



SUBMISSION

TO: City of Kelowna

RE: Transportation Master Plan

June 2020

The Kelowna Chamber of Commerce is a not-for-profit corporation that leads and services the business community in Kelowna and the central Okanagan. We are a member-driven organization dedicated to connecting, serving and empowering the Kelowna business community. In 2020, the Kelowna Chamber is celebrating its 114th year in existence and it continues to be recognized as one of British Columbia's leading business associations and among the leaders in the Canadian Chamber network. The Kelowna Chamber has more than 1,000 members representing more than 25,000 employees in the region and is an "Accredited Chamber with Distinction" under the accreditation program established and maintained by the Canadian Chamber of Commerce.

NOTE: *The bulk of the work discussed within this submission paper was undertaken prior to the COVID-19 outbreak in March of 2020.*

Reviewed and endorsed by



EXECUTIVE SUMMARY

The Kelowna Chamber is appreciative of the engagement opportunities we have had with planning staff as the City of Kelowna works to develop its current Transportation Master Plan (TMP). We support the city's choice to undertake this work in conjunction with the Official Community Plan (OCP) update. Land use and transportation planning are critically linked and combining the two processes will no doubt yield positive results.

This document conveys current policy of the Kelowna Chamber, the BC Chamber, and the Canadian Chamber with respect to the regional transportation network particularly as it impacts business and the economy of the Okanagan Valley. We appreciate that some of the comments contained within this submission are beyond the scope of the City's TMP but we felt there was value to communicate both local and regional perspectives. The contents are in alignment with broader discussions we have had with our colleagues regionally, provincially and nationally as we advocate for a greater level of investment in transportation from all levels of government that will fuel our economic resiliency for decades to come.

Included are references to Chamber Policy Resolutions, summary information from a member survey on transportation, and references to governance, finance and member input.

There are several recommendations mentioned in this submission but for ease of reading we summarize them as follows. That the City of Kelowna:

1. Initiate a regional commercial goods transportation study as part of the research to inform the Transportation Master Plan, with the assistance of provincial funding as necessary.
2. Work with the three regional districts in the valley in implementing a broader Okanagan-wide view of governance for transportation planning and management.
3. Establishes clear guidelines for public reporting of transportation expenditures and commits to reinvesting all taxes and fees collected from transportation related activities (i.e. gas tax and parking) back into the transportation system.
4. Undertake greater engagement with business and industry organizations in both short-term and long-term transportation planning.

Provided also is a summary of comments received on transportation during the Chamber's most recent Policy Development Forum held in the fall of 2019. These comments do not reflect official Chamber policy.

This document has been reviewed by and has the endorsement of the Chambers participating on the Valley Policy Alliance, a collaboration of business organizations focused on advancing government policies that enhance the economic prosperity of the Okanagan.

BACKGROUND

The Kelowna Chamber of Commerce has been involved in stakeholder workshops and one-on-one meetings with City transportation planning staff for several years as the first Transportation Master Plan (TMP) since 1996 is being developed in concert with an updated OCP (Official Community Plan).

The Chamber appreciates the opportunity to provide input into this planning process. The results of the Transportation Master Plan Phase 3 Public Engagement activities, including the results of the online budget allocator exercise were presented to City Council March 9 by the Transportation Planning group at City Hall. In meetings with Transportation staff, we have been encouraged to provide a submission as part of the process.

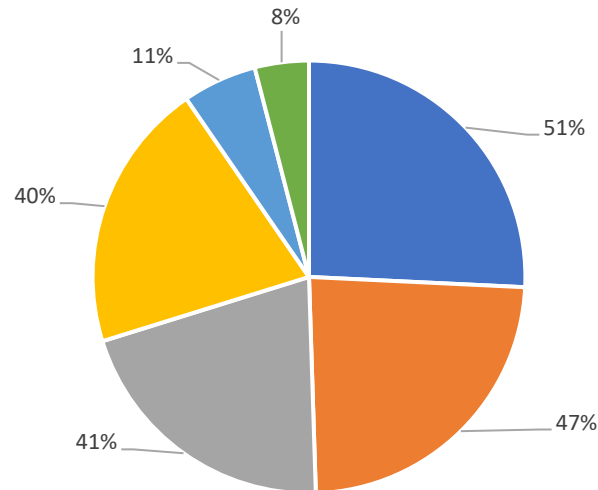
The Chamber fully supports the City's current approach: working on the OCP simultaneously with the transportation plan is an excellent methodology. We support this particularly in light of the realities of housing affordability: people will go where they can afford a home, often meaning they buy farther out of the primary city core, thereby creating increased transportation needs and pressures on transit, roadways and parking. Increased DCCs on housing in the downtown core translate into higher housing costs in an area envisioned to encourage active transportation. Actual outcomes may or may not ease transportation requirements. Planning now for a robust regional transportation system is prudent.

This document conveys current policy of the Kelowna Chamber, the BC Chamber and the Canadian Chamber with respect to the regional transportation network primarily as it impacts business and the economy. The policy resolution noted within this document has been endorsed by other Chambers in the Okanagan Valley and subsequently by the BC Chamber. A slightly modified resolution noting the national significance of the region's transportation network was also passed at the Canadian Chamber Annual General Meeting and Policy Debate in Saint John, NB in 2019.

The Kelowna Chamber conducted a short survey of Chamber members in February 2020, asking five questions relating to regional transportation needs. The draft questions were shared with the City's Integrated Transportation Department prior to distribution and feedback was incorporated.

Key findings indicated that commercial goods movement, movement of goods and services regionally, and a more responsive road system to the needs of industry, business and commuters are top of mind.

Biggest Transportation Concern in Kelowna

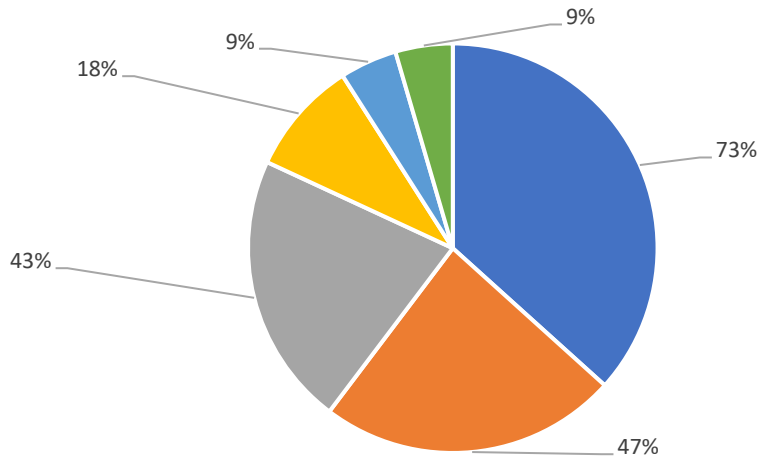


- Connectivity of major roads used for commercial traffic - 51%
- Employee commute time - 47%
- Movement of goods & services within Kelowna-41%
- Movement of goods & services through Kelowna - 40%
- Delivery/Service calls - gridlock effect on shift times - 11%
- Curbside delivery restrictions - 8%

Comments included:

- Extend Clement to Hwy 97
- Treat Enterprise & Baron as service corridors; Keep parking on Gordon, Clement, Spall – add trees
- Tourism creates bottlenecks – work with the province to improve 97 access through City
- Get rid of the HOV lanes during non-tourism months. Impediment all year long to traffic movement

Most important improvement to transportation system



- Bypass 97 through Kelowna - 73%
- North-end extension of Clement to Hwy 97 - 47%
- Second Crossing - 43%
- Better connections to Airport - 18%
- Better truck access to warehouse areas - 9%
- Dedicated commercial lanes - 9%

Comments included:

- Improve Glenmore Road and use as bypass
- Build another bridge – it will be needed in future
- We should be looking at a third crossing and building a second crossing – now

IDENTIFIED TRANSPORTATION POLICIES AND ISSUES

Commercial Goods Movement Study

It is imperative that the City balance active transportation philosophy with the needs of business and industry located in and moving through the region. “You can’t put a log on a bus” isn’t a joke. Kelowna is already the logistics hub for commercial traffic in the region and that role is only going to increase in the years to come. The Chamber asked for and received acknowledgment from City of Kelowna Transportation Planning staff that the 2020 TMP would be well served if there was a comprehensive commercial goods movement study undertaken to supplement current research. We would encourage the City to work with the province and other stakeholders, seek funding for such a study, and commission the work without delay. We appreciate City staff giving this due consideration and we would be pleased to assist in encouraging the province to fund this work in conjunction with regional local government (regional districts). We would also appreciate being included in setting the scope of the study as it is determined by City planners.

Recommendation: That the City of Kelowna initiate a regional commercial goods transportation study as part of the research to inform the Transportation Master Plan.

Regional Governance for Transportation in the Okanagan Valley.

The Kelowna Chamber of Commerce strongly encourages the City of Kelowna to act more broadly when discussing regional governance for transportation. When the Chamber has engaged the province on policies around the needs of regional transportation, particularly commercial goods and services, we have been encouraged to revert to the partnership “Sustainable Transportation Partnership of the Central Okanagan” or STPCO.

It is the position of the Kelowna Chamber and other Chambers in the region that a governance structure that is constrained to just the Central Okanagan Regional District communities captured under STPCO would be a significant mistake and instead a broader regional approach should be explored that includes the other major communities in the valley, i.e., Penticton and Vernon. (South and North Okanagan Regional Districts).

We appreciate that establishing a governance model that moves outside of the confines of STPCO, with cross-regional representations may take more time to develop; however, such a governance structure would position this region to better serve the citizens of the valley now and in the generations to come.

The current STPCO partners: City of Kelowna, City of West Kelowna, District of Lake Country, District of Peachland, Westbank First Nation and Regional District of Central Okanagan – coordinate regional delivery of sustainable transportation programs and projects. If broadening this forum is not possible, then a new governance model will need to be developed in order to provide long-term benefits around critical issues of regional transportation planning.

We, along with the other chambers in the Valley encourage further discussion around a regional governance model that represents the broader region, features accountability measures and is established in a manner that expedites efficient planning and implementation, i.e., a manageable sized board that ensures reasonable regional representation but also allows for expedited decision making. We also encourage consideration of formal linkages with business and industry so that those involved in logistics in the region have a seat at the planning table. By doing so it enables the region, which is already one of the fastest growing in the country, to accelerate the economic development opportunity that exists by making the Okanagan and Kelowna specifically, a major logistics hub for the region and province.

Recommendation: That the City of Kelowna work with the three regional districts in the valley in implementing a broader Okanagan-wide view of governance for transportation planning and management.

Financing

The Chamber understands that transportation infrastructure is extremely expensive and there is not an unlimited source of funds available. A variety of funding mechanisms exist within the current system ranging from tax revenue that flows from capital and operational budgets (general levy and special levy of property tax), grant funding from senior levels of government, gas tax revenue and user-pay models. The Chamber believes greater discussion should occur as to different funding models once investment options are better defined.

Principally, the Chamber believes there should be transparent funding for transportation, particularly when revenue is extracted from transportation sources such as through parking fees and taxes applied to fuel consumption. While each level of government receives revenues from fuel taxes, local government receives funds through the federal gas tax program. The Chamber would encourage dedicating these funds to reinvestment in transportation only, whether through initiatives that encourage mode shift or by providing additional resources for capital initiatives. The Chamber would also be pleased to work with the City and other local governments to petition for additional funding through this program from the Federal and Provincial Governments.

As a growing region, the Okanagan must have a strong and unified voice with senior levels of government to ensure transportation funding is distributed in an equitable fashion and not unfairly consumed by the few large (and vocal) metropolitan areas in the country such as Greater Vancouver and Greater Toronto where leaders and citizens aren't shy about asking for billions of dollars from the senior levels of government for bridges, roads, tunnels, and rapid transit systems.

Undertaking a cost benefit analysis of strategic investments should be standard practice and when considering benefits the chamber believes such work should include evaluating the potential to reduce greenhouse gas emissions that increase every time a diesel fueled commercial vehicle has to stop and start at a controlled intersection. This is not only inefficient it can be hazardous to the health of those that live and work adjacent to provincial highways. Alternatives that allow continuous flow of traffic such as overpasses and underpasses should be given greater consideration. As an example of this approach, many communities are expanding the use of traffic circles to better manage flow while increasing safety.

We would also suggest that making Investments that align with the needs and wants of the community should also influence investments. However, that input must be done cautiously so as not to be unduly influenced by a small vocal minority. We would suggest that tools such as plebiscites and referenda should be something local governments use more often to determine preferences for large investments.

Finally, investments that are in alignment with economic development and resiliency (movement of goods and services to maintain a strong regional economy) should also be a factor when considering transportation investments; we applaud the City for recognizing this objective as it develops the current TMP.

Communicating tangible examples of investments that are in alignment with this goal would be a worthwhile endeavour. Publicly reporting on the success in achieving the principle objectives of the plan including economic development will increase confidence in the decision making with regard to investments in transportation infrastructure.

Recommendation: That the City of Kelowna commits to reinvesting all taxes and fees collected from transportation related activities (i.e. gas tax and parking) back into the transportation system and that this is publicly reported on.

Kelowna Chamber 2019 Transportation Policy

Reference is made to the policy resolution developed in 2019 and adopted by the BC Chamber¹. As a result, it now forms BC Chamber policy and is being communicated as such with senior levels of government

“ACCELERATING TRANSPORTATION INFRASTRUCTURE TO SERVE ONE OF THE FASTEST GROWING REGIONAL ECONOMIES IN CANADA (2019)”

Adopted at the BC Chamber annual policy session May 2019. Tabled for review July 23, 2019 at the BC Chamber-led Thompson Okanagan Regional Consultation with provincial government DMs and ADMs in Kelowna. The policy was amended slightly at the September 2019 annual policy session of the Canadian Chamber in Saint John where it was endorsed by delegates from across the country and now forms part of national Chamber transportation policy².

The key recommendations of the adopted policy include encouraging the Provincial Government to:

1. Establish a long-term vision for the Okanagan’s transportation network that builds on the vision of the “Cariboo Connector” and commits to a multi-lane highway that spans the entire region;
2. Re-engage the business community and industry leaders in the Okanagan in identifying and implementing strategic regional investments in the transportation network including but not limited to accelerating the planning and implementation of:
 - a) The second crossing of Okanagan Lake to better serve the rapidly growing cities of Kelowna and West Kelowna.
 - b) Highway bypass routes near Peachland, Kelowna, and Vernon.
 - c) Grade separated interchanges along highway 97 near high population areas that accommodate higher vehicular capacity and reduce the negative impacts of stop and go industrial traffic at controlled intersections.
 - d) Realign Hwy 3 to improve the highway by widening and straightening to improve the flow of commerce and travel in southern British Columbia for the benefit of the entire province.

¹. The full policy can be found on page 124 of the BC Chamber Policy & Resolutions Manual for 2019: <http://www.bcchamber.org/sites/default/files/2019-2020%20Policy%20%26%20Positions%20Manual%20-%20Final%20Cover.pdf>

² Page 103 <http://www.chamber.ca/advocacy/policy-resolutions/PolicyResolutionsBook2019.pdf>

- e) Initiate a discussion with regional local government leaders, along with industry and business leaders in evaluating the potential of creating a regional governance model to plan, implement, and operate a regional transportation system.
- f) Engage in discussions with transportation authorities in Washington State in identifying opportunities to enhance the inland transportation corridor for business and industrial traffic.
- g) Work with the Federal Government to enhance the capacity and operation of the US border crossings in the interior of BC as a means of strengthening economic activity and providing a viable alternative to ever-increasing traffic gridlock along the US I-5 corridor.

The policy we tabled (and was adopted at the Canadian Chamber AGM) called on the federal government to:

1. Initiate discussions with transportation authorities in the US and British Columbia in consultation with industry and business leaders to identify opportunities to enhance this nationally significant transportation corridor for the benefit of both countries' economies.
2. Work with all levels of state, provincial and local governments on both sides of the Canada/US border to enhance the capacity and operation of the border crossings in the interior of BC as a means of strengthening economic activity and providing a viable alternative to ever-increasing traffic gridlock along the US I-5 corridor.

Chamber of Commerce Support of Hydrogen Power Innovations and the Hydrail Project

The Kelowna Chamber of Commerce garnered support for the Hydrail Project as a way to focus attention on the need for a forward-thinking Okanagan north-to-south corridor for passenger service. The Kelowna Chamber submitted a policy, *"HYDROGEN & HYDRAIL: A REAL ADVANCEMENT IN THE TRANSPORTATION SECTOR"* to the BC Chamber involving hydrogen-generated travel in the Okanagan.

This policy was tabled and endorsed by provincial chambers at the 2020 BC Chamber Policy Forum May 23, 2020. It now forms part of official BC Chamber policy and will be published by June 30 and available for public review. The key is to push governing bodies to consider emerging technologies and perhaps take a leap of faith rather than waiting for a future perfect answer that will be a long(er) time coming.

The Chamber believes it is critical to establish a long-range vision for a ground-breaking, green-focused network in the Okanagan. While light rail and/or Hydrail may be a long way off locally, it is inevitable that its time will come. Planning should occur now to ensure no barriers such as land use change are established which would prevent development of an efficient and affordable regional rail-system (hydrogen-driven or otherwise).

Issues Identified by participants at Kelowna Chamber Policy Development Forum 2019

Numerous recommendations were made at the Chamber's Forum in November of 2019. A wide scope of interests was represented by individuals at that time. We have not provided a fulsome list here, but the breadth of comments did demonstrate a high level of engagement by Chamber members in the future of transportation planning in the City.

Recommendation: That the City of Kelowna undertake greater engagement with business and industry organizations in both short-term and long-term transportation planning.

CONCLUSION

The Kelowna Chamber of Commerce – and our collegial chambers from Penticton to Vernon, are poised to work with the City of Kelowna and businesses through the valley, as transportation planning continues throughout 2020-2021.

The Kelowna Chamber has undertaken:

- A survey of Kelowna Chamber members incorporating input from the City of Kelowna around transportation. Results are being shared with members and the City.

The Kelowna Chamber has offered to undertake:

- A working session with industrial/trucking and business leaders hosted by the Chamber with City involvement.

The Kelowna Chamber considers transportation one of the top three business issues in the city and the region. Members need certainty in business planning. The Chamber looks forward to working with the City of Kelowna, and senior levels of government to ensure the efficient movement of people and goods within, and through our region.

As the major business network representing thousands of businesses in the Okanagan Valley, the Kelowna Chamber and our colleagues from Penticton to Vernon are ready to assist in planning efforts that are aimed at building a robust transportation network that serves the citizens of the entire region. The Kelowna Chamber looks forward to meaningful involvement in and positive outcomes of the City of Kelowna Transportation Master Plan 2020.