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**To:** "Direct to Mayor and Council - DL"  
**CC:** "City Manager's Correspondence Group - DL"  
"Impey, Patrice" <Patrice.Impey@vancouver.ca>  
**Date:** 2/25/2020 9:16:39 AM  
**Subject:** Quarterly Capital Adjustment Report Questions and Answers

Dear Mayor and Council,

Below are responses to questions received regarding [Council report #3 - Quarterly Capital Budget Adjustments and Closeouts](#):

1. Can you please explain why some line items have already used up the bulk of their 4-year funds this past year and what the plans are to fund continued work going forward to 2022, e.g.,
  - a. Affordable Housing – only 35% of funds left
  - b. Solid Waste – only 34% of funds left
  - c. Renewable Energy – only 25% of funds left
  - d. Overhead – only 33% of funds left

Answer:

Some line items of the Capital Plan have been allocated for the bulk of the funding primarily due to the following:

- The allocation of funding in the first two years of the capital plan reflects multi-year budget for multi-year procurement requirements that go beyond 2020
- Of the allocated funding, only a portion has been spent to date and the funding is available for capital plan delivery over a multiple year period going forward to 2022
- Examples of major projects that are allocated with funding for multi-year procurement deliverable requirements:

Housing:

- \$17M funding allocated in the 2020 capital budget for [2019-2022 Community Housing Incentive Program](#) with the purpose to increase the City's grant contribution towards non-profit and co-op housing projects offering deeper levels of affordability; e.g., more homes renting at income assistance and at BC Housing Income Limits, where the rent is geared to income.
- \$40M funding allocated in the 2020 capital budget for [2019-2022 Housing Land Acquisition](#) to provide funding for the acquisition of additional sites to deliver social/supporting housing.

Solid waste:

- \$10.5M funding allocated in the 2020 capital budget for [Renewal of Disposal Vehicles & Equipment](#) for the replacement of 20 end-of-life solid waste disposal-related equipment and vehicles, including a refuse transfer tractor truck, a bulldozer, and a water truck; procurement in 2020 and deliveries in 2020 and 2021.
- \$5.7M funding allocated in the 2020 capital budget for [Renewal of Sanitation Vehicles & Equipment](#) for the replacement of 20 end-of-life sanitation equipment and vehicles, including street sweepers, and 10-yard and 20-yard CNG (compressed natural gas) side-loader refuse trucks; procurement in 2020 and deliveries in 2020 and 2021.

Renewable energy:

- \$4.1M funding allocated in the 2020 capital budget for [Deep Emission Building Retrofits Program](#) to enable the City to enter into multi-year agreements with other agencies to provide heat pump incentives and support zero carbon demonstration projects for new and existing homes; support the development of zero carbon building educational installations at public facilities; and to initiate additional research required for future zero carbon capital initiatives. Particular emphasis for the zero carbon demonstration projects is to partner with or support non-market, rental, and co-op housing providers and associations in this work.

2. Explain the intent of the [Emerging priorities](#) line item (\$88 million – none spent to date) and whether these

funds can be spent on line items like affordable housing or renewable energy that have used up the bulk of their funds in the first year?

Answer:

A total of \$88 M in City contributions has been earmarked to address emerging priorities and cost escalation. Priority will be given to projects related to renewal of existing infrastructure that receive partnership funding from external agencies (other governments and community partners). The renewal of Britannia Community Centre, RayCam Community Centre and the West End Community Centre are examples of candidate projects, as these projects are in the planning/design stage and could be ready to move to the construction stage prior to the end of the 2019-2022 Capital Plan.

Should you have any further questions please contact me or Patrice Impey.

Best,  
Sadhu

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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.*