TO: Committee of the Whole  MEETING: May 12, 2020
FROM: Elizabeth J. Hughes  FILE: 8640-01
Intergovernmental Relations Mgr.

SUBJECT: Island Corridor Foundation and Island Rail Corridor Condition Assessment

RECOMMENDATION

That the Board direct that a further report be prepared recommending next steps once the Island Corridor Foundation has had an opportunity to consider the Province’s April 2020 Island Rail Corridor Condition Assessment.

SUMMARY

On April 28, 2020 the Island Rail Corridor Condition Assessment, commissioned by the Ministry of Transportation and Infrastructure, was released. This study will be used to inform future decisions on investments in the corridor, which is owned by the Island Corridor Foundation.

On May 7, 2020 the Island Corridor Foundation held its Annual General Meeting at which it indicated it has not had a chance to review the Assessment in detail. The ICF will release a statement shortly.

BACKGROUND

Provincial Condition Assessment
In 2019 the Ministry of Transportation and Infrastructure (MoTI) commissioned an Island Rail Corridor Condition Assessment (the “Assessment”) of the entire 289 km length of the rail corridor from Victoria to Courtenay, Parksville to Port Alberni, and Wellcox Spur and Wellcox Yard near Nanaimo. This Assessment, released on April 28, 2020, will be used by the Province to inform future decisions on investments in the corridor, which is owned by the Island Corridor Foundation (ICF). A summary report of the Assessment is found at Attachment 1.

The Assessment was conducted by WSP Canada Group Ltd. and provides a comprehensive picture of the railway infrastructure, including ties, track, grade crossings and bridges. It includes costs to upgrade infrastructure to restore rail freight operations and passenger service, as well as the cost of upgrading the rail line to meet the standards to implement a commuter service between Victoria and Langford, and between Victoria and Courtenay.

Overall, it was found that the rail line is in “poor to fair” condition, the roadbed and track structure are in “poor to fair” condition, and condition of bridges ranges from “poor to good”. Uncontrolled vegetation, decayed ties and older technology are challenges to be addressed.
Estimated costs are based on 3-phase approach ranging from a minimum level of freight and commuter rail (“initial”) to increased freight and passenger volumes (“intermediate”) to high volumes of freight and passenger traffic (“ultimate”). The Assessment concludes it would cost from $227 million to $548 million in 2020 dollars for commuter rail service between Victoria and Courtenay. If service between Parksville and Port Alberni were included, the overall cost would range from $326 million to $728 million.

Larry Stevenson, Chief Executive Officer of the ICF, is quoted as saying the intermediate model (priced at $552 million), with 4 to 8 trains a day, focused on peak times is the most realistic option, although he questions the cost estimate and suggests it could be done for about $254 million.¹ Cowichan Valley Regional District Chair Aaron Stone is quoted as saying it is now time to do a business case analysis of future transportation in the coming decades in view of economic growth opportunities.² Snaw-Naw-As First Nation, through Councillor Brent Edwards, is reported as stating the Assessment is the death knell of the rail line, that there is no business case for the immense investment necessary to reopen it, and that the corridor should be repurposed, including for an accessible trail connecting communities and promoting recreation.³

Island Corridor Foundation
The Island Corridor Foundation (ICF) is a non-profit society established for the purpose of owning and managing the rail corridor on Vancouver Island. The ICF receives no funding from government and is governed by a Board of 12 Directors. 6 Directors represent Regional Districts and 6 represent First Nations. Representing the RDN are Directors B. Geselbracht (Board appointee) and A. Fras (RDN Member).

The ICF manages over 290 km of track, 100 km of trails, and 1600 acres of property with a valuation of approximately $350 million. The focus of the ICF is the development of the corridor to restore rail service to the entire Island in the interests of economic investment, efficient transportation and climate change objectives.

The ICF Annual General Meeting was held by video conference on Thursday May 7, 2020. The ICF Board Chair and CEO reviewed work done over the past year in the areas of developing rails and trails, managing vegetation, replacing ties, working with local governments to address homeless encampments in the corridor, and working with charities, partners and communities with outreach to raise awareness of ICF and its mandate to pursue rail. There were several large expenses over the year, such as addressing a slide caused by a developer, litigation-related expenses and expenses related to dealing with encampments. The ICF Board noted it had no input into the Province’s Assessment and has not yet had a chance to fully review and discuss it. Once it has done so, a statement will be released.

RDN’s most recent activity in relation to ICF
On March 14, 2019, at the request of the ICF, the RDN Board wrote to Premier Horgan supporting the work of the ICF and the revitalization of the Island Rail Corridor (formerly E&N) (Attachment 2). The Board noted in its letter that rail is an important component of transportation planning and indicated strong support for protecting the corridor for the long-term transportation needs of the Island. Acknowledging the significant costs associated with the necessary improvements to the line, the Board advocated for an incremental approach, starting with

¹ Parksville Qualicum Beach News May 5, 2020; Victoria News, May 5, 2020
² Times Colonist, May 3, 2020
³ Times Colonist, May 6, 2020; Parksville Qualicum Beach News, May 5, 2020
Langford and moving up the Island, and suggested there are opportunities for rail between Nanaimo and adjacent communities, including rail tourism. It was the Board’s view that support for the ICF and rail revitalization addresses three key priorities: First Nations reconciliation, climate change and efficient transportation.

The RDN is conscious of the rights and claims of First Nations along the corridor, as expressed in its March 14, 2019 letter to the Premier. A decision has not yet been made in the court proceeding, heard in February 2020, brought by Snaw-Naw-As First Nation asking for the return of 10 acres of land which was expropriated from their reserve for the rail line in 1911.

Further, in response to the RDN Board’s February 2020 request of the Association of Vancouver Island and Coastal Communities (AVICC) to establish a committee to work with MoTI to prepare a Vancouver Island Transportation Master Plan, the RDN has recently been asked by AVICC to help develop the terms of reference and framework for such a committee. Potential rail service would be an important element of the transportation strategy.

ALTERNATIVES

1. That the Board direct that a further report be prepared recommending next steps once the Island Corridor Foundation has had an opportunity to consider the Province’s April 2020 Island Rail Corridor Condition Assessment.

2. That alternate direction be provided.

FINANCIAL IMPLICATIONS

This report has no immediate financial implications.

STRATEGIC PLAN IMPLICATIONS

Transportation and Transit - Enhance dialogue with the Ministry of Transportation & Infrastructure (MOTI) for on- and off-road pedestrian and active transportation improvements.