

From: ["Mochrie, Paul" <Paul.Mochrie@vancouver.ca>](mailto:Paul.Mochrie@vancouver.ca)

To: ["Direct to Mayor and Council - DL"](#)

Date: 5/6/2022 7:33:47 AM

Subject: Council Memo - RTS 14240 - Transport Pricing - Spring 2022 Update

Attachments: [ENG - Memo - RTS 14240 - Transport Pricing Spring 2022 Update.pdf](#)  
[Memo - RTS 14240 - Transport Pricing – Project Update.pdf](#)

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Dear Mayor and Council,

Please see the attached memo from Lon LaClaire regarding Spring 2022 update on Transport Pricing. A short summary of the memo is as follows:

- Work to-date on the project, as part of phase 1 ["Explore"](#) includes stakeholder interviews, focus groups, draft research reports, a presentation to the Climate Equity Working Group, and regional alignment sessions with Metro Vancouver and TransLink
- The original plan for phase 1 "Explore" included three rounds of engagement; However, Omicron variant, lifting of public health restrictions, and current financial uncertainties result in continued resource pressure for stakeholder organizations and businesses. Staff plan to pause stakeholder engagement to allow time for the stakeholders to adapt to these conditions.
- Staff will continue to assess the feasibility of transport pricing considering emerging themes from stakeholders to-date. Staff will also continue to hold regional alignment discussions, monitor transport pricing planning efforts in other cities, and analyze the impacts of COVID-19 on traffic patterns and current inequities in the transportation system
- Staff plan to provide a report to Council in early 2023 with a summary of work to-date, along with a proposed approach for stakeholder and broader public discussion in 2023/2024, for endorsement

If you have any questions, please feel free to contact Lon LaClaire at 604-873-7336 or [lon.laclaire@vancouver.ca](mailto:lon.laclaire@vancouver.ca).

Best,  
Paul

**Paul Mochrie** (he/him)  
City Manager  
City of Vancouver  
[paul.mochrie@vancouver.ca](mailto:paul.mochrie@vancouver.ca)



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x<sup>w</sup>məθk<sup>w</sup>əyəm (Musqueam), Skwxwú7mesh (Squamish), and səlilwətał (Tsleil-Waututh) Nations.

## MEMORANDUM

May 5, 2022

TO: Mayor and Council

CC: Paul Mochrie, City Manager  
Armin Amrolia, Deputy 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, CEC  
Anita Zaenker, Chief of Staff, Mayor's Office  
Neil Monckton, Chief of Staff, Mayor's Office  
Alvin Singh, Communications Director, Mayor's Office  
Patrice Impey, CFO/General Manager of Finance, Risk & Supply Chain Management  
Margaret Wittgens, Deputy General Manager, Strategy and Planning  
Paul Storer, Director, Transportation

FROM: Lon LaClaire  
General Manager, Engineering Services

SUBJECT: Transport Pricing – Spring 2022 Update

RTS #: 14240

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In November 2020, City Council approved the Climate Emergency Action Plan RTS 13199, which included direction to assess the feasibility of transport pricing within Vancouver's city centre. It also directs staff to ensure a pricing strategy supports COVID-19 pandemic recovery and considers regional impacts in close collaboration with TransLink and the Province. This memo is in response to Council's request 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.

In November 2021, staff provided Council with a memo (Transport Pricing – Project Update) update on the planned first phase of work ("Explore") taking place between fall 2021 and spring 2022. The purpose of the current memo is to provide an update on the project, including work done to-date and a revised project timeline.

Staff, supported by consultants, completed the following work as part of phase 1 “Explore”:

- 32 one-on-one stakeholder interviews in the fall (one written response), out of 87 contacted groups
- Six focus groups, including one in Mandarin, to test understanding of pricing concepts and terminology
- Draft research reports analyzing current travel patterns into and through city centre, current practices in London, Stockholm, and other cities, and ‘building block’ research on technology, geographic boundaries, and other considerations
- Presentation to the Climate Equity Working Group
- Regional alignment sessions with Metro Vancouver and TransLink (ongoing)

The original plan for phase 1 “Explore” included three rounds of engagement, based on an expectation that COVID-19 impacts would be significantly reduced by late 2021. After completing the first round of interviews and observing impacts of the Omicron variant, staff delayed the next round of engagement in recognition that many organizations and associations were preoccupied with operational impacts, including staffing shortages.

With the arrival of spring and the lifting of public health restrictions, uncertainty persists regarding current economic conditions and the region’s adjustment to new public health orders.

Rather than launch a second round of engagement this spring, staff plan to provide more time for organizations and businesses to adapt to the new conditions. This will also allow time for staff to understand the impacts of the COVID-19 pandemic on traffic patterns. Staff will provide an update to stakeholders engaged so far, and remain open to any conversations stakeholders would like to have. Key themes emerging from stakeholder engagement so far include:

### **Equity**

Many groups expressed a desire that the policy be equity-based. More specifically, stakeholders wanted to understand potential impacts, mitigation measures and benefits for equity-denied groups, including those experiencing poverty, people with disabilities who drive, those who rely on services delivered by car, and people who rely on vehicles to earn their income.

### **Revenue**

Stakeholders assumed that transport pricing would generate revenue for the City. Many people wanted to understand if this revenue could fund local and regional transit improvements, local cycling and walking infrastructure, and other mitigation measures for equity-denied groups.

### **Goods movement**

Many groups emphasized the importance of reliability and certainty in the transportation network for moving goods throughout the region. There was interest in ensuring that transport pricing in Vancouver’s city centre would not put additional stress on supply

chains and cause geographic disparities. There was also interest in understanding how transport pricing in the city centre would align with and support a 'regional' approach.

### **Policy details**

Some stakeholders wanted to understand the direct benefits from transport pricing that travellers, businesses and residents would experience. Some wanted to know how the City plans to measure success, along with details such as geography, cost, and the other policy options considered. Many felt that case studies would be useful to show how road pricing has worked in other cities and if the policy was successful.

### **Downtown impacts**

Many groups were sensitive to potential impacts on businesses in the downtown area, particularly as the city recovers from the impacts of COVID-19. Some were concerned with how neighbourhoods on the boundary (not yet defined) would be impacted. Some considered potential impacts on services to those in the Downtown East Side with many support workers living outside the City.

Staff will continue to study these issue areas in this phase and future work. Staff plan to provide a report to Council in early 2023 with a summary of work to-date, along with a proposed approach for stakeholder and broader public discussion in 2023/2024, for endorsement.

As per Council direction from November 2020, staff will continue to assess the feasibility of transport pricing, by:

- Continuing discussions with Metro Vancouver and TransLink on regional alignment, as they plan to reduce emissions from light duty vehicles by 65% by 2030
- Continuing to monitor transport pricing planning efforts in other cities, such as New York City, San Francisco, and Los Angeles and participating in working groups with other cities
- Developing the scope of work to model and understand impacts of transport pricing (to be undertaken in 2023)
- Continuing to analyze the impacts of the COVID-19 pandemic on traffic patterns, current transportation system inequities and how transport pricing, alongside other policies and investments, could advance equity in the city and region

If you have any questions, please contact me directly.

Sincerely,



Lon LaClaire, M.Eng., P.Eng.  
General Manager, Engineering Services

604.873.7336 | lon.laclaire@vancouver.ca



## 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  
Neil Monckton, Chief of Staff, Mayor's Office  
Alvin Singh, Communications Director, Mayor's Office  
Margaret Wittgens, Deputy General Manager, Engineering Services  
Paul Storer, Director, Transportation, Engineering Services

FROM: Lon LaClaire  
General Manager, Engineering Services

SUBJECT: Transport Pricing – Project Update

RTS #: 14240

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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)<sup>1</sup> 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,

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<sup>1</sup> 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](mailto:media@vancouver.ca).

If you have any questions, please contact me directly.



Sincerely,  
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