

Report to Council



Date: June 5, 2023
To: Council
From: City Manager
Subject: Central Okanagan Regional Goods Movement Study
Department: Integrated Transportation

Recommendation:

THAT Council receives, for information, the report from Integrated Transportation, dated June 5, 2023, with regards to the Central Okanagan Regional Goods Movement Study.

Purpose:

To present key findings and recommendations from the Central Okanagan Regional Goods Movement Study.

Background:

One of the recommendations in the Central Okanagan’s first [Regional Transportation Plan](#) (2020) was to develop a Regional Goods Movement Study to look more in depth at the sustainable and efficient movement of goods as our region grows. Development of a Regional Goods Movement Study was also a recommendation in the 2040 Official Community Plan and 2040 Kelowna Transportation Master Plan.

In 2021, the City partnered with the Ministry of Transportation and Infrastructure (MOTI) to jointly fund the region’s first goods movement study. While the safe, efficient and sustainable movement of goods is vital to support regional economic activity, the role of goods movement has not historically been well understood, in part due to data limitations. In this context, the Central Okanagan Regional Goods Movement Study has three key purposes:

1. Better understand existing goods movement to, from, through, and within the Central Okanagan region,
2. Analyze current and future trends that will influence the movement of goods to, from, through, and within the Central Okanagan region, and
3. Develop strategies, recommendations, and innovative solutions that will support the safe, efficient, and sustainable movement of goods as the region grows.

The study is being led by consultant experts in the field of goods movement and has included meetings and consultation with the Kelowna Chamber of Commerce, Regional Transportation Committee, Kelowna International Airport, and numerous business and goods movement industry representatives.

A portrait of goods movement, economic activity and commercial land use distribution was developed through an analysis of truck GPS and business establishment data. In total, 23 public and private-sector stakeholders representing businesses/shippers, truck carriers, infrastructure owners, municipalities, and First Nations were consulted to inform the study recommendations. The study was kicked off in January 2022 and is near completion.

Discussion:

It is important to the growth of the Central Okanagan's economy to understand and plan for the future movement of goods. A proactive approach will help support the regional economy while preserving and enhancing community livability for residents. Efficient and reliable transportation networks are key to supporting goods movement. In addition, goods movement must be responsive to evolving urban environments, technology advancements and economic forces that are changing how people and goods move around the region. Goods movement is a critical component of numerous sectors such as forestry, agriculture, manufacturing, and retail/wholesale trade. Industries that fall within the sphere of goods movement include goods production, processing, warehousing, storage, logistics, along with distribution for each sector.

Several industries in the Central Okanagan rely on truck access to the roadway network and the airport to deliver and receive goods. The regional transportation network includes Highway 97 as the primary goods movement route, supported by municipal truck route networks in the region's five main communities. There is limited goods movement in the Central Okanagan via other modes (e.g. rail, water). In addition to infrastructure, goods movement is influenced by transportation logistics, operations, programs, policies, design standards, and data that work together to influence how goods move throughout the region.

Key Study Highlights:

- Goods movement activity in the Central Okanagan is primarily serving businesses and residents in the region, trucks are not just passing through. Only 1 – 2% of truck trips are passing entirely through the Central Okanagan region.
- Highway 97 is the primary goods movement corridor, and more than 70% of goods-generating business are within 1km of the highway.
- Light duty vehicles (primarily passenger vehicles) are the majority of traffic, however medium- and heavy-duty vehicle volumes are growing more quickly than background traffic.
- Six Strategic Directions have been identified to help support goods movement as the region grows (listed below). Each strategic direction includes actions and recommendations that are described further in the attached presentation and will be included in the final report:
 - A. Manage congestion on Highway 97 and develop a strategic goods movement network.
 - B. Increase resiliency of road and air access to/from the Central Okanagan, including support for intermodal (rail-truck) terminals in the BC Interior.
 - C. Protect industrial land supply and coordinate with transportation infrastructure projects.
 - D. Plan for goods movement in urban areas.

- E. Accelerate adoption of zero-emissions goods movement vehicles and provide supporting infrastructure.
- F. Improve public and private sector collaboration on goods movement .

All together there are 42 unique recommendations identified in the final report, including an action plan and implementation table that identifies key partnerships and next steps. To advance the recommendations it will be important for the Province, Central Okanagan governments, and goods movement businesses and stakeholders to work together to ensure the safe, efficient, and sustainable movement of goods as the Central Okanagan region grows.

Conclusion:

The safe, efficient, and sustainable movement of goods is important for supporting economic development, land use and sustainability, but is often overlooked. The Central Okanagan Regional Goods Movement Study recommendations are intended to support goods movement, while also complementing plans for moving people - recognizing they often share the same corridors and need to be considered holistically. The intent of the study recommendations is to ensure goods movement is appropriately prioritized in plans and investment decisions and is accommodated throughout the region.

Many of the study recommendations reflect disruptions and new technologies that are changing goods movement. In addition, governments and logistics businesses around the world recognize that the need to support decarbonization in support of climate change objectives, is paramount. The Central Okanagan's direct experience with the 2021 atmospheric river network outages, coupled with rapid growth in e-commerce deliveries and other goods movement practices, have provided an imperative to develop a resilient and advanced goods movement system.

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Considerations applicable to this report:

Existing Policy:

- **TMP Goal: Foster a growing economy** - Support the city's growing economy by ensuring the transportation system connects people to jobs and facilitates the efficient movement of goods.
- **TMP Policy 6.1** – Work with the Province to strengthen Harvey Avenue as a multi-modal transportation corridor that can safely and efficiently move people and goods as the region grows. Seek to integrate Harvey into the surrounding transportation network, with strong bicycle and pedestrian connections to transit, as well as parallel roads to help take local vehicle trips off the highway.

Considerations not applicable to this report:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Financial/Budgetary Considerations:

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External Agency/Public Comments:

Communications Comments:

Submitted by: M. VanZerr, Strategic Transportation Planning Manager

Approved for inclusion: M. Logan, Infrastructure General Manager

Attachments: Central Okanagan Goods Movement Study - Presentation