



Metro Vancouver Mobility Pricing Independent Commission Minutes – Meeting 7 April 16, 2018

Minutes of the Metro Vancouver Mobility Pricing Independent Commission (MPIC) Meeting held Wednesday, April 16, 2018 at 9:07 a.m. in the Doctors of BC Health Boardroom, 1665 West Broadway, Vancouver, British Columbia.

PRESENT:

Allan Seckel, Chair

Joy MacPhail, Vice-Chair

Jennifer Clarke

Harj Dhaliwal

Paul Landry

Graham McCargar

Lori MacDonald

Gavin McGarrigle

Michael McKnight

Elizabeth Model

Bruce Rozenhart

Philip (Pip) Steele

Grace Wong

REGRETS:

Iain Black

ALSO PRESENT:

Miranda Eng, Context Research

Hilary Farson, Context Research

Lee Failing, Compass Resource
Management Research

Daniel Firth, Mobility Pricing Independent
Commission

Vincent Gonsalves, Mobility Pricing
Independent Commission

Raymond Kan, Mobility Pricing Independent
Commission

Fearghal King, Mobility Pricing Independent
Commission

Lindsay Neufeld, Mobility Pricing
Independent Commission

Sally Rudd, Compass Resource Management
Research

PREPARATION OF MINUTES:

Roberta Pak, Recording Secretary, Raincoast Ventures Ltd.

1. Chair's Welcome

Allan Seckel, Chair, called the meeting to order and provided updates from the recent meeting with the Joint Steering Committee.

It was MOVED and SECONDED

That the minutes of the MPIC March 21, 2018 meeting were adopted as presented.

CARRIED

2. Communications and Engagement Report Back

Hillary Farson and Miranda Eng, Context Research, presented an overview of the results of phase one and two of the #ITSTIMEMV project's stakeholder engagement process.

3. Principles

Mses. Farson and Eng reviewed the proposed principles and the data analysis supporting each statement.

Congestion – Principle A: **“A decongestion charge should seek to have a meaningful and region wide impact on congestion. This must be guided by appropriate congestion targets for MV.”**

- 16% of all public comments related to this principle.

Congestion – Principle B: **“Everyone who uses the transportation system should pay something for it – and those contributing to traffic congestion should pay more. It will be important to find the right balance between paying for use and paying for congestion.”**

- Data supports a preference for charging those who drive in congested areas during peak times
- Most trips occur outside peak times
- This is a value judgement
- Various scenarios perform differently in modelling exercises.

Congestion – Principle C: **“A decongestion charge should be coordinated with all the other ways we pay for mobility in Metro Vancouver to achieve regional mobility goals.”**

- Public opinion polling indicates people want to be able to track their spending and monitor transportation expenses
- 68% believe it is worthwhile to consider mobility charges as part of a coordinated approach to paying for congestion.

Discussion ensued on the **congestion principles**:

- Recommendation not to weigh decisions based on negative feedback from Facebook as the opinion of professionals in the communication field is that this platform does not accurately reflect the true tone of public opinion
- A disconnection between public opinion and opinions from the User Advisory Panel (UAP) versus the opinions received from government and other stakeholders regarding the implementation of charges for decongestion:

- Public, but not stakeholder and government, support to pay more to reduce congestion
- Greater public willingness to pay for congestion on a cost benefit basis
- Research confirms congestion is a social detriment therefore transportation behaviour must change and mobility pricing is the means to accomplish the behavioural change
- The principles must be considered as a package
- Currently, everyone pays, either through fuel taxes or transit fares.

Fairness – Principle A: **“Differences in decongestion charges across users must be consistent and explainable.”**

Fairness – Principle B: **“The design of decongestion charges should seek alignment of charges with access to transit.”**

- Can be supported through targeted transit improvements
- 24% of all comments were in support of this principle
- Understanding that most people who change their behaviour do not switch to transit, but an effective transit system is a benefit and is critical for improving accessibility.

Fairness – Principle C: **“A decongestion charge should be designed in a way that seeks to promote equity. Any revenues raised above those needed for agreed transportation investments should be used to address concerns about the affordability of mobility for people on lower incomes.”**

- 7% of all public comments were in support of this principle
- People with higher incomes drive more, generally and during congested times of day.

Discussion ensued on the **fairness principles**:

- Understanding the dichotomy between people saying they support investing in transit yet drivers unwilling to change modes
- Responsibility of MPIC is to report on public viewpoints relating to decongestion and to allow the Mayors’ Council on Regional Transportation (Mayors’ Council) to make decisions based on the findings
- Majority of public input confirmed support for mobility charging based on transit improvements that would improve the transportation options for drivers currently contributing to congestion.

Support Investment – Principle A: **“The entity that collects and manages revenues from a decongestion charge must ensure effective and transparent use of revenues.”**

- 13% of public comments referred to this principle
- Strong distrust of TransLink and a demand for transparency

- Needs to include a reference to public accountability in the wording of the principle
- A neutral entity should manage the charging and revenue raised.

Support Investment – Principle B: **“Raising revenues should not be the primary purpose of a decongestion charge.”**

- Perception these two items are in conflict
- Research has proven decongestion charging is not an efficient way to raise revenues.

Discussion ensued on:

- Public sentiment regarding raising revenue
- Greater willingness to pay in congested hotspots if the charge provides an immediate benefit to the payee, otherwise the charge is considered a tax grab
- Agreement from public input that the fuel tax must be reduced if decongestion charging is implemented
- The fact that revenues are important, although not the primary goal, is not depicted in the Support Investment Principle B statement.

Other Considerations – Principle A: **“A decongestion charge must deliver positive total economic benefits for the region. It is possible and there are meaningful differences between scenarios.”**

Other Considerations – Principle B: **“The design of a decongestion charge should support provincial and regional environmental objectives as well as consider implications for health and road safety.”**

- Expectation that this would provide a significant reduction in vehicle kilometres travelled
- Public opinion favored a holistic planning process based on land-use planning.

Other Considerations – Principle C: **“A decongestion charge needs to be stable and predictable but can and should evolve over time to more effectively address congestion.”**

- Any system implemented must be user friendly
- Decongestion charging has the flexibility to achieve better results over changing conditions and the technology is evolving.

Other Considerations – Principle D: **“A decongestion charge must recognize and respect an individual’s interest and rights to privacy and use of personal information.”**

Other Considerations – Principle E: **“There will need to be future communication and engagement around decongestion charging, with dedicated resources and programming for inclusive outreach to Metro Vancouver’s diverse residents.”**

- 70% selected the option to stay informed

- The UAP reported a significant change in opinion as they moved from an initial negative viewpoint to a more positive position as they understood the complexity of decongestion issues
- A high level of engagement and education is necessary to gain stakeholder support.

Discussion ensued on all of the principles presented:

- Future engagement needs to be more effective at connecting with ethnic communities
- Communication guidance is required to enhance engagement with various communities
- Once actual prices are introduced, the level of engagement will increase dramatically
- Mobility pricing and decongestion charging are not familiar terms:
 - In the future, there must be increased public education before the engagement process to improve public awareness of the project
- Agreement that the proposed principles are suitable for at this stage of the project
- Agreement that the proposed principles capture the themes heard during the engagement process.

Recess

The meeting recessed at 10:57 a.m. and reconvened at 11:18 a.m.

4. Returning Excess Revenues

Document titled “Using Decongestion Charging Revenues to Offset Equity Impacts”, was distributed with the agenda package.

Daniel Firth, MPIC, profiled the use of decongestion charging to raise revenue beyond what is required to implement the 10-Year Vision for Metro Vancouver Transit and Transportation (10-Year Vision) and highlighted priority items for further study, based on feedback from the UAP:

- Further reduction to fuel tax or other taxes going to transportation to address equity issues
- Direct tax credit to lower income households:
 - Need for further study regarding thresholds and how individuals on either side of the threshold would be impacted
 - Some people on low incomes are driving a lot and further research is required to understand those conditions
- Reduction in transit fares
- These points would be considered within the context of the fairness principle as a means to address equity
- Agreement that the three principles would be taken forward for inclusion in the report.

Discussion ensued on:

- General support for the three principles
- Importance of well configured boundaries that encourage behavioral change
- Caps and discounts warrant more research
- Agreement that the public has sent the message that revenues will be invested in transportation however there is an appetite for dealing with fairness issues
- Prioritize transit investments and consider equity when choosing between big projects:
 - Income levels are not generally considered when prioritizing capital transportation projects
- Increased transit service has been identified as an important factor in making decongestion charging acceptable
- General need for wide research on mitigating impacts of decongestion charging issues.

5. Closing the Loop on Some Research Questions

Fearghal King, MPIC, introduced the analysis undertaken to address some of the questions raised in previous meetings and to illustrate what the analysis reveals. Responses provided to three research questions were highlighted:

- **“What happens if we charge on False Creek Bridges?”:**
 - Research was undertaken in response to public sentiment of “If you are putting a charge on one bridge you should charge on all”
 - Selected a 50% Marginal Cost (MC) during peak times which is in the range of \$2 to \$5
 - Modelling results show a MC close to \$0 for False Creek Bridges which implies there is little or no congestion during peak time, therefore the lowest charge was selected for use
 - The model shows a charge would result in a reduction of 17% in congestion
 - Unintended consequences:
 - Adding charges to False Creek Bridges contributes more to congestion
 - Traffic volume changes and travel times change
 - Conclusion that there is no congestion in the first place and that by applying a charge, it would create a diversion in traffic to the boundary corridor
 - The statement is about fairness and wanting people in the City of Vancouver to pay in addition to residents from the suburbs
 - The possibility of having Vancouver registered cars pay a targeted small levy for operating within a cordon area.
- **“What happens if we lower transit fares?”:**
 - A reduction in transit fares with a charge on bridges would reduce congestion by an additional 6% however it will come at a high cost
 - More research is required to understand this type of policy
 - Lowering transit fares would increase public accessibility

- **“What happens if we increase transit supply?”:**
 - With a 25% increase in transit supply beyond what is identified in the 10-Year Vision, there would be a 5% reduction in congestion
 - May restrict road space thereby contributing to congestion
 - Full-cost benefit analysis must be considered
 - Transit alone will not reduce congestion
 - Should be included in the report to show preliminary consideration was given to these ideas
 - The information released by TransLink that transit usage was up 4% and Vancouver is leading the way in transit ridership must be given further consideration.

Recess

The meeting recessed at 12:05 p.m. and reconvened at 1:00 p.m.

6. Illustrative Scenarios

Related information distributed at the meeting:

- *Document titled “Round 4 Scenario Charge Rates”*
- *Document titled “A Consequence Table”*
- *Document titled “Direct Ranking Questionnaire”*

Lee Failing, Compass Research Management, introduced four scenarios for consideration for inclusion in the final report. A recap was provided on how data from previous exercises was used to create the scenarios. Feedback from the MPIC was used to reduce the number of scenarios for consideration under the identified principles. The parameters considered for a minimal level of meaningful reduction in congestion included:

- **Targets:**
 - Achieve 20% region-wide savings
 - Achieve 25% of congested households realizing more than 10 minutes per day of savings
 - Net economic benefits would include the cost of congestion in terms of the relative costs for people if they do not drive
- There is a minimal level for the range from which to achieve targets:
 - The upper level could not be attained due to the value judgements of experts
- Criteria used to eliminate scenarios that did not meet the targets
- The four scenarios selected:
 - Point Charge (PC) Regional (Min)
 - PC Regional (Min+)
 - Distance-Based Charges (DBC) Multi-zone (Min)
 - DBC Multi-zone (Min+).

Discussion ensued on:

- The cost of collecting fuel taxes in comparison to collecting charging revenues
- The ability to increase the charge over time without increasing implementation costs
- The average number of vehicles per household in the region.

Ms. Failing highlighted the data depicted on the Consequence Table:

- As you move from PC Min to PC Min+ there is a 50% increase in cost
- The cost of a PC system is more expensive than a DBC
- Under DBC more people pay less, but under PC fewer people are paying more
- Greater flexibility to design a DBC system to align with other factors under consideration
- Differences in charge levels across Income Groups (% of annual income) shows both charging systems are regressive
- DBC works better for boundary effects
- DBC is more flexible for design flexibility
- PC is better for driver interaction
- Privacy perception of the PC is advantageous.

Sally Rudd, Compass Resource Management, provided the instructions for the completion of the Direct Ranking Questionnaire.

The following comments were offered during the ensuing discussion:

- **PC (Min) rated highly:**
 - Easy to be implemented and the technology is available
 - Does not achieve everything but it raises the funds
 - Not the most economic benefits but some
 - You can do it, people could understand it
 - The public thought it was easier and people were less supportive of distance-based tracking technology
 - Not as flexible but it feels simple and clean
 - Opportunity for politicians to sell this and take away fuel tax while still raising revenue
 - Middle of the road option
- **PC (Min) rated lower:**
 - Price signal was high for PC
 - Public appetite for trading off fuel tax for decongestion charging
 - If not doing the DBC, then you might as well do the bare minimum of PC
 - PC+ for trying to change people's behaviour because it would generate the most changes in people's behaviour
 - Trend of PC (Min) being favoured over the PC Min+
 - Costs are high for the PC Min+:
 - The average cost of \$9/household is too high

- The 44% time savings was significant, but also reduce the fuel tax
- The PC for a shorter-term implementation
- Seems like what was taken off with the tolls.
- **Advice for policy makers if the PC type system is advanced :**
 - Caps would have to be mandatory
 - Vehicle levy for people living in the Burrard Peninsula
 - Geographical fairness and adjustments for boundary effects
 - PC schemes charge the people with the worst access to transit
 - PC would require a massive investment in transit in the outlying areas
 - Concerns regarding building on First Nations' territory
 - PC are simply too high for Surrey households
- **DBC (Min and Min+) considered highly:**
 - Min+ preference then you can consider fare reductions and adjust better for boundary effects
 - Pay as you go is easy to understand
 - Can show benefits to transit users and to drivers
 - The idea that one choice is less hated versus one choice being preferred
 - Seems like an affordable starting point
 - DBC system provides flexibility and a better balance between user-pay and use-cost
 - The Min+ is not doable but the DBC Min is a good starting point
 - Affordability will make or break the success of the option
 - DBC Min has the highest revenue efficiency
 - Consideration of the bottom line as it relates to the driver's trip experience
 - DBC (Min) is a concern because the technology is not readily available
 - Sticker shock is less if you remove the fuel tax making it more accessible
 - DBC Min+ has much greater benefits and the positives outweigh the costs
 - DBC preferred over PC because it is fairer and more flexible
- **Advice for policy makers if the DBC type system is advanced:**
 - Unanticipated adverse effects
 - Impact on different modalities
 - Higher revenues demand discounts and modifications
 - The average household in the outlying areas of the region will be \$6/day
 - Must be a cap to mitigate the expenses
 - Caps should still be considered from a fairness perspective
 - Net economic benefits should be the main focus on the integration of transportation with economic development
 - In the longer term, the cost of technology will decrease and other jurisdictions will have implemented it
 - Define a system that optimizes net economic benefits
 - DBC Zones should try to match transit zones

- DBC could be implemented in three to four years, but there is added risk because the technology is new
- The implementation timeframe should be highlighted in the report.

Recess

The meeting recessed at 3:03 p.m. and reconvened at 3:21 p.m.

7. General Feedback on the Draft Report

Mr. Firth invited feedback on the draft report:

- Is anything missing?
- Is there something in the report that is a massive red flag?
- Is there an area where the text should be clarified?

Comments received in response to these questions included:

- Reference should be made to other cities and the experiences they have encountered
- Create a readable document by using simple language and minimizing jargon
- Technical information should be kept in the appendices
- The report should offer a strong policy-driven proposal that is not watered down
- The text boxes, in the draft version, slowed down reading and the information within the boxes seemed repetitive
- Ensure the content reflects the debate undertaken during the project
- It may be suitable to have a longer executive summary than normal
- Need for succinctness
- Remove the description relating to the cities and closeness:
 - Identify the problem and get to the solutions
- Agreement on maintaining a positive position
- Diagrams are too small
- Emphasize the “win-win” for the public
- Acknowledgement that the MPIC and staff have done a thorough job to develop the principles
- Create a solid policy document
- MPIC only addressed what they were directed to address
- The conclusion is mobility pricing, if done right, is a good idea
- All MPIC members must sign off on the document
- Being direct removes the potential for misinterpretation
- Address all variables so the audience understands all aspects have been carefully considered
- The principles should stand the test of time
- The principles should be near the front of the document

- Emphasize that this being the first and most comprehensive mobility study in Canada to date
- The opening statement should highlight the mandate given to MPIC.

8. Lessons Learned

Vincent Gonsalves, MPIC, invited members to participate in an online survey, the results of which were viewed immediately.

MPIC members were divided into two groups and asked to consider what was done well and what areas require improvement, as it relates to each of the following topics:

Topic #1 – Staff Secretariat (what was done well and what are areas for improvement)

Topic #2 – Public and Stakeholder Engagement

Topic #3 – MPIC.

The transcribed comments are included in Appendix 1.

9. Synthesis and Any Other Business

The next meeting was scheduled for May 7, 2018, 9:00 a.m. to 11:00 a.m., will be the final opportunity to review the report before submission.

10. Conclusion

The April 16, 2018 Meeting of the Mobility Pricing Independent Commission concluded at 4:44 p.m.

Certified Correct:

Allan Seckel, Chair

Roberta Pak, Recording Secretary
Raincoast Ventures Ltd.

APPENDIX 1 – TRANSCRIBED NOTES FROM FLIPCHARTS USED IN AGENDA ITEM 8

Topic #1 – Staff Secretariat

- What was done well?
 - Provided space for commission perspective
 - Were open to adjusting process based on commission feedback
 - Provided good research and were responsive to questions
 - Listened and provided information or clarification
 - Provided in-depth information
 - Presented information logically
 - Provided good summaries of research
 - Gave us both the research and summaries of it
 - Ensured commission members owned the process
 - Engaged all members to participate and respected all opinions
 - Full and open communications with Commissioners
 - Delivered on Commissioners requests or explained why it couldn't be done
 - Circulated well researched and written papers as pre-reads, available to answer questions, good session presentation by consultants, structured decision-making process was helpful to sort the mass of info into bite size chunks
 - Organized materials and structured discussions well
 - Provided background info (research) that was valuable to understanding the problem and potential solutions
 - Great in-person presentations; clear and well-prepared
- What areas require improvement?
 - More lead time with materials
 - Establish schedule of meetings sooner and send out materials with more lead time
 - Send out materials sooner
 - Doodle Polls from the start for availability
 - A bit more staff comment and analysis would have been fine
 - Clarified the purpose of the information provided
 - Planned meetings with more notice
 - Periodic (weekly?) high-level email updates
 - More background materials on communications and outreach
 - More feedback on public engagement
 - Could have shortened presentations to allow for a bit more discussion time and questions
 - Created more time for Commissioners
 - Would have been better to have more time to unpack some of the research implications
 - Data is from 2011 so is older than optimum – so how reliable is this model? I would have liked to know
 - More public engagement sessions as fewer attendees than optimum

Topic #2 – Public and Stakeholder Engagement

- What was done well?
 - Lots of opportunities using a variety of mechanisms to engage
 - Online process was very good
 - Social media and monitoring comments
 - Social media was well engaged
 - Darcy Vermeulen from Context Research was a great workshop facilitator
 - Online outreach very effective
 - Excellent online communication and engagement tools
 - Robust response given the time frame
 - Great online marketing campaign
 - Online platform was good
 - Consistent effort to meet in-person with elected officials
 - Media outreach was good
 - Attempted to engage with very diverse user groups and demographic groups
 - Questions and responses were well coordinated. Most if not all participants felt engaged
 - Multiple platforms used (surveys, meetings, social media)
- What areas require improvement?
 - More in language meetings
 - More in person meetings to hear unstructured feedback
 - In person and ethnic was poor overall
 - Timing was an issue
 - Ethnic outreach
 - Faith/community groups
 - More radio (traffic, ethnic)
 - Longer timeframe for engagement needed but process timeline restricted this
 - More face to face
 - Longer period for outreach
 - Possibly more follow-up with attendance especially with stakeholders (ie. Civic participation)
 - Social media and stakeholder outreach was effective (although some responses on Facebook weren't that great)
 - More advertising to create higher profile for initiative
 - More effort mid-stream to target under-represented groups after phase one
 - Some evening sessions to increase attendance
 - More face to face sessions with public especially in the multicultural communities
 - Hold stakeholder meetings outside work hours to engage more attendees
 - More multi-cultural outreach
 - 40-% of region is of Asian origin but low participation
 - Improve by going to temples and other gathering places with help of influencers

Topic #3 – MPIC

- What was done well?
 - More knowledge on a pressing social and economic issue
 - Regional representation
 - The opportunity to match anecdotal experience to research
 - Seeing how much in common those with diverse viewpoints have on this topic
 - Learning more
 - Understanding more about regional complexity
 - Hearing other perspectives
 - Meeting diverse group of people with viewpoints
 - Working toward consensus
 - Meeting new people
 - Open and respectful dialogue we had
 - The open exchange with staff
 - Working with a very diverse group with different perspectives led to lots of learning
 - Opportunity to contribute to an important issue
 - The diversity and strength of the Commissioners
 - The support provided by the Secretariat
 - Set up as an independent commission
 - Gaining a greater sense of my community (Metro Vancouver)
 - Helping to solve a problem that affects so many
 - Opportunity to make a contribution to our future
 - Being part of a possible solution to a problem, I have experienced for over 33 years
 - Opportunity to shape an important public policy initiative that impacts all of the region
 - I believe the Commissioners were from a diverse group expressing many different viewpoints, from all area in the Lower Mainland
- What areas require improvement?
 - Time frame
 - More time to bring Commissioners together especially for a Commission as large as this one
 - More time
 - Understanding time commitments
 - Similar broad background, structure
 - Longer timeframe
 - Consider the necessary phases of background work
 - Timeline should be considered
 - Smaller but more frequent project updates between meetings
 - Have more reasonable timeline for such a complex topic
 - Establish a mandate that all decision-makers can own
 - I think we'd have had higher consistent commission members participation with attention paid to setting up the schedule early. Not helpful to have a well-selected group where people can't participate so don't get all viewpoints consistently

- More frequent updates or meetings, more advance time to read material
- More time for preparing
- Use model of Executive Director, Chair and Vice-Chair working together