Metro Vancouver & TransLink Update

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Metro Vancouver budget to rise 5.6% in 2017

Metro Vancouver's overall budget expenditures will rise from $672.1 million in 2016 to $709.5 million in 2017, and increase of 5.6%.

About 70% of this increase is from increased operating expenses, while most of the rest is from contributions to capital. Growth in Water District, Liquid Waste and General Government expenditures are the biggest contributors to the increase, although spending is forecast to grow across almost all Metro programs.

According to Metro documents, the budget represents a $452 cost to the 'average' regional household, up $16 from 2016 levels. This increase includes a $4 Water District increase, $10 Sewerage and Drainage District increase and $2 Regional District increase.

The Metro Vancouver Districts comprise four legal entities (*Greater Vancouver Water District; Greater Vancouver Sewerage and Drainage District; Greater Vancouver Regional District* and *Metro Vancouver Housing Corporation*) that are governed by separate legislation.

Water District budget

Projected Greater Vancouver Water District operating program expenditures for 2017 are $264.1 million.

Total capital expenditures are budgeted at $163.1 million, including expenditures for:

- Infrastructure projects related to growth in the region ($41.2 million)
- System maintenance projects ($39.6 million)
- Resilience projects ($49.5 million)
- Infrastructure upgrade projects ($31.1 million)
- Sustainability opportunity related projects ($1.7 million)

Inside this issue

Greater Vancouver Sewerage and Drainage District

Liquid Waste

Liquid waste program expenditures for 2017 are $235 million.

Total capital expenditures will be $163.7 million, including funding for:

- New sewers, pump stations and treatment plant expansion to handle growth ($78.3 million)
- System maintenance ($24.5 million)
- Resilience and upgrade of infrastructure ($55.6 million)
- Sustainability opportunity related projects ($5.3 million)

Solid waste

The Solid Waste Services operating budget will increase by $3.6 million (4%) in 2017 for a total operating budget of $94.4 million. This increase is primarily due to projected increases in waste flows.

The Solid Waste Services capital budget totals $26.8 million. Highlights of capital projects planned for 2017 include:

- Surrey Residential Drop-Off, Coquitlam Transfer Station replacement, North Shore Transfer Station reconfiguration and weigh scale upgrades.
- Various projects for the existing waste to energy facility, including bottom ash non-ferrous metal recovery, gas burner and Continuous Emission Monitoring upgrades and soot blower replacement.
- Solid Waste Management Plan capacity development.

2017 Tipping fees are unchanged from 2016.

Metro Vancouver Housing Corporation (MVHC)

Budgeted MVHC operating program expenditures for 2017 are $41.1 million.

Capital expenditures for 2017 are $12.6 million and will be funded from reserves. Included in this amount are $7 million for capital replacement and $5.6 million for the continuation of Phase 1 of the Heather Place redevelopment project.

Highlights of capital projects planned for 2017 include:

- Building Envelope upgrades at Grandview Gardens, Evergreen and Tivoli and other smaller projects
- Construction of Heather Place Phase 1
- Roofing replacements at Le Chateau, London Square, Hemlock Court, Maple Vine Court, Lynden Court
- Exterior painting projects at six sites
- Major balcony replacement projects at McBride and Minato West
- Boiler Replacements at London Square, Regal Place and Inlet Centre

Regional District budget

The GVRD's operating expenditures are $74.9 million for 2017. Projected spending on Regional District functions includes:

- *Air Quality ($10.0 million)*
- *E911 Emergency Telephone Service ($4.2 million)*
- *Electoral Area Service ($0.6 million)*
- *General Government ($16.6 million)*
    - Including an increase in costs associated with the Communications Program, resources for the new Regional Prosperity Initiative and increased federal funding received for the Homelessness Partnering Strategy.
- *Labour Relations ($2.7 million)*
    - Including "enhanced service levels to members" and providing bargaining services with the expiry of a large number of Collective Agreements across the region.
- *Regional Emergency Management ($0.3 million)*
- *Regional Global Positioning System ($0.4 million)*
- *Regional Parks ($36.0 million)*
- *Regional Planning (3.8 million)*
    - Including additional resources to support the Regional Housing Policy and Planning Program.
- *Sasamat Fire Protection Service ($0.3 million)*

Budget discussion & report highlights

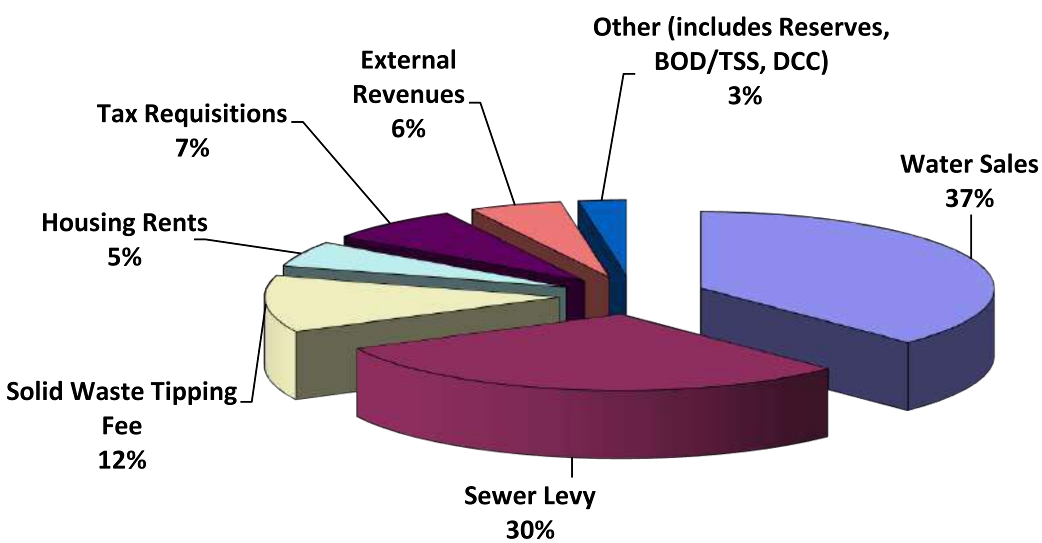
In committee and workshop discussions around the 2017 budget, a number of councilors expressed concerns that Metro expenditures were outpacing inflation. Some were also concerned that budgets were built around previous year projected expenditures rather than actual end of year spending, which has often been lower than budget projections. Staff told Directors that limitations in Metro's existing accounting systems and software didn't enable them to use actuals in the budget process.

Budget documents this year included a report on the economic impact of infrastructure spending by the GVWD and GVS&DD, which estimated that capital projects planned by those two entities represent approximately 5,580 person years of employment and, contribute approximately $507 million to regional GDP (from development and construction). Staff told the Directors that the planned upgrade of the Iona wastewater plant to secondary treatment will be the single biggest wastewater infrastructure project the region has ever seen.

Metro Vancouver revenue sources in 2017 budget

WHERE THE MONEY COMES FROM

(Millions of Dollars)



Water Sales	$261.7
Sewer Levy	214.3
Solid Waste Tipping Fee	85.4
Housing Rents	36.8
Tax Requisitions	51.6
External Revenues	38.4
Other (includes Reserves, BOD/TSS, DCC)	21.3
	$709.5

Transit News

TransLink provides more details of local revenue sources proposed for Mayors' Council plan

TransLink has provided more detail on regional revenue sources proposed to fund the local government share of the 10-year Vision for Metro Vancouver Transit and Transportation. The information was provided as part of a consultation process that ran Oct. 11 to 31, and in a draft 2017–2026 Investment Plan presented at a Nov. 10 joint Board of Directors/Mayors' Council meeting (see: goo.gl/WgXV5m).

The plan would see revenue from transit fares and property taxes rise significantly between 2017 and 2026, and also add new revenue from Development Cost Charges. Smaller amounts of new revenue would come from increases to the Motor Fuel Sales Tax, Parking Rights tax, Golden Ears Bridge tolls and the Hydro Levy.

In total TransLink is expecting revenues to rise about 32% over the 10 year plan, increasing from $1.475 billion in 2017 to $1.948 billion in 2026.

Fare revenue

According to TransLink documents, total revenues from fares in 2026 will be 41% higher than 2017 levels. Fares will also account for a slightly greater share of TransLink's total revenue, rising from 37% of the total in 2017 to 39% by 2026.

While some of the revenue growth is expected to come from increased ridership, fare increases are planned across the board. Phase 1 of the plan (2016-2019) will see most individual fares rise by between $0.20 to $0.30, and regular monthly passes go up by $7 ($4 for concession passes).

Fare increases will continue through the entire 10-year plan, with a one zone Compass ticket rising from $2.75 in 2016 to $3.55 in 2026 – an increase of 29%. Projected increases are in a similar range for most other fare categories.

Property Taxes

Combined TransLink property taxes, including a proposed 'Additional Property Tax' and the Replacement Tax, are forecast to rise from $357 million in 2017 to $524 million by 2026 – an increase of almost 47%.

As a proportion of total TransLink revenue, property taxes will rise from a 24% share in 2017 to 27% in 2026.

TransLink provided household impact estimates of the increase only for 2017, and calculated that a 'regional average' residential property valued at $678,313 would see an increase of $3 in property taxes for 2017. An 'average' business property valued at $2.6 million would see its TransLink property taxes rise by $45 in 2017.

Development Cost Charges

Less details were provided regarding the proposed use of Development Cost Charges (DCCs) to fund TransLink. A new region-wide DCC is proposed to be implemented no later than 2020, and TransLink says the provincial government will need to advance enabling legislation for the development fee by late 2017 or early 2018. TransLink says that if these timelines are not met, "a portion of the expansion contemplated for introduction in 2019 and later would need to be deferred."

Documents released in October by TransLink avoid specifics and say that "technical analysis and consultation is required to design the structure of the new regional development fee and to set rates. Key policy choices are still to be made, such as where the fee would be levied, which types of development should pay, and whether any forms of development should be exempt." However, the draft 2017–2026 Investment Plan released in November goes a bit further and suggests "there are various options for the design of the new region-wide development fee: a low region-wide rate; a higher rate around more intensive transit investments; or a hybrid of the two."

The October documents outline one scenario, noting:

> Preliminary analysis shows that development in the region would be able to bear a rate in the range of \$700 to \$2,000 per new residential unit and a rate for commercial development in the order of \$0.50 per square foot. It is estimated that a DCC applied across the region at these rates could generate approximately \$15 million to \$20 million per year. The Phase One Plan contemplates development fee revenue being applied to support the financing of capital infrastructure, and anticipates that revenue within the 10-year Plan period would be approximately \$130 million.

TransLink argues that the use of DCCs would not impact housing affordability, as a "DCC would not simply get added to the price of new housing units. Instead, developers will generally seek to reduce the amount that they pay for development sites." The documents also claim that the proposed regional DCC is not expected to impact the financial performance of new development projects or the pace of urban development. TransLink says it will also consider reducing or waiving the DCC for "certain types of affordable housing."

See full documents at:

https://goo.gl/HU2IH5
goo.gl/WgXV5m

TransLink Mayors council receives report on public consultations

Vote on investment plan scheduled for November 23

A November 10 meeting of the TransLink Mayors' Council received a report back on public consultations regarding the Phase 1 of the 2017-2026 Investment Plan.

According to the report, key findings from the consultations include:

- Feedback on Funding Sources Proposed in the Plan:
    - There is some concern expressed regarding the proposed adjustment to property tax, and some support for property tax relative to other sources such as fares.
    - The most frequently expressed concern regarding the proposed funding package is in regard to proposed fare increases
    - There is guarded support expressed for a new development fee, but stakeholders raised key issues to be considered in more detail prior to implementation.
    - Members of the public suggested implementing cost saving measures to fund expansion and put forward numerous ideas to improve the efficiency of TransLink.
- Feedback on Transportation Improvements Proposed in the Plan:
    - There is broad regional support for improving transportation, particularly for the expansion of transit service throughout Metro Vancouver
    - Many stakeholders and members of the public would like to see more investment and expansion than is proposed in the Phase One Plan
    - Feedback from specific stakeholder groups reflects a high level of interest in the improvements in the Plan.

According to the report presented at the meeting, no substantive changes to the transit and transportation plan are forthcoming based on the consultations, but some suggestions may be incorporated into the detailed implementation of the plan.

Following the meeting, TransLink management began the process of preparing a Final Investment Plan that will be brought forward for consideration by the Board and Mayors' Council at a joint meeting planned for November 23, 2016.

The full report from the Nov. 10 meeting can be downloaded at the link below:

https://goo.gl/qW4IoO

Transit headlines

TransLink board gets three new directors

Three new TransLink board members have been appointed to replace outgoing directors.

The one with the most direct transit-related expertise is professional engineer Sarah Clark, the chief operating oicer of Fraser River Pile and Dredge, who previously worked on transit projects such as the Evergreen Line for Bombardier, and was formerly president and CEO of Partnerships BC, which coordinates public-private partnerships.

Also new on the 11-member TransLink board are YWCA Metro Vancouver CEO Janet Austin, and lawyer Anne Giardini, who is also SFU chancellor, a member of the university's board of governors, and former president of forestry giant Weyerhaeuser.

http://www.cloverdalereporter.com/news/398718741.html

TransLink proposes a regional development fee

https://goo.gl/xYbq1x

TransLink mega land deal details revealed

$450 million sale of Oakridge Transit Centre is 2016's second-biggest public land deal in B.C.

https://goo.gl/qRrf2d

TransLink top brass was among highest paid in local government

https://goo.gl/ceYUce

TransLink OK with Tsawwassen Mills operating employee shuttle

https://goo.gl/c4seNp

Main Street SkyTrain Station project 'never boring,' says Graham

https://goo.gl/X2O8IQ

Opinion: "Density not the answer to transit funding"

https://goo.gl/t7RsZG

Column: Langley getting short end of the transit stick

http://www.langleytimes.com/opinion/399523751.html

Vancouver Mayor promotes new electric buses for TransLink

https://goo.gl/LUBByu

Transportation headlines

We should know if B.C. gets Uber before provincial election, says minister

https://goo.gl/VsZF3I

Ride-sharing, Such as Uber, Inevitably Coming to BC, Says Liberal Minister

http://thetyee.ca/News/2016/11/05/Ridesharing-Vote/

Company-funded guild for NYC Uber drivers promises not to strike.

https://goo.gl/cFa2zt

Threat of Uber looms large for Vancouver taxi drivers

https://goo.gl/k3wFEU

Massey Bridge advances to bidding stage with three groups

http://www.langleytimes.com/business/395851801.html

Huntington: "Bridge's agricultural impact is greater than Victoria claims"

https://goo.gl/umKvWW

Massey Bridge P3 borrowing costs yet another problem

https://goo.gl/wx288Y

Tunnel twin more expensive, less safe says Stone

https://goo.gl/gM7z9I

No criminal charges in death of woman who fell out of Vancouver party bus

https://goo.gl/XsuGqA

"Metro's regional growth strategy a victim of drive-by planning"

https://goo.gl/N1kTNz

Metro Vancouver residents narrowly favour tolling all bridges: poll

https://goo.gl/p5t40Y

Lobby group wants tolls and bridges to help Sunshine Coast access

https://goo.gl/DhgeSO

Richmond mayor 'literally breathless' over plans for interchange

https://goo.gl/ndTZla

Infrastructure news

Federal government announces plans for infrastructure bank

Critics say plan will lead to privatization, increased financing costs and user fees

The federal government's November 2016 'Fall Economic Statement' announced plans to move ahead with a new 'infrastructure bank.' The plan involves allocating $35 billion in public funds to the new bank over 10 years, with the aim of leveraging that money to attract a further $140 billion in private investments for infrastructure.

Federal recognition of the need for major investments in infrastructure is a positive shift, but many analysts are saying the proposed bank will lead to large scale privatization, high financing costs and new user fees to provide private sector investors with their expected Return on Investment (ROI) from public infrastructure projects.

What is it, and how would it work?

As proposed, the Canada Infrastructure Bank would mark a transformation in the way infrastructure is planned, funded and delivered in Canada. According to the proposal, the Bank "will operate at greater arm's length than a [federal] department," and work with provincial, territorial, municipal, Indigenous and investment partners on most major infrastructure projects in Canada.

The main target of the Bank seems to be attracting capital from large institutional investors, such as banks, pension funds, insurance companies, sovereign wealth funds and other long-term investors that are having trouble earning a return in current low interest economic conditions.

The federal government's idea is that long term investments in infrastructure could be made attractive to major investors by offering a higher guaranteed rate of return than is available to capital currently parked in low or negative interest bonds.

According the federal government, the Bank's mandate will be to:

> …make investments in revenue-generating infrastructure projects and plans that contribute to the long-term sustainability of infrastructure across the country. It will be mandated to work with project sponsors to:
>
> - Structure, negotiate and deliver federal support for infrastructure projects with revenue-generating potential;
> - Use innovative financial tools to invest in national and regional infrastructure projects and attract private sector capital to public infrastructure projects;
> - Serve as a single point of contact for unsolicited proposals from the private sector; and
> - Improve evidence-based decision making and advise governments on the design and negotiation of revenue-generating infrastructure projects.

The specifics of the Bank's how the bank will function are left broad and somewhat vague in the Economic Statement. According to the Statement, the bank's activities will involve:

> … concluding and executing complex infrastructure deals using a wide breadth of financial instruments at its disposal, including:
>
> - Direct investments;
> - Repayable contributions;
> - Debt (e.g., loans, loan guarantees), both unsubordinated and subordinated;
> - Equity investments, both unsubordinated and subordinated; and
> - A hybrid of the above.

As outlined in an earlier report from the Minister's Advisory Council On Economic Growth that developed the initial recommendations for an Infrastructure Bank,

> …the Bank's financial participation in projects will generally be in the form of subordinated equity and loan positions. Consequently, mechanisms could be adopted by which the Bank would share in equity upside once a specified return threshold is met. […] Financial instruments could include performance bonds, loan guarantees, etc.

The Advisory Council also recommends that "projects considered by the Bank should generally have an all-in cost in excess of $100 million to meet the minimum scale required to attract institutional investment."

The Advisory Council report suggests that "the focus of the Bank should …include toll highways and bridges, highspeed rail, port and airport expansions, smart city infrastructure, national broadband infrastructure, power transmission and natural resource infrastructure."

The Advisory Council report calls for the government to move quickly, and "develop a transitional approach to shift to this new model of investment for large projects" and to "keep this transition period as short as possible, with a target of no longer than 2 years."

'Two pathways' for infrastructure

While not discussed in the fall Economic Statement, the Advisory Council's report recommends that the proposed Bank be a central component of a move to "develop a focused federal infrastructure strategy" (vs. simply contributing to projects proposed by other levels of government), with two distinct 'pathways.'" These two pathways would create two streams of infrastructure funding and development, with one focused on economic and 'commercializable' projects and another focused on social, environmental and other projects with less potential for direct economic returns.

"Pathway 1 – National economic development infrastructure" would "address large, "commercializable" types of infrastructure" that "target national economic development objectives and enhance productivity." Priority 1 priorities would focus on "improving the transportation of people, goods, energy and data within and across our borders" and "helping build high-performing and highly livable cities that will attract talent and investments, to spur innovation and trade."

"Pathway 2 – National transfer programs" would encompass

> "all other projects that are within the realm of Federal funding. Generally speaking, such projects will be socially and environmentally important, but unable to attract institutional capital because of their size, or because of the absence of revenue streams. Examples include affordable housing, First Nations infrastructure, cultural and tourism attractions, regional development and connectivity, and environmental remediation."

As proposed by the Advisory Council "successful execution on "Pathway 1" infrastructure projects will expand the amount of capital available for [Pathway 2] investments in social and other types of infrastructure without revenue potential."

Governance

Governance is not fleshed out in the November Economic Statement, but the Advisory Council report suggests

> "the Bank will require an independent governance structure in order to attract institutional capital and to attract the level of talent required to deliver on its mandate. The Bank could be structured as a Crown Corporation similar to the CPP Investment Board, but more important than the legal structure will be the level of independence of the institution, in terms of management and decision-making. This should include the appointment of a highly independent board of governors and a CEO with world-class, relevant business experience."

The Advisory Council also recommends that "provincial representation in the Bank's governance or ownership are options worth considering in the future; in the interest of expediency, we do not see these as imperatives to the launch of the Bank."

Reduction in direct federal infrastructure spending?

The future scale of direct federal support for infrastructure becomes somewhat hazy in material promoting the bank, and it's probable that the federal government hopes to reduce direct federal spending on infrastructure in comparison to earlier promises by the Trudeau government.

Federal documents say the Bank will be responsible for investing at least $35 billion from the federal government into large infrastructure projects "that contribute to economic growth," using loans, loan guarantees and equity investments.

Problematically, part of this amount—$15 billion—will be sourced from previously announced funding for public transit, green infrastructure, social infrastructure, trade and transportation, and rural and northern communities. The president of the Federation of Canadian Municipalities has publicly opposed this idea, and says that the proposed bank should be funded independently of the Phase 2 federal infrastructure plan.

An additional $20 billion in capital will be available to the Canada Infrastructure Bank for investments that will result in the Bank holding assets in the form of equity or debt. This $20 billion will therefore not be recorded as a fiscal impact for the government.

A chart included in the Fall Economic Statement compares a hypothetical "co-funded infrastructure project" through the new bank with a "traditional funding model." In the traditional model, federal, provincial and municipal governments contribute 1/3 of funding ($166.7 million) each toward a $500 million project, whereas the 'co-funded' model involves the federal government contributing only $33.3 million in grant funding out of $100 million in total spending from the public sector, while the private sector contributes $400 million in investment capital (which presumably must be repaid through user fees or other types of revenue squeezed from the infrastructure investment).

Privatization and subsidies to investors

It is clear the proposed infrastructure bank involves at the very least a continuation of privatisation and P3 policies launched under previous federal governments, and it may ultimately turn out to be a deepening and intensification of such policies. This is implicit in the fact that the federal Economic Statement documents specifically point to the Richmond-Vancouver P3 Canada Line as an example/case study of the type of financing model the bank would promote.

In trying to make their case for the Bank, the federal government also cites Infrastructure Ontario's P3 driven model as a 'successful' precedent, despite the Ontario Auditor General's 2014 finding that public-private partnerships cost Ontario taxpayers nearly $8-billion more on infrastructure over nine years than if the government had built the projects itself.

It could also be argued that the Bank represents an attempt to subsidize increased profits for large investors. The government says that private capital would be attracted to the Infrastructure Bank by offering higher returns than could be earned in conventional bond markets, and that the public sector could carry financial risks associated with projects in order to make private investment more attractive. As framed in the Economic Statement:

> …[in the] historically low, and in many cases negative, interest rate environment that constitutes the global economy's "new normal," there is an abundance of institutional capital around the world waiting to be deployed. Canadian and global investors are looking for long-lived projects with appropriate risk-adjusted returns in which to invest.
>
> …approximately $12 trillion are currently "parked" in negative-yield bonds.8 Infrastructure investments held by pension funds today amount to approximately US $170 billion. However, this is less than one-tenth of the total capital available for this asset class from pension and sovereign wealth funds alone. Canada is particularly well-positioned to capture a substantial share of this capital if it can set the right conditions to attract it.

The Advisory Council also proposes that the Bank "…play a critical role in addressing early stage risks associated with large infrastructure projects. This 'de-risking' will often entail investing equity upfront to complete technical drawings, specifications, risk assessments, social impact analyses, early permitting, etc."

How exactly investors would earn revenue from infrastructure investments is not discussed explicitly in the Economic Statement, but the earlier report from the Minister's Advisory Council On Economic Growth suggests that:

> Institutional investors require some source of revenue potential, which can come from multiple sources: availability payments, ancillary funding models (e.g. property value capture), and user fees. Attaching some form of revenue stream to existing or new assets can also lead to improved productivity and use of the asset as seen in many other jurisdictions.

It is worth noting that (at least in the initial proposal) from the Advisory Council, the infrastructure bank may involve generating revenue from privatizing (or partially privatizing) existing public infrastructure. The Advisory Council explicitly recommends in its report that

> Canada can create a flywheel of reinvestment in its infrastructure by catalyzing the participation of institutional capital in existing assets, and using this capital to multiply investment into new infrastructure […] This does not necessarily mean an outright sale or 100 percent transfer. Indeed, there is a broad spectrum of options available including minority participation and long term lease structures that could allow Canadians to tap into the value of their collective infrastructure assets for reinvestment.

The Infrastructure Bank, says the Advisory Council, would be "well-positioned to structure and deliver on these transactions."

The Advisory Council report also proposes other federal interventions to make investment attractive to the private sector and even to export its approach to other levels of government, including

- "[Creating] clarity about the division of roles between the federal, provincial and municipal governments. Investors do not like getting caught between the differing interests of different levels of governments."

- Providing institutional investors with "world-class expertise in procurement, siting, permitting, structuring complex transactions and delivering complex projects that take multiple interests into account"
- Providing investors with "assurances regarding efficient siting, permitting, approvals and compensation mechanisms – these should be transparent, time-bound and standardized wherever possible."
- "In infrastructure projects where the Bank's financing services are not required, the Bank could be invited to play an advisory role to provincial and municipal agencies"

The Advisory Council's vision also seems to include turning over some federal infrastructure planning and policy development functions to the Bank, including:

> … mandating the Bank to undertake an impartial National Infrastructure Audit followed by a National Infrastructure Development Plan that could be approved or rejected by Government once submitted.

Role of private sector management consultants

According to Macleans magazine, most of the research and policy around the proposed Infrastructure Bank has been provided 'pro bono' from consultants at McKinsey & Company. McKinsey is one of the world's largest management consulting firms, and took in more than $8 billion in revenue in 2014. Dominic Barton, the Global Managing Partner of McKinsey, is the chair of the Minister of Finance's Advisory Council on Economic Growth, who produced the Infrastructure Bank proposal.

The Macleans story notes that for "institutional investors, including McKinsey clients, there's an obvious attraction in the prospect of upfront government money providing a measure of security in what might otherwise look like risky infrastructure ventures," and that "McKinsey often volunteers expertise as a way of making sure the firm is in the room when big ideas are being hatched." One source told Macleans that McKinsey is "'all about influence, all about positioning, all about getting themselves where they need to be when the money is at hand.'" A former McKinsey partner oversees major projects at Infrastructure Ontario.

McKinsey's Dominic Barton has said publically the Canadian government should focus on projects that offer a clear private sector 'payback', such as transportation systems, electricity grids and pipelines.

The Advisory Council report produced by McKinsey also suggests the Bank focus on attracting highly paid staff from the private sector, saying that that "the Bank should be enabled to attract and retain top talent and become a national center of excellence in infrastructure. Only with world-class talent will the bank have the credibility and capabilities it will need to attract institutional capital."

Positive dimensions?

[Overdue] acknowledgement of infrastructure deficit

While the push towards privatization is problematic, the proposal does nonetheless mark an unprecedented federal government acknowledgement of the scale of Canada's infrastructure deficit, the benefits of addressing it and the necessity of active federal involvement. In the words of the Minister's Advisory Council On Economic Growth,

> "as we look at the demographic and economic trends that lie ahead – low productivity, continued urbanization, rising cost of housing, etc. – we believe that it is time to rethink the federal approach to infrastructure, which has been relatively passive historically."

The Advisory Council report goes on to highlight the scale of the problem of the benefits of addressing it, noting along the way that:

- The gap in [Canada's] First Nations infrastructure alone is estimated to be $25 to $30 billion;
- For the rest of Canada, estimates … range from as "low" as $150 billion to as high as $1 trillion."
- In the short-term, infrastructure investments translate into additional economic demand. For every dollar invested, it is estimated that the economy grows by a dollar and sixty cents (1.6 times multiplier) in the first year.
- Over the longer term, infrastructure drives economic productivity year after year to the tune of 20 to 50 cents on every original dollar invested."
- For every million dollar invested, approximately 15 jobs are created
- Canada is home to some of the OECD's most congested cities. No fewer than 4 of the top 10 most

congested cities in North America are Canadian (Vancouver, Toronto, Montreal and Halifax).

- In quantified terms, studies show that congestion leads to costs in the vicinity of 0.8% of GDP in a developed country like Canada.

More coverage & analysis:

Government documents

Federal government's Fall 2016 Economic Statement

https://goo.gl/hsmTDp

Report from the Minister's Advisory Council On Economic Growth

http://www.budget.gc.ca/aceg-ccce/pdf/infrastructure-eng.pdf

Analysis

What the experts are saying on the government's dangerous move towards privatization

https://goo.gl/2dR3dm

Canada needs smarter investment for the future, not more P3 projects

https://goo.gl/M9S41v

Federal Infrastructure Bank loans will come at a higher cost

https://goo.gl/27Gz8d

Media coverage

Why McKinsey & Co. is helping Ottawa out, pro bono

https://goo.gl/2LfIc0

Trudeau pitches P3 bank to investors

https://goo.gl/YLMXVx

Canadian cities push back on plans for infrastructure bank

https://goo.gl/hzPrLT

Trudeau Liberals bet on infrastructure money with new bank as economy weakens

https://goo.gl/YFk4Q8

Ottawa to make 'unprecedented' appeal for private investment in infrastructure

https://goo.gl/DMEchn

An infrastructure bank to save Canadians from our worst political instincts

https://goo.gl/32zChb

Liberal fiscal plan scales back "historic" infrastructure spending

https://goo.gl/9idDkj

Private infrastructure bank not in the public interest

https://goo.gl/58T8da

Infrastructure headlines

B.C. gets a failing grade for flood preparedness

https://goo.gl/xyRJb4

Seismic Rift Divides B.C. Governments

https://goo.gl/dURfy2

Vancouver eyes dikes, even a sea gate, to handle rising ocean levels

https://goo.gl/QOuQPh

White Rock mayor refuses to tap- out in irate debate over water quality, supply

https://goo.gl/Uo6Lf1

Semiahmoo must spend millions to connect with Surrey water system

https://goo.gl/LjPSFC

Metro environment news

Trudeau needs pipeline 'Plan B' to Kinder Morgan route: ex-premier Harcourt

https://goo.gl/cI7U27

"Canada's energy sector braces for rising threat from activists"

https://goo.gl/6uWF3b

Standing Rock–type standoff looms in Metro Vancouver with approval of Kinder Morgan pipeline

https://goo.gl/7PlpBj

Feds to unveil coastal protection plan, face B.C. vs. Alberta choice in pipeline politics

https://goo.gl/nTWHcM

Trump victory could impact Trans Mountain pipeline project: Burnaby MP

https://goo.gl/80Ukmz

Chum salmon 'beat the odds,' return to Metro Vancouver streams

https://goo.gl/9yaxg4

Tugboat Fuel Spill on BC Coast a 'Warning,' Says NDP MP

https://goo.gl/3sv9LU

Metro & municipal headlines

City of Vancouver joins chorus of opposition to YVR sale

https://goo.gl/TQK7YS

Health minister meets with Vancouver firefighters responding to overdose crisis

https://goo.gl/9Kg5pv

Poll finds nearly half of Vancouverites don't think police would treat them fairly

https://goo.gl/kTLD4M

United Way–funded neighbourhood houses build strong communities across Metro Vancouver

https://goo.gl/Z9FjnC

Young Syrian refugees in Vancouver worried about housing, education

https://goo.gl/xkVf1m

City of White Rock releases legal opinion on mayor's letter

https://goo.gl/RgN4R3

Surrey Becomes Canada's First International City of Refuge

https://goo.gl/5QWauJ

Metro Vancouver moves to increase funding for arts and culture in Lower Mainland

https://goo.gl/kdsDwS

Waste & recycling news

National strategy aims to reduce the tonnes of food going to waste each year in Canada

https://goo.gl/hMm46w

Compost facility appeals Metro Vancouver air quality permit

https://goo.gl/kl2kT1

Richmond residents raising stink over 'unacceptable' stench from compost facility

https://goo.gl/2Ik9NA

Port News

Report suggests dredging of Fraser being considered

While BC Transportation Minister Todd Stone stated in an October letter to the editor supporting the Massey Bridge project that "there are no plans to dredge the Fraser River," opponents of the project have posted information casting doubt on the Minister's claim.

A blog post by former TransLink planner Stephen Rees cites a 2015 letter and report to Minister Stone and the federal government from the Gateway Transportation Collaboration Forum that lists a proposal for a "Fraser River Channel Deepening Project" that would include a "Capital Dredge of the Fraser River to 12.8 m to the 34 km mark" in order to "allow vessels currently calling the Fraser River to be loaded to their maximum capacity and to accommodate increased vessel draft for new growth opportunities and market demands."

The letter lists the potential applicant as Fraser Surrey Docks LP, and says the estimated $90 million project's development status as of March 2015 was "Concept Design."

https://goo.gl/EsRnHb
https://delta.civicweb.net/document/119735

New U.S. firm sends coal through Metro Vancouver

http://www.thenownewspaper.com/business/397337881.html

Port Metro Vancouver seeks new director

https://goo.gl/8Smp0E

"Port development trumps BC agriculture"

https://goo.gl/KjrXfR

Metro Vancouver economy news

Regional Prosperity Initiative update

Metro's new regional economic development project has established steering and advisory committees, and has been allocated a budget of $233,997 for 2017.

The Regional District's budget allocation to the Regional Prosperity Initiatives (RPI) provides funding for temporary staff and/or contract resources, consulting services for research and strategy development and meeting costs.

A RPI Steering Committee has been formed, and is composed of organizations from sectors that have been involved in the Initiative to date, including representatives from regional universities, the Port of Vancouver, boards of trade, the Motion Picture Industry Association, and the Business Council of BC and labour. At least one union representative will be on the steering committee, and discussions are ongoing regarding a second.

The Steering Committee had its first meeting on September 21, 2016. The meeting focused on the potential vision, scope, priorities, governance, and funding opportunities for a new 'public-private collaboration' on regional prosperity in Metro Vancouver.

Steering committee discussions have also focused on identifying 'early wins' to help establish the initiative. Two potential projects have been identified: implementation of a regional mobile business licence and the development of a regional film permitting system.

The Steering Committee will meet through the fall in 2016 and into the spring of 2017 to develop a proposal around structure, governance, funding and mandate for a regional economic development organization.

In addition to the Steering Committee, an Advisory Group composed of executive leaders from the business and academic community has been set up to "provide initial feedback on the recommendations drafted by the Steering Committee." Members of this Advisory Group include

- Iain Black (Greater Vancouver Board of Trade),
- Tony Geheran (TELUS),
- Santa Ono (University of British Columbia),
- Andrew Petter (Simon Fraser University),
- Robin Silvester (Port of Vancouver),
- John Wiebe (Globe Group),
- Jonathan Whitworth (Seaspan) and
- Yuen Pau Woo(HQ Vancouver).

Next steps

According to the staff report, the Steering Committee's proposals will be followed up with a second Roundtable to be held in the first quarter of 2017, with the goal of convening a second Summit and then the new organization's first annual general meeting in the Summer of 2017.

Economy headlines

Federal and B.C. governments to fund $126 million SFU energy building at Surrey campus

https://goo.gl/NFQKlC

First federal ship taking shape at Vancouver Seaspan Vancouver Shipyards

https://goo.gl/zdm185

French ambassador visits Vancouver to downplay CETA deal deadlock

https://goo.gl/7skojB

Help us or we may leave Vancouver, Lululemon tells Ottawa

https://goo.gl/4lrpYI

B.C. labour leaders release Temporary Foreign Worker white paper

https://goo.gl/cYWftA

Poll shows people want construction jobs to go to locals first

https://goo.gl/dkjuhb

Woodfibre proceeding with LNG project in Squamish

https://goo.gl/Jl51Su
https://goo.gl/u0pnRx

Squeeze put on Vancouver's industrial space

https://goo.gl/sy7EOB

Vancouver industrial space a bottleneck for Canada

https://goo.gl/TD369J

David Shepheard appointed as Vancouver's first film commissioner

https://goo.gl/bqaxmP

Housing & affordability news

Metro to apply for CMHC Innovation Fund

The Metro Vancouver Housing Corporation has met with CMHC to discuss accessing the new CMHC Affordable Rental Innovation Fund. The federal Minister of Families, Children and Social Development and the Minister responsible for CMHC, announced in late September that the CMHC is now ready to accept applications under the Fund.

The Fund, administered by CMHC, totals $200 million “to help create new affordable rental units over 5 years, reducing the number of Canadians living in housing need and the reliance on long-term government subsidies.” The MVHC plans on applying for funding and demonstrating that its planned projects fit with innovative approaches that lower the costs and risks of affordable rental housing projects.

Homelessness

'There's simply nowhere for them to go': Reports of homeless growing in Metro Vancouver suburbs

https://goo.gl/1G4QTS

Dozens of homeless teens turned away from Fraser Valley youth shelter

https://goo.gl/Uo9Qdv

Liberal MLAs Linked to Killed Maple Ridge Shelter Plan, Documents Reveal

http://thetyee.ca/News/2016/10/26/Liberal-MLAs-Maple-Ridge-Shelter/

Vancouver seniors are becoming increasingly vulnerable to homelessness, report finds

https://goo.gl/SKTrZA

The link between Vancouver’s homelessness and soaring housing prices

https://goo.gl/PoN1v4

Union Gospel Mission highlights structural problems underlying homelessness

https://goo.gl/RonBjH

Affordability

Vancouver’s creative community squeezed out, says Bowering

https://goo.gl/ji3vMO

Moonlighting Vancouver helps Vancouverites afford cost of

https://goo.gl/5STA0A

Housing prices just half the battle for BC families

https://goo.gl/bubJQe

Housing Policy

Densifying Vancouver housing for the young generation

https://goo.gl/4d4adJ

Rental squeeze won’t let up without Vancouver the help of feds: Experts

https://goo.gl/zAjFvc

City will go it alone on 250 affordable housing units in South Vancouver

https://goo.gl/GvVFwm

Vancouver unveils framework for empty homes tax

https://goo.gl/5noI4I

Empty homes not just a Vancouver issue: planner

https://goo.gl/ZH0C8Z

Vancouver area’s empty-home rates have almost doubled since 2001

https://goo.gl/EXsrmE

Report spells out Bunaby’s housing position – places blame back on province and feds

https://goo.gl/nCjvlC
https://goo.gl/0f9XxV

City of Vancouver making progress with slum landlords, SROs

https://goo.gl/fseZG9

Airbnb is a problem, not a solution for Metro Vancouver homeowners, renters and cities

https://goo.gl/yK8vKG

Statistics Canada focuses on closing gaps in key housing data

https://goo.gl/lYJQjm

How Vienna maintains 8 times as much social housing as Vancouver

https://goo.gl/I5SoTT

Advice from New York on how to increase affordable housing in Vancouver

https://goo.gl/TKA4ro

Vancouver-area renters being pushed away from transit corridors

https://goo.gl/fkHhps

One Simple Idea to Stop 'Renovictions'

https://goo.gl/BEMvx2

Real estate market & construction

Slower growth or even reversal predicted for Greater Vancouver home prices

https://goo.gl/lBfQo5

Phased redevelopment of Heather Place in Vancouver eyed in 2017 amid serious rental shortage

https://goo.gl/B2jaTm

Housing starts in Vancouver fall to lowest level since 2011: CMHC

https://goo.gl/dOZNpX

Home sales continue to plummet in October across Metro Vancouver

https://goo.gl/GqeCTi

Foreign buyers bounce back in Richmond after tax

https://goo.gl/ESzRhV

Foreign buyers 1.3 per cent of Vancouver-region real estate sales since tax

https://goo.gl/1qY2ji

Tougher mortgage rules could dampen condo, townhome sales in Vancouver, Toronto

https://goo.gl/0RWNFC

Chinese real estate billionaire says customers troubled by Vancouver tax

https://goo.gl/k6u4kj

Foreign buyers just one factor affecting Vancouver home prices: CMHC

https://goo.gl/l2zCms