



May 1, 2020

Hello,

As we all continue to cope with the unprecedented challenges of the COVID-19 pandemic in every region of the province, I wanted to reach out to you to affirm the provincial government's support for public transit and to update you on the measures that the Province and BC Transit are taking to support local governments to continue to deliver transit service during this time.

Dr. Bonnie Henry, our Public Health Officer, has recognized transit as an essential service. Since the early days of the pandemic, the Province, BC Transit, and local governments have been working closely to ensure access to public transit remains available for those critical workers on the front lines and for people who rely on transit to access essential goods and services.

The provincial government takes the viability of BC Transit and transit service in communities very seriously. We are very aware that our local government partners are becoming increasingly concerned about the ability to cover their local share of transit given reduced ridership levels and the temporary suspension of fare revenue. With that in mind, we are continuing to work closely with BC Transit to understand the various financial pressures and explore opportunities that will help mitigate some of the revenue shortfall impacts.

As you are likely aware, BC Transit has been working with local government partners to take steps to better match services to demand, which includes reducing service to summer levels across many transit systems. In addition, some local government partners are engaging with BC Transit to analyze the impact of further reductions in service levels, such as reducing service to Saturday levels, should it be warranted. BC Transit is exercising caution so as not to cut service below a point where those who rely on transit for essential travel would be significantly impacted.

BC Transit will also be amending annual operating agreements with local partners to reflect reduced cost associated with the lower service levels, so that local partners will not have to pay based on previously budgeted amounts, and the utilization of existing local government reserves. BC Transit is also looking at ways to safely reinstate fare collection as soon as possible.

Our government has also taken steps to help local governments, including:

- Authorizing local governments to borrow, interest-free, from their existing capital reserves to help pay for operating expenses, such as employee salaries;
- Delaying provincial school tax remittances to the end of the year to provide significant relief to local governments facing cash flow issues;
- Providing local governments greater flexibility to carry debt for an additional year; and
- Making changes to B.C.'s property tax framework, including a 25 per cent cut to total commercial property taxes and no penalties on late payments until the fall.

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For more details on our work to help local governments, [please see our news release](#).

These steps are a beginning, and we are continuing to explore a number of options, including federal funding, that could help close the revenue gap for local communities after all transit operating and capital savings have been considered.

Finally, although we are focused on understanding and mitigating the immediate financial challenges in front of us, we are also turning our minds to the role transit can play in economic recovery. It will be important to maintain our strong partnerships with our local government partners as we start to re-orient the economy in the 'new normal' and focus on regaining the ridership levels that we had prior to the pandemic. We look forward to continuing to work with you to ensure British Columbians have access to safe and reliable public transit.

Should you have questions or want to discuss these matters in more detail, please do not hesitate to contact the ministry's Executive Director of the Transit Branch Andrea Mercer. She can be reached at 778 974-4992 or at Andrea.Mercer@gov.bc.ca and will be pleased to hear from you.

Yours sincerely,



Claire Trevena
Minister

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