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**Subject:** BC BUDGET 2020

Greetings Mayor and Council/City Leadership Team:

This afternoon, the Government of British Columbia delivered Budget 2020. Our Director of Intergovernmental Relations, Sonja Foley was in Victoria this morning for the provincial budget stakeholder lockup, and has prepared the following summary of the key themes from the 2020 provincial budget, highlighting areas of interest for the City of Vancouver.

A significant focus of *A Stronger BC, For Everyone: Budget 2020* is taking action to make life more affordable, enhances the services people count on, and builds a strong sustainable economy that works for everyone.

We look forward to continuing to work closely with the provincial government to meet the needs of our community, while building a sustainable economy.

Best,  
Sadhu

### BC BUDGET – A Stronger BC, For Everyone

**Budget 2020 makes a stronger BC for everyone by:**

- ☐ Creating opportunities for people to get ahead by making life more affordable
- ☐ Delivering a balanced budget while putting people and the services they count on first
- ☐ Investing in our future and our communities, in collaboration with first nations, to build a clean, strong, and sustainable economy that works for everyone

**Highlights of this budget**

- ☐ Prioritizes investments in childcare, housing, education, health and infrastructure to build a stronger BC
- ☐ Creates opportunities for individuals, families, businesses, communities and industry to keep BC moving forward

### HOUSING

- ☐ Budget 2020 provides \$118M over three years in operating funding and \$56 M in capital funding over the plan to support BC's housing strategy.
- ☐ Over the last two years, 23,000 new homes completed or underway
- ☐ 4.3B over three years, which includes \$50M investments in homelessness and two enhanced navigation centres
- ☐ \$56M for new modular housing
  - o Includes 2400 units for homeless people

### ACTION ON HOMELESSNESS

- ☐ \$105M total over three-years



- \$50M over the three-year plan towards expanding programs and services that support people without a home or at the risk of homelessness, including:
  - Two new 60 bed navigation centres (shelters with enhanced services)
  - \$11M over three years to enhance meal programs in 92 existing shelters and supportive housing projects.
- Budget 2020 will also provide an additional \$55M in capital funding in 2020/2021 for the development of 200 supportive homes for people who are homeless or at the risk of homelessness.

#### **PROVINCIAL TRANSPORTATION INVESTMENTS**

Over the next five years the Province will be investing \$9.2 billion in transportation infrastructure. Examples of key capital investments in the transportation sector including:

- Pattullo bridge replacement
- Constructing the Broadway Subway to Arbutus Street, which will add 5.7 kilometres of SkyTrain line and six stations to one of the most congested transit corridors in Metro Van.
- Accelerated four-laning on highway 1 to the alberta border
- Highway 1 216<sup>th</sup> street to 264<sup>th</sup> street high occupancy vehicle
- Highway 91/17 and deltaport way upgrade

#### **OPPORTUNITIES FOR CHILDREN & FAMILIES**

- \$88M in childcare programs for 2020/2021
- On target for 22,000
- BC child opportunity benefit begins October 1, 2020 (income based, \$114,000 cutoff)
  - Provides a monthly tax-free monthly payments to families with children under the age of 18
    - ◎\$1600 annually for one child
    - ◎\$2600 for two children families
    - ◎\$3400 for three children families

#### **HEALTH**

- Expanding the PST to sweetened carbonated beverages at a rate of 7%
- \$146M for children/youth services such as autism programming supports for children in care, and the cultural connections program for indigenous children and youth in care

#### **MENTAL HEALTH PROGRAMS CONTINUING:**

- Pathway to Hope is continuing
- All funding in budget for 2017 & 2019 for overdose is continuing
- Agreement with the Federal Government: Emergency Treatment Fund (BC received \$34M) which will continue this year, for overdose crisis

#### **RECONCILIATION**

- Budget 2020 affirms the agreement announced as part of Budget 2019 that shares gaming revenues with First Nations communities, estimated at \$3B over the next 25 years (anticipated to be \$96M in 2021/2022) to fund local priorities, from health and wellness, housing, infrastructure, environmental protection

#### **A SUSTAINABLE ECONOMY (CLEAN BC)**

- Budget 2020 provides new funding of \$419M in CLEANBC including:
  - \$35M to support clean transportation, including the Go Electric BC program, charging stations, and electrification of public sector fleet and inland ferries
  - \$106M to support building efficiency in public schools, universities, universities, colleges and hospitals
  - \$155M to continue the CleanBC Program for Industry
  - \$120M to continue Climate Action Tax Credits
  - \$3M to support BC's Climate Preparedness and Adaptation Strategy

#### **EMERGENCY MANAGEMENT**

- Budget 2020 provides new funding of \$65M per year towards wildfire and emergency response, management and prevention



#### **A BALANCED PLAN – INCOME TAX**

- ☐ A new top marginal rate of 20.5% introduced on the top one percent of BC income earners; this measure will impact BC tax filers with incomes above \$220,000 effective 2020 (individual income)
- ☐ Income earners below \$140,000 will continue to pay the lowest personal income tax among provinces
- ☐ Nearly half the revenue from this tax comes from individuals with incomes above \$1 million

#### **TOBACCO TAX ACT**

- ☐ Effective April 1, 2020, a default tax rate of 29.5 cents per heated tobacco product is introduced. A heated tobacco product is a product that contains tobacco and is designed to be heated, but not combusted, in a tobacco heating unit to produce a vapour for inhalation.

#### **MUNICIPAL TAX RATE FLEXIBILITY ADDED**

- ☐ Beginning in the 2020 tax year, municipalities will have flexibility to create a distinct municipal tax rate for designated port properties when the municipal major industry tax rate is below the upper tax rate threshold.

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Pronouns: he, him, his



*The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the Musqueam, Squamish, and Tsleil-Waututh peoples.*