

TO: Mayors' Council on Regional Transportation

FROM: Sarah Ross, VP Transportation Planning & Policy
Matt Craig, Director System Planning

DATE: July 24, 2024

SUBJECT: **LATE ITEM 5.1 – Report on Potential Transit Impacts**

PROPOSED RESOLUTION:

That the Mayors' Council receive this report.

EXECUTIVE SUMMARY

TransLink is doing everything possible to avoid transit service cuts. Our focus has been on being as efficient as possible, preparing a 2025 Investment Plan to resolve the funding crisis, and continuing to plan for future expansion to meet regional needs. However, if TransLink's structural deficit is not addressed, significant expenditure reductions will be required starting in 2026, impacting all areas of TransLink's mandate.

Due to the magnitude of the financial gap, transit reductions would be in the range of 45-50% overall and include elimination of entire routes plus significant reductions in frequency and start/end times of service. This would include cancelling approximately 145 bus routes, significantly reducing SkyTrain, SeaBus and HandyDART service, and potentially eliminating the West Coast Express. Funding for walking, cycling, and roads programs would also be cut.

These transit reductions would have significant negative consequences for everyone across the region, regardless of how they get around. More than half a million people would no longer be within walking distance of transit, and 175,000 jobs, or more, would no longer be accessible by transit. As people lose access to transit, congestion would worsen, all while our region's population continues to grow at an unprecedented rate.

PURPOSE:

In April 2024 the TransLink Board and Mayors' Council approved the 2024 Investment Plan. To maintain a fully funded plan, as required in the *South Coast British Columbia Transportation Act*, substantial reductions to expenditures starting in 2026 are assumed in the Plan. The Mayors' Council requested that TransLink provide further information on the nature of these reductions and potential impacts on transit, if sufficient operational funding is not secured in time for 2026. The report is intended to outline illustrative scenarios for how transit cuts could be made, and their consequences.

BACKGROUND:

TransLink is doing everything possible to avoid transit service cuts, with a focus on being as efficient as possible, preparing a 2025 Investment Plan to resolve the funding crisis, and continuing to plan for future expansion to meet regional needs. TransLink's 2024 Investment Plan is a bridge plan, providing funding stability through to the end of 2025 as we develop a new Investment Plan.

Given the significant funding gap starting in 2026, TransLink will be required to greatly reduce expenditures unless sufficient increased operational revenue is secured. With the efficiency measures and resulting \$90 million in net financial benefits announced by TransLink on June 27, 2024, the financial gap is smaller. However, there remains an estimated gap of \$580M/year.

DISCUSSION:

This report provides illustrative scenarios only, at a conceptual level, to demonstrate the scale of potential reductions, potential approaches to those reductions, and the negative impacts those reductions would cause. Detailed planning for potential reductions has not been undertaken.

Illustrative scenarios have been developed and show service reductions of up to 50%

To illustrate the consequences of cuts at this magnitude, staff have identified two potential "bookend" alternatives. Both alternatives were guided by the following:

1. We must maintain financial solvency, resolving the structural deficit per our 2024 Investment Plan;
2. Reductions should be considered across all areas of TransLink's mandate, not just transit; and
3. Recognizing that changes of this scale would require significant time, effort, and engagement, notional scenarios should be developed to illustrate the potential consequences.

To reduce the direct impact on transit customers and on the regional benefits of transit, reductions to non-transit service would be made first. This could include:

- Corporate Programs and Services: the work and scope of TransLink would be dramatically reduced, to undertake only the work required to safely operate and maintain remaining services and programs. All work would be stopped on expansion and upgrade planning, improvements to the system, working with municipalities and other partners, and customer outreach beyond what is legally required. Reductions in all areas, programs and services would be expected. For the purposes of this analysis, it is assumed expenditures would be reduced by approximately \$175M/year on average over 10-year period. However, it has not been validated whether this could be achieved.
- Walking, Cycling and Roads: TransLink's role in multi-modal transportation would likely need to be almost eliminated. It would be recommended that annual Operations & Maintenance payments to local governments would be eliminated, approximately \$41M annually, given the lack of available funding. This is in addition to other Streets funding programs for road safety, reliability, and active transportation, which are already not currently funded beyond 2025. It is noted that roads will still require operations and maintenance, and municipalities would need to fund this directly. TransLink would continue to ensure safe operations and maintenance of TransLink owned bridges and cycling infrastructure.

With those reductions, an additional gap of \$365M still remains, to be made up through cuts to transit service. Cuts to transit will then result in loss of fare revenue, thereby increasing the amount that needs to be reduced. All cuts to transit service also need to reflect incremental losses in fare revenue. When routes are eliminated or reduced, we lose the fare revenue from that service, worsening our financial challenge and requiring more cuts.

Tradeoff between maximizing ridership and revenue or maximizing access and coverage

We have just over 230 transit routes in our system, connecting a wide variety of communities. Each line serves a purpose in the network, and work together as a system to provide access across the region. There are no positive, easy, or correct ways to cut \$365M from transit operations. At that scale, it is not possible to simply reduce costs by lowering frequency or span of service. We would need to eliminate entire routes, as well as reduce frequencies and span of service on all remaining routes. To illustrate the consequences of potential cuts, we have developed two conceptual alternatives.

Both alternatives would see cuts across the system to bus, rail, and SeaBus service. HandyDART would be reduced to only medical trips in both alternatives, a reduction of about 35% of trips. While the overall reductions in service are similar between the two alternatives, the impact to communities and frequency and span of the service would vary.







Alternative 1 aims to maximize ridership. All transit routes vary in their productivity, the amount of operational cost that is recovered by fares. This alternative would begin by cutting the least productive routes, leaving only higher fare revenue-producing lines so that overall service levels can remain higher. These higher productivity services are generally more frequent and have longer span of service so remaining routes would still be impacted but would have somewhat reasonable service and are primarily concentrated in Vancouver, Burnaby, Richmond, and central Surrey. Much of the rest of the region would be left with little to no transit access – particularly in the Northeast, Langley, White Rock, South Delta, and much of the North Shore. Remaining routes would likely carry higher overall system ridership, given relatively higher service levels.

Overall, service in this alternative would be reduced by an estimated 45%. SkyTrain and SeaBus would be reduced by 10-15%. The West Coast Express would be reduced to 3 round trips per day (from existing 5). Over 140 bus routes would be eliminated, with only approximately 90 bus routes still operating, primarily the most frequent services.

Alternative 2 aims to maximize coverage. To maintain service to more parts of the region, we could cut a mix of low and higher productivity services, maintaining more lower-productivity routes to continue basic coverage. More cuts to productive routes results in more service overall needing to be cut to reach the reduction target. Routes that remain would be a lower frequency and span of service compared to Alternative 1. Overall system ridership would likely be lower, as lower-productivity routes are maintained. While aiming to maintain more geographic coverage, this approach still results in substantial gaps in the system, with over 65% of bus routes eliminated.

This alternative would reduce service overall by an estimated 50%. SkyTrain and SeaBus would be reduced by approximately 30%, and the West Coast Express would be eliminated entirely. Over 145 routes would be eliminated. Only approximately 85 bus routes would remain and service on those routes would operate less frequently.

The table below compares the reductions between the two alternatives.

Transit Mode	Scenario 1: Maximize Ridership	Scenario 2: Maximize Coverage
 Bus	<ul style="list-style-type: none"> • 45% reduction in service. • Focus on maintaining services that maximize revenue and reduce or eliminate routes that aren't bringing in much revenue. 	<ul style="list-style-type: none"> • 50% reduction in service. • Focus on maintaining as much regional coverage as possible, with significantly reduced frequencies and spans of service.
 SeaBus	<ul style="list-style-type: none"> • 15% reduction in service. • Reduced span of service (end 1 hour earlier). • Reduced weekday peak frequency (15 minutes). 	<ul style="list-style-type: none"> • 30% reduction in service. • Reduced span of service (end 1 hour earlier). • Reduced frequency (15-minute weekday peaks, 30-minutes at all other times of day).
 Expo-Millennium Lines	<ul style="list-style-type: none"> • 10% reduction in service. • Peak and off-peak reductions in existing SkyTrain service. • Potential to close lower-utilized stations. 	<ul style="list-style-type: none"> • 30% reduction in service. • Reduced frequency and span of service.
 Canada Line	<ul style="list-style-type: none"> • Reverse funded 2025 peak service increases, resulting in more peak overcrowding. • No reductions from 2024 planned service levels (with are reallocated base contract service hours). 	<ul style="list-style-type: none"> • Reverse funded 2025 peak service increases, resulting in more peak overcrowding. • No reductions from 2024 planned service levels (with are reallocated base contract service hours).
 West Coast Express	<ul style="list-style-type: none"> • Reduce from five to three round trips 	<ul style="list-style-type: none"> • Do not operate WCE.
 HandyDART	<ul style="list-style-type: none"> • Reduce by 35%, to primarily medical trips, with few available trips for other purposes (e.g., day programs, education, etc.). 	<ul style="list-style-type: none"> • Reduce by 35%, to primarily medical trips, with few available trips for other purposes (e.g., day programs, education, etc.).

Both alternatives have considerable impact on everyone across the region

Today, transit is within walking distance for over 2.4 million people across the region, creating important connections to work, school, healthcare, recreation, social activities, and other opportunities. Under these scenarios 500,000 to 675,000 people would no longer be within walking distance of a transit stop. Between 170,000 to 265,000 jobs would no longer be accessible by transit.

The eliminated routes in these potential scenarios would remove basic access to transit from substantial parts of the region. The impacts would be particularly felt by low-income individuals, visible minorities, youth, and seniors – with between 17-33% of those populations no longer living within walking distance to transit. Without a local transit option, transit-dependent riders may have no alternatives to access their basic needs.

On the transit routes that remain, overcrowding would significantly worsen. Late-night shift workers and those using transit later in the evening or early morning would have very limited or no transit option as service would end as early as 8 pm on some routes.

This scale of reductions cannot be easily reversed once in place, even if/when funding becomes available. It would take at least a decade to recover to even our current levels of transit service. This is because of the time it would take to hire and train operations and maintenance staff procure buses (as unused fleet would be retired, sold, or decommissioned); reinstall bus stops (as bus stop poles would be removed and municipalities may remove other bus stop elements).

Beyond direct customer impacts, transit cuts would have other wider effects on our region. Shutting down substantial parts of the transit system would reduce our ability to quickly resume growth if investment returns.

It's anticipated that current transit users that own cars would most likely quickly shift to driving. Other transit customers would be forced to buy a car if they can afford to. Congestion for drivers would worsen as a result. Worse congestion and reduced access to jobs and opportunity would have substantial impact on the region's economy. The regional transportation system would not be able to support anticipated population growth.

If these potential transit service reductions were to become a reality, TransLink would be extremely limited in our ability to support regional, provincial, and federal objectives for economic growth, emissions reductions, transit-oriented housing development, reconciliation, and overall affordability.

Further information on the broader economic and regional impacts is being developed in a subsequent report.

NEXT STEPS:

If adequate operating funding isn't secured by spring 2025, more detailed planning will need to be undertaken to prepare for the implementation of service reductions. This would include engagement with policy makers and the region.

We do not recommend further planning for reductions be undertaken at this time. Staff resources are focused on preparing the 2025 Investment Plan, planning for future expansion to meet regional needs, and other elements of our mandate. We remain confident that a new Investment Plan with sustainable funding will be achieved and the scenarios described in this report will be avoided.

CONCLUSION:

These hypothetical scenarios have been developed to provide a conceptual, illustrative view of what impacts to transit could look like if a funding solution isn't secured. Transit cuts at this scale would have

substantial, lasting effects on our region. Re-introducing service and scaling up the organization could take a decade after funding is restored because of the difficulties and pace of hiring and training. The region's goals in Transport 2050 rely on transit being a convenient and dependable choice, and cuts would move us in the opposite direction of our vision of *Access for Everyone*.

Support is needed from all levels of government to secure a new, sustainable funding model and TransLink remains committed to working alongside these partners to ensure transit has sustainable sources of funding to deliver these important services for the region.

ATTACHMENTS:

Attachment 1 – Potential Transit Impacts Presentation

Potential Transit Impacts

Kevin Quinn, CEO | TransLink
Sarah Ross, VP Planning & Policy | TransLink

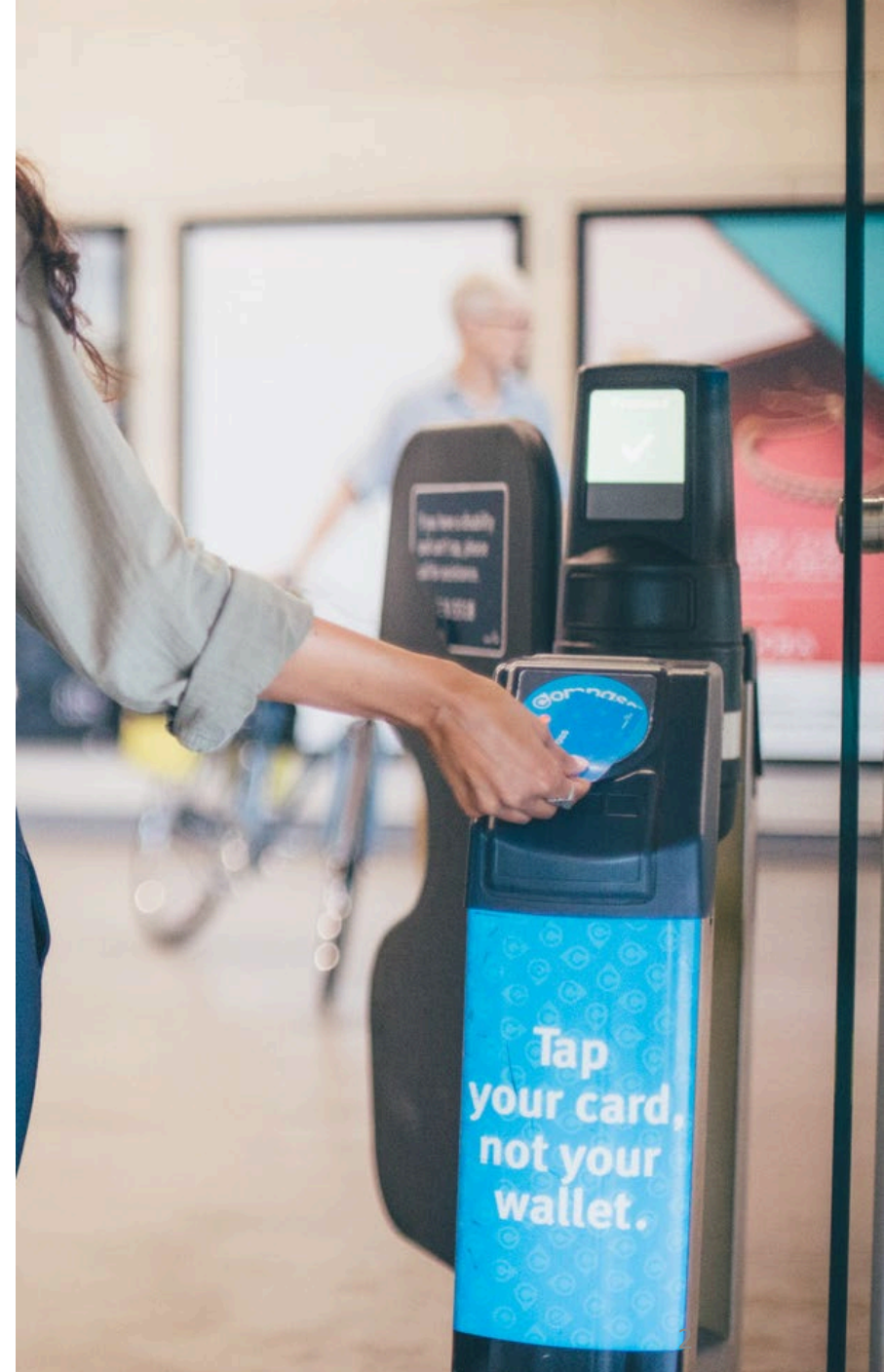
Mayors' Council
July 25, 2024



TransLink is facing a **\$600 million annual shortfall starting in 2026.**

The current funding model we rely on is **unsustainable** due to:

- Declining fuel tax revenue as we see more EVs on the road,
- Fare increases held below inflation to ensure affordability,
- And inflationary pressures.





**Without a new funding model,
drastic cuts to transit service will
be necessary beginning in 2026.**



The impact of transit reductions would be felt by **everyone** in the region.

Drastically affecting congestion, our ability to meet transit-oriented housing policies, and preventing us from supporting this region's unprecedented growth.

**We are doing everything in our power to
fight for the reliable and robust
transportation system this region needs.**



The background of the slide is a blurred, high-angle photograph of a transit station. A train with blue and yellow accents is moving along tracks on the right side. In the lower portion, several people are walking on a paved platform. The entire image is overlaid with a semi-transparent dark blue filter.

The Potential Transit Impacts Report explores what transit service may need to be cut starting in 2026, if adequate funding is not secured.

Non-transit service reductions would be made first to reduce the direct impact on transit customers and on the regional benefits of transit.

Corporate Programs and Services






Reduced to focus only on the work required to safely operate and maintain the system.

Walking, Cycling, and Roads

Active travel programs unfunded after 2025, stop Operations & Maintenance payments.

The remaining gap would need to be closed with reductions in transit services.

Two scenarios for potential transit service reductions

Transit Mode	Scenario 1: Maximize Ridership	Scenario 2: Maximize Coverage
 Bus	<ul style="list-style-type: none"> • 45% reduction in service – remaining routes high ridership, more frequent service but less coverage. • Eliminate NightBus. 	<ul style="list-style-type: none"> • 50% reduction in service – remaining routes more regional coverage but significantly reduced frequencies. • Eliminate NightBus.
 SeaBus	<ul style="list-style-type: none"> • 15% reduction in service • Reduced span of service (end 1 hour earlier) • Reduced weekday peak frequency (15 minutes) 	<ul style="list-style-type: none"> • 30% reduction in service • Reduced span of service (end 1 hour earlier) • Reduced frequency (15-minute weekday peaks, 30-minutes at all other times of day)
 SkyTrain	<ul style="list-style-type: none"> • 10% reduction in service; including reversing funding for 2025 peak service increases • Peak and off-peak reductions in existing SkyTrain service, and potential to close lower-utilized stations 	<ul style="list-style-type: none"> • 30% reduction in service; including reversing funding for 2025 peak service increases • Reduced frequency and span of service.
 WCE	<ul style="list-style-type: none"> • Reduce from five to three round trips 	<ul style="list-style-type: none"> • Do not operate WCE • Millennium Line and basic bus connections maintained
 HandyDART	<ul style="list-style-type: none"> • Reduce to primarily medical trips, with few available trips for other purposes 	<ul style="list-style-type: none"> • Reduce to primarily medical trips, with few available trips for other purposes

Legend

- Rapid and Fast Transit
 - Expo Line
 - Millennium Line
 - Canada Line
 - West Coast Express
 - SeaBus
- Impact of the fiscal cliff on bus routes
 - Remaining bus routes
 - Discontinued bus routes
- Dashed lines represent peak-only limited routes.

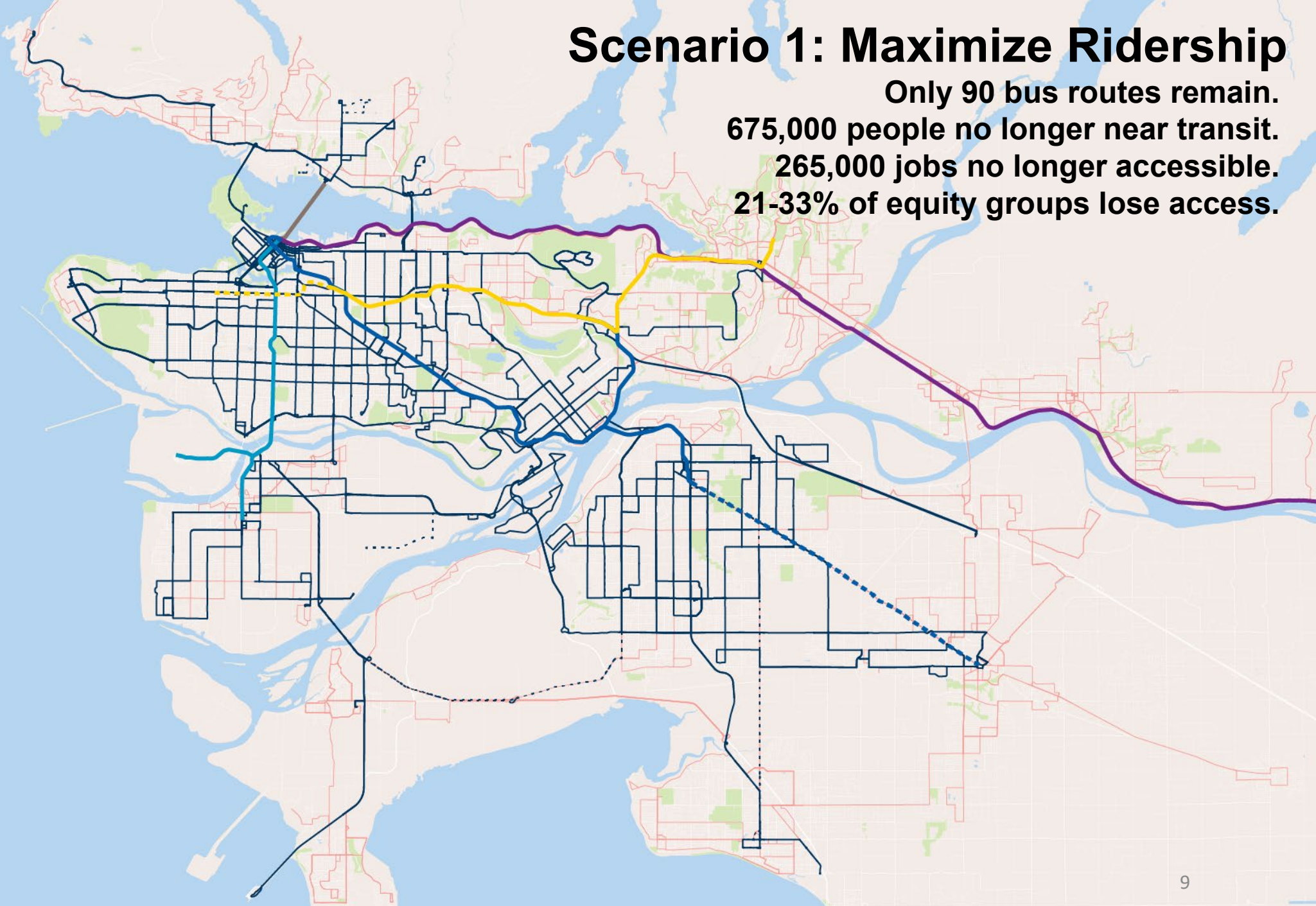
Scenario 1: Maximize Ridership

Only 90 bus routes remain.
675,000 people no longer near transit.
265,000 jobs no longer accessible.
21-33% of equity groups lose access.

Lions Bay



Bowen Island



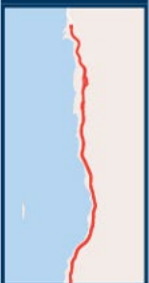
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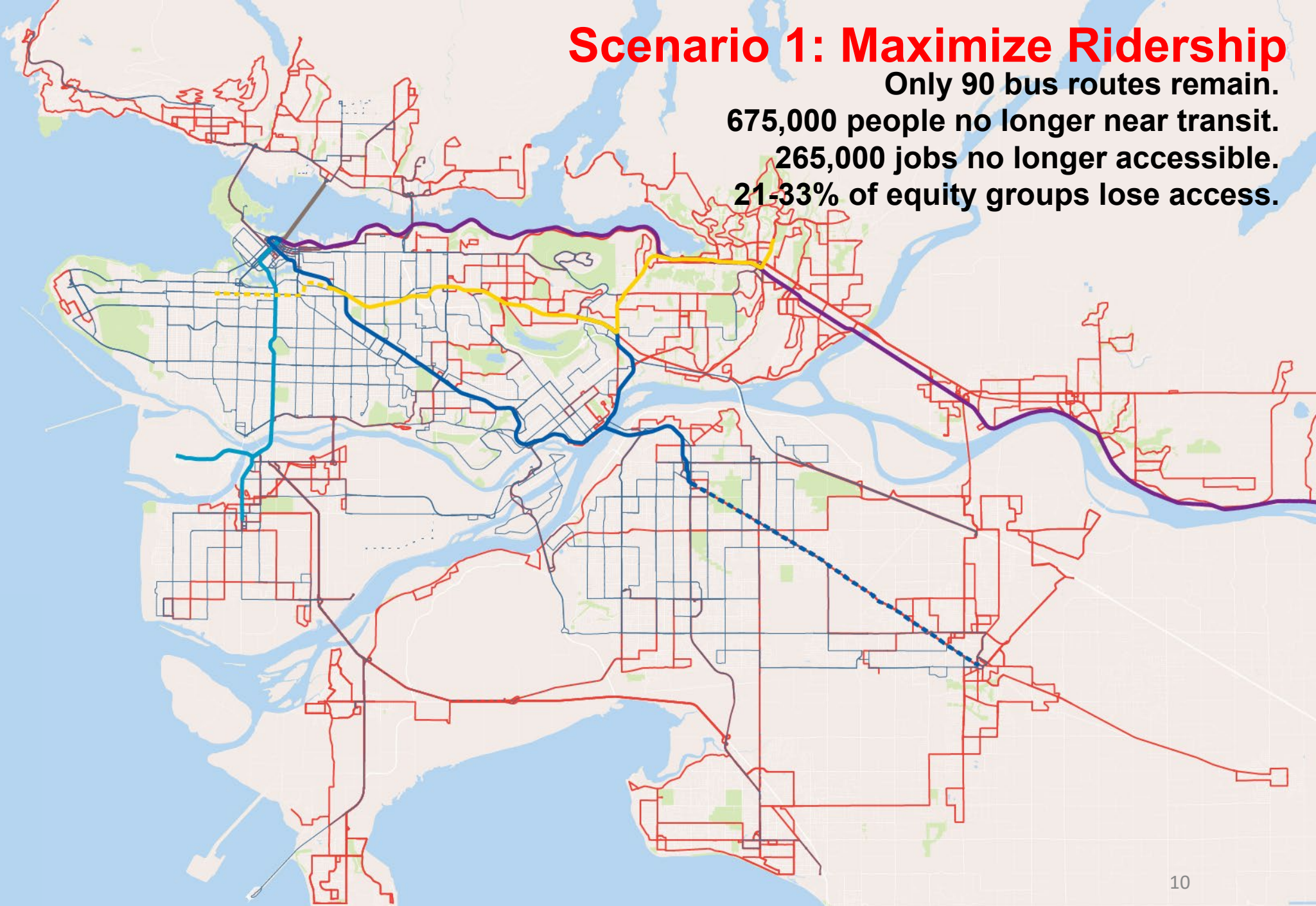
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Lions Bay



Bowen Island



Legend

Rapid and Fast Transit

- Expo Line
- Millennium Line
- Canada Line
- SeaBus

West Coast Express is suspended in this scenario.

Impact of the fiscal cliff on bus routes

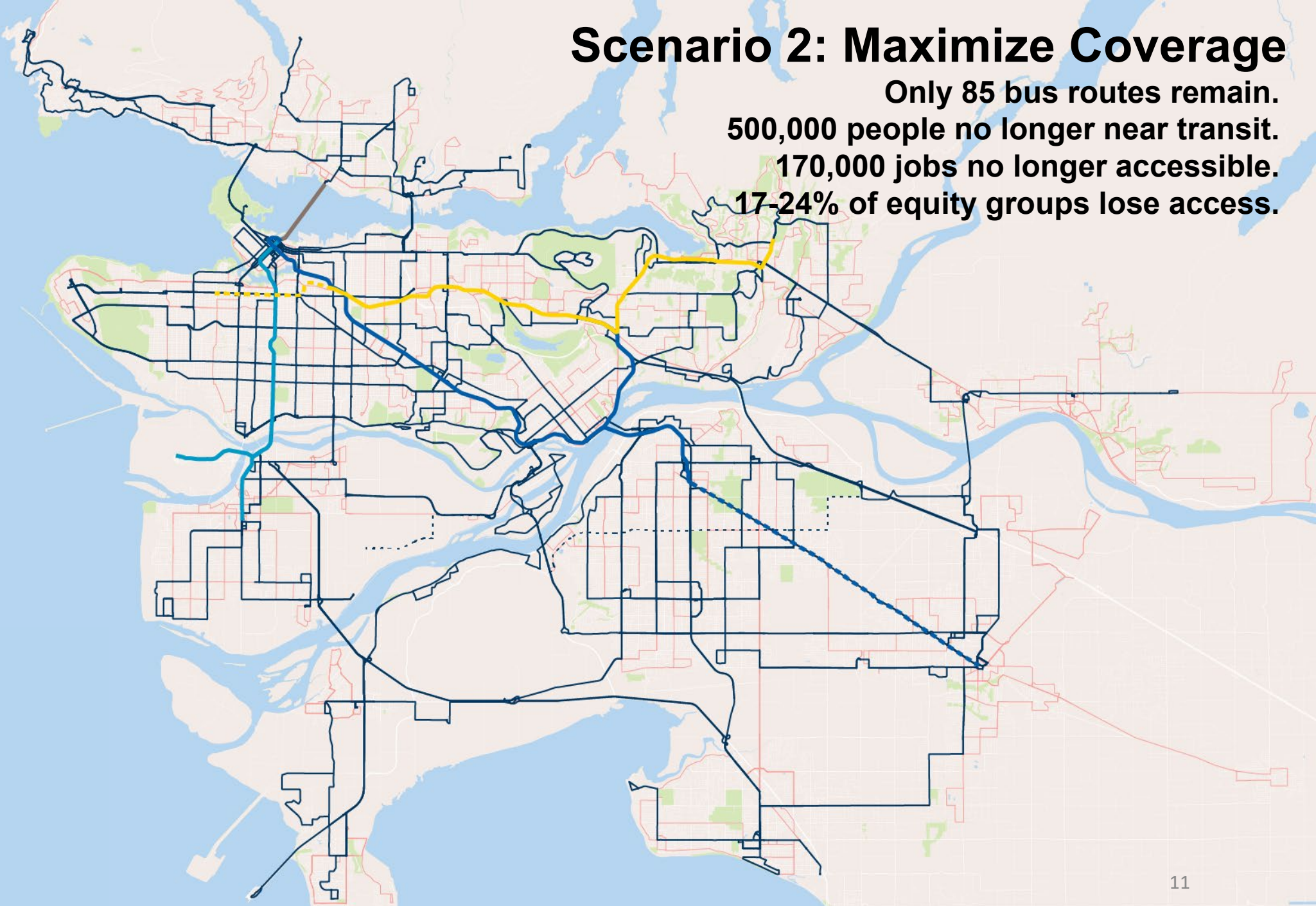
Remaining bus routes

Discontinued bus routes

Dashed lines represent peak-only limited routes.

Scenario 2: Maximize Coverage

Only 85 bus routes remain.
 500,000 people no longer near transit.
 170,000 jobs no longer accessible.
 17-24% of equity groups lose access.



Lions Bay

Bowen Island

T

Legend

Rapid and Fast Transit

-  Expo Line
-  Millennium Line
-  Canada Line
-  SeaBus

West Coast Express is suspended in this scenario.

Impact of the fiscal cliff on bus routes

Remaining bus routes

Discontinued bus routes

Dashed lines represent peak-only limited routes.

Scenario 2: Maximize Coverage

Only 85 bus routes remain.

500,000 people no longer near transit.

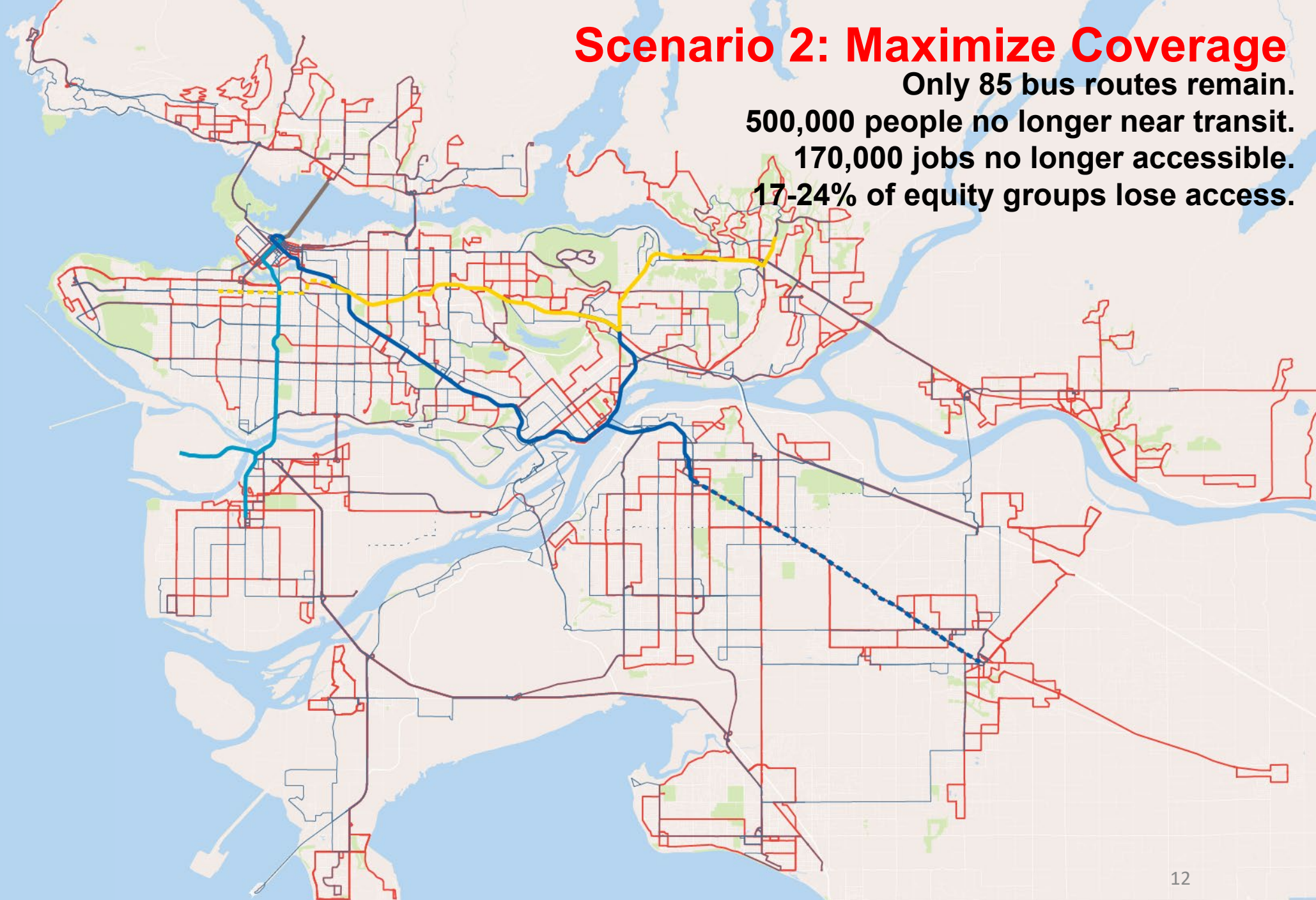
170,000 jobs no longer accessible.

17-24% of equity groups lose access.

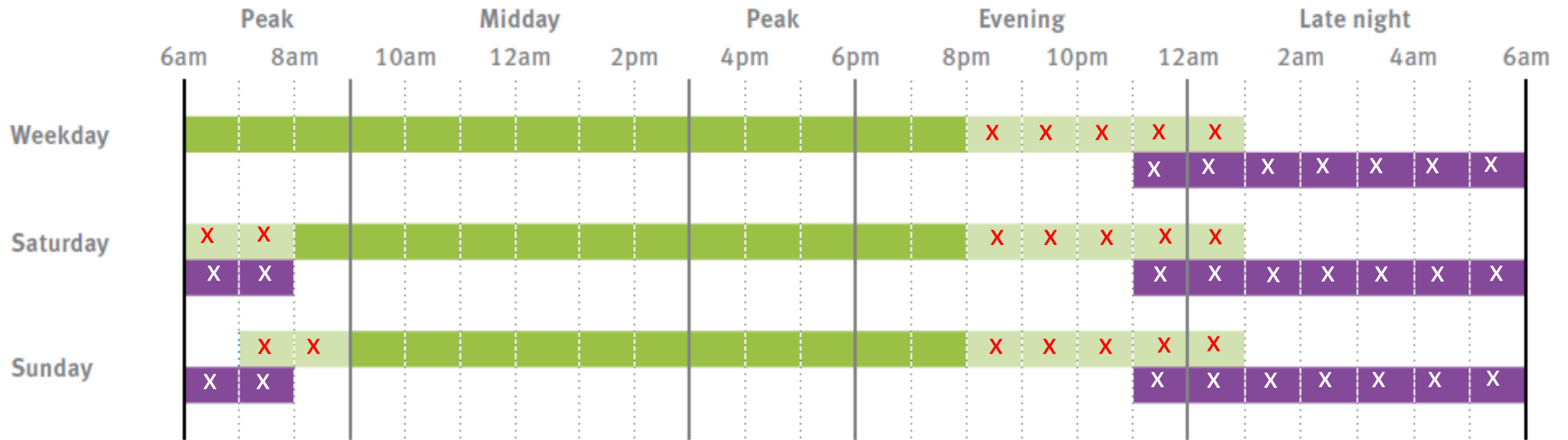
Lions Bay



Bowen Island



Some bus service could end as early as 8 p.m.



Scenario 2 Potential Service Coverage

■ All services
 ■ Some services
 ■ NightBus



Transit reductions would impact everyone

Customers	Region
<ul style="list-style-type: none">• Increased crowding on remaining routes and inability to address future overcrowding• Disproportionate impact on transit-dependent riders like youth and seniors – little to no other options for getting around• Access to jobs will decline – 265,000 jobs no longer within walking distance to a transit stop.• Low customer experience with no ability to address desired improvements• Longer travel times, less reliable travel across the region – up to 675,000 people not in walking distance to transit stop.	<ul style="list-style-type: none">• Steep cuts reduce ability to resume growth: could take a 10+ years to get back to current levels• Inability to meet regional goals (Transport 2050, Access for Everyone)• Reduced investments in streets impacts ability to address road safety, reliability, road conditions• Transit cuts are incompatible with building transit-oriented communities, housing near transit• Lower ridership decreases fare revenue



Thank you

