than a year after voters rejected a TransLink plebiscite to fund the \$7.5-billion plan that called for equal sharing of costs between Ottawa, the province and local residents, the new Liberal federal government's 50-cent dollar pledge significantly changes the landscape. On Thursday, federal Infrastructure Minister Amarjeet Sohi will meet with the TransLink Mayors' Council to discuss details behind Ottawa's support for the 10-year plan. But already, the federal decision to increase its support from 33 per cent to 50 per cent takes some of the burden off local governments.

“I think it is the first time in a decade we’ve seen a response from the federal government and a recognition of the needs of local governments and the challenges of coming up with the third of funding that they had to get projects done,” said Al Richmond, the president of the Union of B.C. Municipalities. “Providing 50 per cent dollars for local government is a huge step forward.”

The Justin Trudeau government announced in Tuesday’s budget it would spend \$3.3 billion over the next two years to improve transit across the country. B.C. will get \$460.5 million, of which \$370 million is targeted for Metro Vancouver. The money is based on ridership figures provided by the Canadian Urban Transit Association. How exactly the money will be spent is not yet clear, although in his budget documents Finance Minister Bill Morneau suggested it could be used for “accelerated design, implementation and construction work for new large-scale projects, such as new light rail transit lines in Greater Vancouver.”

Last year’s failed plebiscite called for the federal and provincial governments to each provide a third of the \$750 million necessary each year in the 10-year plan. Residents in Metro Vancouver were asked to fund their \$250-million annual share with a 0.5 per cent hike to the provincial sales tax. But 61 per cent of voters rejected the plan, leaving TransLink with a funding problem. It has delayed or abandoned some projects and laid off staff in the face of financial uncertainty.

Since then, mayors led by Vancouver’s Gregor Robertson have lobbied Ottawa and Victoria to change the funding formula. They argued that local governments can’t afford to pay a third of the costs, especially when they receive only one in 10 tax dollars collected. Earlier this year, Trudeau signalled that the feds would increase their share from 33 per cent to 50 per cent. TransLink suggested Victoria should increase its share to 40 per cent.

Peter Fassbender, the provincial minister responsible for TransLink, rejected that idea again on Tuesday following the federal budget, saying B.C. doesn’t have the money. He also hinted that the region should hold another vote.

Under Ottawa’s new funding formula, the feds would be responsible for \$375 million a year, with Metro Vancouver ponying up \$125 million, and the province still at \$250 million. But Raymond Louie, the chairman of the Federation of Canadian Municipalities and acting mayor of Vancouver, said Ottawa’s change puts added pressure on B.C.

“What this budget does is it provides us the framework to move forward on these larger pieces at the same time it helps to fund the 10-year plan of the Mayors’ Council and the TransLink plan,” he said. “I’d hate to think the provincial government would leave federal dollars on the table because they couldn’t find a way to come up with the money to make a smart investment.”

Louie said he expects the federal government to flesh out in more detail its national infrastructure and transit funding plans.

“The conversation I have had with the prime minister and Minister Sohi is that they intend to proceed through this phase, work with us on development and program design, and also hopefully conclude discussions by the end of 2016 on how to create program delivery. I hope that our provinces and territories take it to heart and make adjustments to their funding formulas so that we can actually move forward with these projects.”

Noticeably absent from the federal budget, however, was any support for B.C.’s plan for a \$3.5-billion, 10-lane tolled bridge across the Fraser River to replace the aging Massey Tunnel. The controversial bridge, announced two years ago, has met with resistance from Metro Vancouver mayors concerned

about a lack of information about the impacts it could have on congestion, unplanned regional growth and the environment. The province has better choices if it wants to support economic growth, Louie said.

“These (rapid transit) lines in Metro Vancouver will be great economic generators. If the province is interested in creating jobs and is interested in reducing our commute times and congestion, if they believe in reducing greenhouse gas emissions within our region, these would be ... the projects for them to make substantial investments,” Louie said.