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To: ["Direct to Mayor and Council - DL"](#)  
Date: 9/29/2021 4:29:22 PM  
Subject: [City of Vancouver Written Submission to the 2022 Provincial Budget Consultation](#)  
Attachments: City of Vancouver - Submission to Select Standing Committee on Finance and Government Services - Budget 2022 Consultation.pdf

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Dear Mayor and Council,

Please find attached the City's submission to the provincial government, as part of their consultations ahead of the 2022 budget.

Following the directions in their Guide to Input, we submitted five recommendations (listed below) which reflect priorities and directions previously articulated by Council.

Overarching all of these recommendations is the urgent need for senior levels of government to recalibrate and strengthen the current fiscal arrangements, which are inadequate for funding expanding municipal mandates. Consequently, we have requested that the provincial government prioritize municipal finance, taxation and assessment reforms.

Recommendations:

1. Commit to increase funding for non-market housing
2. Commit to complete the Millennium Line SkyTrain Extension to the University of British Columbia (UBCx)
3. Support municipal climate action by replacing the Climate Action Revenue Incentive Program (CARIP) and increase financial support for green infrastructure
4. Enhance funding for social, cultural and recreational amenities
5. Expand access to a safer supply of prescription drugs

If you have any questions please reach out to Celeste Dempster, IGR Director at [celeste.dempster@vancouver.ca](mailto:celeste.dempster@vancouver.ca)

Best,  
Paul

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The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish), and səliłwətał (Tsleil-Waututh) Nations.

# Written Submission for the Government of British Columbia Budget 2022 Consultation

By: City of Vancouver  
Submitted September 29, 2021

The City of Vancouver is pleased to present our *2022 Provincial Budget Priorities and Funding Recommendations* document to help inform your budget consultation.

The top overarching priority that we would like the Province to consider, as part of its 2022 Provincial Budget Consultation, is the creation of a more resilient funding framework for local governments through municipal finance, taxation and assessment reforms.

Over the past decade, municipalities have been faced with expanded mandates such as affordable housing, childcare, overdose crisis response and responding to the climate emergency. In addition, municipalities are faced with a widening infrastructure deficit and increased public expectations.

Municipalities need a more adaptive and resilient funding framework that aligns appropriate revenue sources with programs and services, and reflects the evolving economy (e.g. e-commerce). Specifically, redistributive type services such as housing should be funded by progressive taxes (e.g. income taxes) rather than property taxes, as relying on year-over-year tax increases is not sustainable and erodes affordability for residents and businesses, as well as cultural and non-profit organizations.

The City's top priorities for municipal finance, taxation and assessment reforms are:

- Develop a workable solution, in consultation with local governments, to address the longstanding assessment and taxation issues arising from unbuilt density impacting small business, cultural and non-profit tenants.
- Eliminate assessment loopholes that enable property owners to exploit temporary conversion of vacant land to parks and gardens to avoid provincial taxes (e.g. Speculation and Vacancy Tax) and shift property taxes to other tax payers.
- Adjust the distribution of school tax across the province to address the outside tax burden taken on by businesses operating in Metro Vancouver.
- Develop a coordinated, sustainable approach across local governments, Translink, and Metro Vancouver to address infrastructure needs to support regional growth.

- Engage local governments to move forward with the recommendations in the UBCM policy paper *Ensuring Local Government Financial Resiliency: Today's Recovery and Tomorrow's New Economy*, to improve the local government financial system.

In addition to municipal finance, taxation and assessment reforms, our submission below provides an overview of current funding and partnership opportunities across our top five priority areas:

1. Creating and preserving non-market housing
2. Expanding rapid transit infrastructure
3. Addressing the climate emergency
4. Investing in community and cultural infrastructure
5. Expand access to a safer supply of prescription drugs

### **Recommendation 1: Government of BC commit to increase funding for non-market housing**

#### **Priorities:**

- Commit \$1 billion over 10 years between all three levels of government to replace all of the Single Room Occupancy stock (owned by the City, privately or by non-profit) in Vancouver (7,000 units) with self-contained social housing.
- Provide capital funding envelope (at least approximately \$100k/door, 1,300 units) to develop new social housing as dirt sites are secured from private developers.
- Commit early to fund priority social housing projects serving at-risk populations (e.g. Central and Alexander Hotels replacement, Women's Legacy Project and 525 Powell).
- Establish through BC Housing a Property Transfer Tax Offset Grant Program for long-term leases for affordable housing projects, including co-operative housing that would help preserve and grow affordable housing.

#### **Key Benefits:**

- These investments will help achieve the BC Government's goals in the Homes for BC Plan, including extending the life of existing affordable housing and reducing carbon emissions from older buildings.
- Commitments from all three levels of government to protect existing tenants from homelessness, while eliminating inadequate SRO buildings through redevelopment and renovation, would enable discussion about adding additional density for low-and middle-income rental housing.

**Overview:** The housing crisis in Vancouver has had the most acute impact on the city's most vulnerable and marginalized residents, many of whom rely on privately-owned SRO rooms in ageing hotels and rooming houses as their last option before homelessness.

A significant portion of privately owned SROs are at risk of being lost to disrepair or increasing rents from speculative investment, and the City is proposing entering into a tripartite agreement between all three level of government to protect the SRO buildings in the Downtown Eastside (DTES).

**Recommendation 2: Government of BC commitment to complete the Millennium Line SkyTrain Extension to the University of British Columbia (UBCx)**

**Priority:** Deliver on existing commitment to fund 40% of the development of the UBCx business case.

**Key Benefits:**

- UBCx is a critical piece of regional infrastructure connecting over 1 million people within a 60-minute transit trip to UBC.
- Will help address a number of pressing challenges in Metro Vancouver Region, including reducing congestion and carbon pollution, creating thousands of jobs and enabling the creation of more affordable housing along the Broadway Corridor, including the Jericho Lands, and on UBC’s campus.

**Overview:** As Vancouver and the Metro Vancouver Region continue to grow, our top transit priority is extending the Broadway Subway rail connection from Arbutus Station to UBC. Seamlessly completing the Millennium Line all the way to UBC is broadly supported by the public and regional partners, and the City has signed an historic Memorandum of Understanding with UBC and the Musqueam, Squamish and Tsleil-Waututh Development Corporation, advocating for its completion.

**Recommendation 3: Support municipal climate action by replacing the Climate Action Revenue Incentive Program (CARIP) and increase financial support for green infrastructure**

**Priority 1:** Replace CARIP to continue crucial support for local government climate action.

**Key Benefits:** CARIP was a critical enabler of local government climate action and leadership by providing predictable and flexible funding since 2010. CARIP also encouraged more transparent reporting and greater accountability in local government climate plans.

**Overview:** CARIP was the primary funding source for the City’s climate action initiatives, which also directly support initiatives in CleanBC. The City’s significant policy work including the Zero Emissions Building Plan and Climate Emergency Action Plan has influenced climate policy well beyond Vancouver, and a 15% reduction in GHGs since 2007 is mostly due to the availability of the reliable and flexible funding source that CARIP provided.

We request that the Province:

- Develop the new program to support local government climate action with urgency so that funding is available in 2022 to avoid a gap when CARIP funding lapses.
- Incorporate the key strengths of CARIP in that new program, including ensuring that funding provides a high degree of flexibility in how local governments advance climate action; is predictable so local governments can plan their work in advance; and dependable so that local governments build their climate programs accordingly.
- Improve upon CARIP by increasing funding in order to ramp up actions and better support CleanBC objectives.

**Priority 2:** Provide \$8 million to fund blue-green systems and district-scale green rainwater infrastructure in Vancouver.

**Key Benefits:** Investment in green rainwater infrastructure creates growth enabling infrastructure capacity to service current and planned future development. Additionally, this type of infrastructure yields many co-benefits for communities related to reducing pollution discharge to water bodies, climate mitigation and adaptation, access to nature, as well as enhancing habitat and biodiversity in urban areas.

**Overview:** Green infrastructure is an approach to water management that protects, restores, or mimics the natural water cycle. Intensified green rainwater infrastructure corridors are foundational to the City's plan to deliver core water infrastructure services, while also creating the infrastructure required to support new developments and housing densification.

#### **Recommendation 4: Enhance funding for social, cultural and recreational amenities**

**Priority 1:** Provide \$20 million to help fund Marpole-Oakridge Community Centre renewal and expansion, and the addition of an outdoor community pool (estimated to cost approximately \$60 million) in this growing neighbourhood. A childcare centre with a minimum of 69 spaces will also be co-located on site.

#### **Key Project Benefits:**

- Renew and enhance ageing community centre (Marpole- Oakridge is Vancouver's oldest community centre, built in 1949).
- Construct the new facility to zero emission building standards, reducing current GHG emissions by ~100 tonnes per year.
- Provide a range of community services including recreation, leisure, social and cultural programming.
- Increase access to childcare and early education, which is a priority to advance women's equity, a productive labour force, and affordability for families.

**Overview:** Vancouver is growing steadily, with 5,000 to 6,000 new residents per year, which requires new infrastructure and facilities to maintain acceptable levels of service for residents and businesses. Over the next five years, the City is planning to start construction on five community centre expansion and renewal projects valued at approximately \$400 million.

**Priority 2:** Provide \$47 million to renew and expand the Urban Native Youth Centre.

**Key Benefits:** Construct a multi-storey, mixed-use development that includes a Native Youth Centre, childcare spaces and approximately 180 affordable housing units.

**Overview:** As a city of reconciliation, the City of Vancouver has made a strong commitment to supporting additional services for local First Nations and urban Indigenous communities and supporting this project is our top priority in this area.

### **Recommendation 5: Expand access to a safer supply of prescription drugs**

**Priority:** Work with health authorities, regulatory colleges, and service providers to expand access to a safe supply of prescription drugs for people at risk, and make permanent the recent public health order expanding the number of health professionals authorized to prescribe.

**Key Benefits:** Safe supply programs reduce harm by providing drug users with a known dose of a known drug, thereby reducing the risk of overdose. BC's safe supply policy will help ensure that people who use substances are supported and less reliant on the toxic drug supply.

**Overview:** The COVID-19 pandemic exacerbated the mental health, substance-use and overdose crises facing the City of Vancouver. A tragic number of people are dying daily from the toxic drug supply, while too many have suffered consequences such as brain injury or are suffering from other mental health and substance-use issues. These challenges existed before the pandemic, but have been made worse by the toxic drug supply, the increased level of pandemic-related homelessness and encampments, and increasing stigma.

While there are no easy solutions to these interlinked problems, we know that safer supply can save lives. We therefore urge the Province to quickly expand its safer supply policy to all provincial health authorities and scale-up service to smaller communities. The City of Vancouver requests that the provincial safer supply policy be made permanent, and to work with the federal government to maintain its *Controlled Drugs and Substances Act* exemption and financial support.