

NO:

COUNCIL DATE:

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **June 11, 2015**

FROM: **General Manager, Engineering**

FILE: **8740-01**

SUBJECT: **Update on the Status of Surrey Light Rail Transit Project and Plebiscite Advocacy Plan**

RECOMMENDATIONS

The Engineering Department recommends that Council:

1. Receive this report as information; and
2. Authorize staff to continue the partnership and coordination with TransLink on the P3 Canada Fund application for a federal funding contribution.

INTENT

The purpose of this report is to provide an update on the Surrey LRT Project with respect to its current status in seeking a federal funding contribution from the P3 Canada Fund. It also summarizes the progress of the continued effort to sustain the funding application in partnership with TransLink.

BACKGROUND

The provision of rapid transit in Surrey is supported by nearly 40 years of regional policies and transportation plans. Since the 1976 Livable Region proposal where the town centres in the region were proposed to be connected by a network of rapid transit, a succession of regional strategic plans have identified the need to connect Surrey City Centre with other regional centres and the town centres within Surrey. These plans include the Livable Region Strategic Plan (1993), Transport 2021 (1993), the South of Fraser Area Transit Plan (2008), Metro Vancouver's Regional Growth Strategy (2011), and TransLink's Regional Transportation Strategy (2013).

In 2009, TransLink and the Province jointly launched the Surrey Rapid Transit Alternatives Analysis (SRTAA). Phase 1 of SRTAA identified three types of rapid transit technology for consideration in Surrey:

- Bus Rapid Transit (BRT);
- Light Rail Transit (LRT); and
- SkyTrain.

Phase 1 also assessed numerous alignments and identified the following rapid transit corridors:

- King George Boulevard between Surrey City Centre and Newton Town Centre;
- 104 Avenue between Surrey City Centre and Guildford Town Centre; and
- Fraser Highway between Surrey City Centre and Langley City Centre.

Phase 2 of SRTAA shortlisted four alternatives, which included LRT on the three corridors listed above. In June 2014, the Region's Mayors' Council developed a Transportation and Transit Plan for the region that adopted LRT for Surrey. The Plan commits to providing one third of the capital funding for the Surrey LRT Project through the implementation of a 0.5% regional sales tax, which was put forward to a Plebiscite vote that ended May 29, 2015. The results of the Plebiscite are expected late June or early July.

On November 20, 2013, Council approved a list of priority projects for submission for federal infrastructure funding, of which LRT was the top priority. In June 2014, after the Mayors' Council adopted LRT for Surrey, staff prepared and submitted an application to the P3 Canada Fund. Prior to the submission, staff contacted TransLink and the Province to inform them of Surrey's intention and to seek their feedback. Both agencies provided encouragement and positive feedback on Surrey's application.

In October 2014, the City received notification from PPP Canada that the Surrey LRT Project was successfully screened into Round Six of the P3 Canada Fund. The screened-in status obligates the preparation a P3 Business Case to advance funding negotiations

DISCUSSION

City Advocacy Plan Update

The Region's Mayor's Council developed a Transportation and Transit Plan for the region containing \$7.5 billion of improvements of which approximately 45% are identified for Surrey and the South of the Fraser area. A regional plebiscite on whether to enable a 0.5% sales tax known as the "Metro Vancouver Congestion Improvement Tax" was approved by the Province which took place from March 16, 2015 through to May 29, 2015.

Given the significant level of funding proposed, at the Regular Council Meeting of January 12, 2015 (R007), approval was given for staff to develop and implement a City advocacy plan with the necessary resources to undertake this work. Staff identified a potential funding requirement for the City's advocacy plan of \$200,000 to \$300,000.

Advocacy for the "Yes" campaign involved a number of key stakeholders in particular:

- The City of Surrey supported by staff and Mayor and Council;
- The Better Transit and Transportation Coalition; and
- The Regional Mayor's Secretariat.

Although a Surrey focused campaign, the advocacy effort supported the Regional Mayor's Council and the Better Transit and Transportation Coalition for example by:

- Increasing awareness of the plebiscite among Surrey and South of Fraser stakeholders;

- Providing information on Surrey and South of Fraser transportation issues and improvements in the Mayor's Plan;
- Coordinating and supporting local initiatives with the regional Mayors' Council staff (Secretariat); and
- Working with the "Better Transit and Transportation" Coalition to develop locally relevant messaging.

In addition, staff developed and implemented a comprehensive advocacy plan with a Surrey focus with support from a specialized consultant that included:

- A citizen communications plan to engage, inform and encourage a "yes" vote;
- A social media strategy for platforms including Twitter and Facebook;
- A stakeholder engagement strategy; and
- A media strategy including use of bus shelter and digital media advertising

Advocacy Plan Expenditure

A number of initiatives and activities were promoted and funded within Surrey and the South of Fraser area by the Regional Mayor's Secretariat including radio advertising, the printing and distribution of a brochure to all Surrey households as well as street teams at transit stations and undertaking an on-line Town Hall meeting. The Better Transit and Transportation Coalition was also active in the City for example through its support for the town centre forum meetings co-hosted by the Surrey Board of Trade.

During the advocacy campaign, the City organized and implemented many events and activities complemented by a range of materials, resources and advertising. These included:

- Web based advertising;
- Print advertising including brochures, rack cards, transit shelter advertisements and newspaper advertisements;
- Supplies and materials including facility rentals, tent rentals and signage;
- Design services for the various advertising; and
- Consultant support.

One staff member was seconded to the Regional Mayor's Secretariat for a period of time to assist with coordination between the City and the Regional Mayor's Secretariat campaign but the majority of the Surrey advocacy plan was carried out within staff's existing roles and responsibilities

In total, the advocacy plan involved an expenditure of approximately \$240,500.00

Update on Light Rail Transit Project

The key input to the P3 Business Case is a more detailed cost estimate of the LRT Project, which requires further and more detailed design. Phase 3 will produce inputs for a preliminary Business Case that will demonstrate progress to PPP Canada, and will undertake a sufficient level of engineering design that will yield a cost estimate that meets PPP Canada's requirements for the Final Business Case.

In January 2015, TransLink awarded the initial Phase 3 contract to the joint venture of Hatch Mott MacDonald and Steer Davies Gleave, supported by Stantec, VIA Architecture, Tony Steadman, and The Stewart Group. City staff provided input into the contract Terms of Reference and participated in the evaluation and selection of the consultants.

This initial Phase 3 work is progressing well. City staff have been and continue to be fully engaged in the process, and are collaborating with TransLink staff and the consultant team to resolve design challenges as they arise.

Round Seven P3 Canada Fund Application

On February 24, 2015, the City of Surrey and TransLink co-hosted a day-long seminar with PPP Canada officials. The objectives were to review the status of the Surrey LRT Project and to determine next steps to complete the funding application process.

PPP Canada was satisfied with the progress on the design work and the full cooperation between the City and TransLink. Surrey's initial application was for Round Six, which required proponents to complete project business cases by March 2015. As Phase 3 is currently in progress, PPP Canada advised that an application must be made to Round Seven of the P3 Canada Fund.

As TransLink is the regional transit authority, PPP Canada also required the Round Seven application be made either solely by TransLink or jointly with the City. TransLink retained Partnerships BC with the approval of PPP Canada to assist with the application and to coordinate the financial and legal advisory work that will be needed to complete the P3 Business Case.

On June 12, 2015, TransLink made a submission to Round Seven of the P3 Canada Fund with TransLink as the applicant. Surrey and TransLink jointly prepared the application with Surrey as a partner in the project. Staff anticipate that the Surrey LRT Project will be successfully screened-in for Round Seven. This will require the submission of a completed P3 Business Case in March 2016. The scope of work for completing the Business Case includes additional engineering design, geotechnical work, preparation for environmental assessment, and public consultation.

MOA and Partnership Agreement

In accordance with the Mayors' Council's Transportation and Transit Plan, the City will need to enter into a Partnership Agreement with TransLink on the delivery of the Surrey LRT Project. Staff are currently working with TransLink on a Memorandum of Agreement (MOA) at a staff level for the PPP Canada application and preparation of the P3 Business Case.

The intention of the MOA is to ensure that every effort will be made by TransLink and Surrey to accelerate the Phase 3 work program to complete a P3 Business Case to satisfy Round Seven timelines and requirements. It also intends to uphold Surrey's interests and objectives with respect to the scope, design, and schedule for the implementation and operation of the LRT Project.

City Efforts Concurrent to Phase 3 Design

Staff have undertaken the following initiatives to ensure that the City's transportation, land use, and liveability goals can be achieved with the delivery of the Surrey Light Rail Transit Project:

- City Project Overview Committee:
An interdepartmental Committee has been established to coordinate City response and timely review of ongoing design work.
- Land Use Planning:
A major update to the Official Community Plan was completed in 2014 that included LRT supportive land uses and policies. In addition, a program of secondary land use plan preparation is under way that will ensure that appropriate detailed land uses and policies are in place for all segments of the proposed LRT corridors. To date, planning for the City Centre, Newton Town Centre, Fleetwood Town Centre and West Clayton are well advanced with completion anticipated this year. Planning processes are expected to begin this year for key segments of the LRT corridors that are currently without a detailed land use plan. These include the 104 Avenue corridor (including Guildford Town Centre) as well as the Fleetwood West Frequent Transit Development Area (at Fraser Highway and 152 Street). Staff will seek approval from Council at a later date to initiate these planning processes.
- Economic Benefits of Surrey LRT Report:
The May 2015 report, attached as Appendix I, provides an independent analysis of the Surrey LRT Project’s employment and economic benefits. The analysis found that LRT has the following benefits:

		Jobs	Wages	Tax Revenue
Construction	BC	24,600	\$.4 billion	\$132 million
	Canada	4,200	\$242 million	\$354 million
Operations & Maintenance	BC	14,000	\$810 million	\$101 million
	Canada	1,200	\$135 million	\$116 million

The Surrey LRT Project will also improve access to Surrey Memorial Hospital and Innovation Boulevard; stimulate investment and high-quality residential, commercial, and civic development in Surrey; provide a pedestrian-friendly, human scale, and urban style neighbourhood design form of transport; and assist with affordability by making single or no household cars more feasible.

SUSTAINABILITY CONSIDERATIONS


Progress toward the delivery of Surrey’s LRT Project advances the following actions items in the City’s “Sustainability Charter”:

- EC16: Increase Transit and Transportation to Support a Sustainable Economy;
- SC13: Create a Fully Accessible City; and
- EC7: Promote Sustainable Building and Development Practices.

CONCLUSION

PPP Canada is satisfied with the progress on the design work for the Surrey LRT Project and the full cooperation between the City and TransLink. At PPP Canada's request, TransLink has applied to Round Seven of the P3 Canada Fund in collaboration with the City of Surrey and with acknowledgement of the City as a project partner. It is anticipated that the Surrey LRT Project will be successfully screened-in for Round Seven. Staff and TransLink are working on a Memorandum of Agreement to ensure that every possible effort will be made to fulfill Round Seven requirements and that Surrey's interests are upheld.

Phase 3 of the Surrey Light Rail Transit Study will include the work necessary to complete the P3 Business Case required to support the P3 Canada Fund Application. Staff have undertaken a number of initiatives to ensure that the City's transportation, land use, and liveability goals will be achieved in this next phase of technical work.

A handwritten signature in black ink, appearing to read "Fraser Smith". The signature is stylized and cursive.

Fraser Smith, P.Eng., MBA
General Manager, Engineering

JB/PL/PN/clr/brb

Appendix I – May 2015 Economic Benefits of Surrey LRT Report