

From: ["Mochrie, Paul" <Paul.Mochrie@vancouver.ca>](mailto:Paul.Mochrie@vancouver.ca)
To: ["Direct to Mayor and Council - DL"](#)
Date: 11/16/2022 4:07:26 PM
Subject: [Downloading report and Tax bill information](#)

Dear Mayor and Council,

The purpose of this email is to follow up on two discussion points from the Council Onboarding Finance session last week: 1) to provide a copy of the Downloading Report that was sent to the previous Council last December, and 2) to share with Council copies of the property tax bills and information insert that are sent to property owners.

- 1) The downloading report outlines the impacts of senior government downloading on the City budget. A few summary points:
 - The issue of downloading is complex and involves difficult questions of how to best deliver services across all levels of government for the ultimate benefit of taxpayers, recognizing the strain on resources across all levels of government.
 - The report is framed across three categories of downloading where costs are passed on to local government; as well as noting three areas where local government spending is impacted by policy of senior governments; and lastly, noting emerging service areas that are resulting in increased mandates for local government.
 - The memo outlines costs where the impact can be quantified, and notes others where it is more difficult to quantify. The impacts noted in this report represent a significant ongoing financial challenge for the City, and also a significant opportunity to build partnerships with senior government and look for ways to improve coordination, expand revenue tools, and provide stable and predictable funding.
- 2) The property tax bill outlines a property's assessment information and the multiple property tax levies, including those related to Other Taxing Authorities (OTA's) as well the City of Vancouver. You'll note, as discussed at the onboarding session, that the OTAs make up almost half of the property owners' tax bill. There is limited ability to change the structure of this document as it is system generated.
- 3) The property tax insert is distributed with the property tax bills. This is the document that is produced by the City and allows us to share any pertinent information on the tax bill, budget, or other related information. Council can request staff to include any specific information they would like highlighted for property owners.

Should you have any questions please feel free to contact me or Patrice Impey @Patrice.impey@vancouver.ca.

Best,
Paul

Paul Mochrie (he/him)
City Manager
City of Vancouver
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The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Sḵwx̱w̱ú7mesh (Squamish), and səliwətaʔ (Tsleil-Waututh) Nations.

MEMORANDUM

November 16, 20221

TO: Mayor and Council

CC: Paul Mochrie, Acting City Manager
Karen Levitt, Deputy City Manager
Lynda Graves, Administration Services Manager, City Manager's Office
Maria Pontikis, Director, Civic Engagement and Communications
Rosemary Hagiwara, Acting City Clerk
Anita Zaenker, Chief of Staff, Mayor's Office
Neil Monckton, Chief of Staff, Mayor's Office
Alvin Singh, Communications Director, Mayor's Office

FROM: Patrice Impey
General Manager, Finance, Risk and Supply Chain Management

SUBJECT: Report back on City funds allocated to downloaded services that have traditionally been delivered by senior governments

Dear Mayor and Council,

The purpose of this memo is to provide information to Council in response to direction from Council to quantify the impacts of senior government downloading on the City budget.

On July 6, 2021, Council provided the following direction to staff:

THAT Council direct staff to quantify City funds allocated to downloaded services that have previously traditionally been delivered by senior governments, including in areas such as but not limited to childcare, housing and homelessness services, so this information can support engagement with the Province on Municipal Finance Reform, as well as funding discussions for these critical services, including the potential for uploading the cost of these non-traditional services back to the Province;

FURTHER THAT the report include the revenues received from senior governments to deliver these services;

Overview

The issue of downloading is complex and involves difficult questions of how to best deliver services across all levels of government for the ultimate benefit of taxpayers. Demands for service delivery are increasing, particularly in urban centres such as Vancouver where issues such as poverty, homelessness, and the overdose crisis continue to have a major impact. At the same time, financial challenges at all levels of government, including those exacerbated by the pandemic, require all governments to look at priorities and align resources to where services can be delivered most effectively. Municipalities also have a role to play in examining how previous Council decisions have expanded the municipal mandate. In partnership with UBCM, work is underway with provincial and federal governments to look at municipal financial reform and where it may make sense to “upload” services to senior levels of government where they are the most effective level of government to deliver the services, and to provide more revenue tools to municipalities to fund activities best provided at the local level. In 2021, UBCM released a policy paper *Ensuring Local Government Financial Resiliency: Today’s Recovery and Tomorrow’s New Economy* that includes recommendations on how UBCM and local governments can partner with the province.

This memo will look at different forms of downloading that have occurred and impacts to the City’s budget, where it is possible to quantify them.

What is meant by downloading?

The term downloading has been used to describe responsibility for a range of services, traditionally under senior governments’ mandate, which have been explicitly or implicitly passed to municipal government without adequate funding or revenue streams. In addition to downloading, in many cases, additional local government spending is required or revenues are impacted as a result of the consequences of senior government policy changes. Lastly, as new areas of service need emerge - for example, climate emergency response and climate adaptation – there is an opportunity for senior government leadership to mitigate the demands on municipalities.

Downloading can take a number of different forms. For the purposes of this report, they are grouped as indicated below:

1. Programs where direct funding has been cut (example: CARIP funding, Police DNA testing). This can also include areas where senior government funding is provided, but the funding has not kept pace with cost increases over time, creating a burden on local government to fill the gap to maintain the needed service level (example: reduced provincial funding for the Vancouver Public Library)
2. Areas where policy and/or service delivery should fall under federal or provincial jurisdiction and where the City is directly delivering service (examples: housing, childcare)
3. Areas where service is delivered by senior government and there are gaps in the service level vs the needs, resulting in impacts to City operations (examples: homelessness, mental health and addictions supports, BC Ambulance Service medical response)

In addition to downloading, in many cases, additional local government spending is required or revenues are impacted as a result of senior government policy changes or gaps in existing policies

4. Legislative and regulatory changes that requires spending by municipalities (example: Cannabis legalization, diking standards)
5. Senior government changes to property tax policy, which impacts the City's ability to collect or increase taxes (example: class 4 port property tax rate cap, support housing class 3 exemptions)
6. Existing policy and legislation that limit local government's ability to manage cost increases (examples: the collective bargaining legislative framework, the Police Act provisions around Police Board budgeting)

Lastly, there are a number of areas of emerging service need that have resulted in an expanded mandate for municipalities:

7. New emerging areas of service need where senior government leadership is needed (example – climate emergency response, climate adaptation, resilience, cyber security, supporting communities through economic and labour market transition)

In some cases, there is a clear constitutional or historical precedent that guides which level of government is responsible for policy and service delivery. For services where the historical precedent is less clear, tax policy principles can help guide the appropriate funding responsibility and whether responsibility should reside at the federal, provincial, or municipal level. In particular, redistributive services such as support for low income housing, should be funded through progressive taxation such as income tax (provincial and federal) rather than property tax.

It is also important to consider the municipal role in taking on services which have traditionally been the role of senior government. The Vancouver Charter provides Council with broad authority to determine which services will be delivered by the City, and the authority to set property tax rates necessary to fund the services that current and previous Councils have directed.

Collectively, the impacts of downloading, combined with the municipal role in actively taking on responsibility for certain service delivery areas, has resulted in significant ongoing pressures on the City budget and property taxes. This creates challenges for Councils who must make difficult choices between delivery of important services and increases to property tax to deliver those services, which as a regressive form of taxation can adversely impact residents and businesses. It also points to an opportunity for improved collaboration with senior levels of governments, to ensure that the delivery of services, as well as the policy and funding tools, are aligned across all levels of government to optimize how taxpayer dollars are used to address the increasingly complex challenges facing society.

Downloaded services – budget impacts

1. Programs where direct funding has been cut

This can also include programs that have been transferred without funding, or invoicing of services that were previously provided for local governments without charge. In other cases, funding is provided, but the funding does not cover the full cost of providing the service, or has not kept pace with cost increases over time.

Police DNA - The RCMP and provincial government decided to limit the financial contribution to municipalities for the cost of DNA analysis services beginning in 2016, resulting in additional costs being downloaded and borne by municipalities. DNA analysis is an important policing tool, and its use will continue to grow in the future. The cost to the Vancouver Police Department for DNA analysis is estimated to be \$0.6 million annually.

Climate Action Revenue Incentive Program (CARIP) - The Climate Action Revenue Incentive Program (CARIP) is a conditional grant program that typically provides funding to local governments that have signed the B.C. Climate Action Charter equal to 100 percent of the carbon taxes they pay directly to support local government operations. In 2021, the Ministry for Municipal Affairs announced it would end its Climate Action Revenue Incentive Program and a replacement program has not yet been announced. The annual cost of the CARIP program is \$1.2 million.

Reduction in provincial grant allocation to VPL - The provincial grant allocation to VPL was reduced by \$76,293 in 2019, in addition to a \$49,755 grant reduction in 2018. During this time, inflation has increased the cost of providing library services.

2. Areas where policy and/or service delivery should fall under federal or provincial jurisdiction, and where current gaps have resulted in impacts to City operations

Affordable Housing – The City works in partnership with the provincial government and BC housing to deliver non-market housing. The City's housing operations provide safe homes and tenant services at 12 City-owned and BC Housing-owned social housing buildings across the city, providing over 1,000 units. The majority of the buildings in the portfolio offer housing at shelter rates and prioritize low-income households, supporting tenants to connect with healthcare services and community supports. The cost to the city to deliver this non-market housing is \$9.5 million annually.

The City also supports housing by providing land for affordable housing and securing in-kind contributions from developers as part of rezoning. The allocation of development contributions, including in-kind, towards housing comes at an implicit cost to the city, since those allocations could be allocated to support other growth-related amenities. In the 2019-2022 capital plan, there is an average of \$100 million per year in in-kind contributions from developers and an average of \$58 million per year of City-led capital spending to support affordable housing amenities, including non-market rental, supportive housing, SROs, and

temporary modular housing. In addition to this, revenues of \$58 million from senior government are expected in the 2019-2022 capital plan.

Childcare - The City has been working with developers, the Vancouver School Board and senior levels of government to address the existing gap in licensed childcare and increase the number of licensed childcare spaces. The City provides \$2 million annually in operating funding in the form of childcare grants. In addition, the City allocates development contributions of \$21 million annually and \$9.5 million in-kind contributions, on average per year through the 2019-2022 Capital Plan. Senior government have also committed funding of \$11 million per year for 3 years.

3. Areas where service is delivered by senior government and there are gaps in the service level vs the needs that have resulted in impacts to City operations (examples: homelessness, BC ambulance service medical response).

This category has a significant impact on city service delivery and costs, but is also the most difficult to quantify because they impact services in many different ways and can be difficult to track. Where costs can be identified, they have been indicated.

Medical response – In addition to fire suppression, Vancouver Fire and Rescue Service (VFRS) fire fighters provide pre-hospital care as first responders at medical calls. VFRS response to medical calls (including overdose calls) is approximately 49% of total response calls. In the last three years, the total medical responses have been 25,198 in 2019, 15,142 in 2020, and 25,598 as of the end of Q3 2021. Within these calls, the response to overdose incidents has increased from 5,351 in 2019 to 6,447 as of the end of Q3 2021. The incident duration average (on scene time) for all medical calls has increased from 17 minutes 37 seconds in 2019 to 22 minutes 41 seconds up to Q3 2021 (an almost 30% increase in on scene time). This increased call volume and longer call response duration are creating an environment of higher burnout for VFRS staff.

The 2021 Budget for fire suppression and medical response is \$120 million, and given the large portion of response calls that are medical in nature, there is an implicit cost related to the increase in on scene time as a result of delays in BC Ambulance Service response. VFRS overtime costs have increased by \$1.9 million since 2019. However, it is important to note that VFRS responding to medical calls while on duty provides a value added service to the citizens of Vancouver and Vancouver fire fighters are required to be ready in firehalls and respond to incidents in case of fire emergency. Delay in BC Ambulance Service response impacts VFRS response times to other calls, and over time, if not addressed, may create a need for additional staffing across the system to address response time delays. Identifying opportunities to decrease BC Ambulance response times and reduce VFRS on scene time would reduce the burden on VFRS. . The VFRS service plan includes an initiative to engage in joint planning discussions with provincial health authorities to better understand challenges and opportunities with current medical calls and identify methods to optimize VFRS and BC Emergency Health Service resources and collaborate with these partners to address issues and gaps in the healthcare system.

Mental Health crisis and the Overdose crisis – cost impacts of the mental health and overdose crisis include the impacts to VFRS as noted above under medical response, as well as incremental costs to the Vancouver Police Department (VPD) for overdose response and training to administer Naloxone. It is difficult for VPD to estimate the full cost of members' time dealing with fentanyl, including related deaths, calls, overdoses, opportunity costs of doing other investigational work and dedicated patrol calls. The cost of Naloxone continues to be covered by the provincial government.

Of note, starting in 2017, funding for Medic 11 of \$2.5 million was added to the annual operating budget to address the impacts of the overdose crises and that funding has been continued.

VFRS combined overdose response team, CORT, with VCH objective is to identify individuals who have overdosed and to make efforts to reduce repeat overdoses, improving health and wellness through patient-driven options.

Unsupported mental health conditions can also drive people into or keep people in poverty and homelessness. The gap in mental health supports is further intensified by inequities. People who are most vulnerable to inadequate access to mental health care are those from equity denied communities, such as people living in poverty, who have language barriers, who have trauma arising from or continue to experience systemic racism, and people who are otherwise unable to advocate for their health services. Aside from significant impacts on the individual which is, of course, the first focus, inadequate mental health service levels also then result in the impacts noted below as the City tries to respond to the increasing impacts of deep, persistent, compounding poverty and homelessness. Identifying impacts of mental health-related service gaps in the community is complex and something that cannot be easily tracked or quantified, but it extends to many of the complex public realm challenges to which the City is often called on to respond operationally through Engineering Services, Park Board, and ACCS.

Homelessness – Homelessness has been a growing challenge in the city and across the region. Since 2003, the City has steadily increased resources to address the growing and intensifying homelessness crisis. In the early 2000s, the City's investments were land and capital grants for shelter and housing. In subsequent years, City support grew in response to increasing challenges alongside the absence of sufficient senior government funding. These investments were made in part as an effort to signal to senior government the importance of these issues and the gaps in the community, and as an effort to incentivise their engagement.

Insufficient safe and affordable housing and resulting homelessness, impacts demand on City services in a number of ways, including costs related to street and park-based encampments accrued by numerous departments, including Engineering, Parks, ACCS, Fire, and VPD.

Further, the City's investments now include costs for broader responses, such as co-funding the Homelessness Outreach team, creating temporary shelter spaces, activating warming centres, co-funding social service centres, low cost meal delivery, implementing emergency responses such as washroom trailers, etc.

While it is challenging to fully track and identify all costs to city services related to homelessness, a recent analysis identified approximately \$20 million in incremental costs. In addition, the ACCS department includes the homelessness outreach team at an annual cost of \$0.9 million.

The City was approved for \$19 million from the Strengthening Communities' Services fund in 2021 to offset these cost impacts for the time period from Sep 17, 2020 to Jun 30, 2022. Half of the approved funding was received in 2021 and the remaining half will be received in late 2022 upon meeting the reporting requirements of the program.

Staff note that significant recent investments in Vancouver by the Province through BC Housing and by the federal government through Reaching Home and CMHC have been significant and are an important step in the collective tri-level work to end homelessness. **Income assistance** – inadequate income assistance rates impact the City's costs for provisioning low-cost meal service in the inner city as food costs continue to increase, while the ability to cost recover is limited given current income assistance levels. Further, the shelter component of income assistance is inadequate to maintain the City's directly managed low-income housing stock, requiring a City subsidy to maintain the buildings while offering shelter rate units. Further, the persistent poverty resulting from inadequate income assistance drives reliance on free or very low cost services to meet basic needs, some of these offered through City services.

Senior government legislative and regulatory framework that impacts municipal budgets

Municipalities are often impacted by senior government policy and legislation that require new spending by municipalities. While not considered downloading, they collectively result in significant budget impacts for the City of Vancouver and for municipalities generally. In some cases, improved consultation with municipalities would enable better coordination and help minimize additional costs. Where costs cannot be avoided, local government would benefit from consideration of the cost impacts to municipalities and the potential for stable and predictable senior government funding to enable local governments to effectively implement senior government policy change.

The section that follows considers several different ways that senior government legislation has impacted the City of Vancouver's budget.

4. Legislative and regulatory changes that require spending by the City

Cannabis legalization – In April 2021, Vancouver City Council requested the Province to enter into an agreement with the City for cannabis excise tax revenue sharing to offset incremental local government costs. Formalizing a provincial revenue sharing agreement would allow the City to address the costs and responsibilities resulting from the legalization

of non-medical cannabis, without placing the cost burden on legal cannabis retail operators through higher license fees.

Diking standards - In 2004, the Province delegated coastal flood-protection/diking responsibilities to local governments. This downloaded responsibility did not include a continuous funding source from the Province or the Federal government. The work is now partially funded through competitive grants, which pose the risk of applications not being successful, and also require a contribution of City funds. The current draft of the City's 10 year strategic capital outlook includes \$10 million for the initiation of the construction of coastal diking/flood protection works.

This lack of ongoing, consistent and reliable funding from senior levels of government is a persistent concern for municipalities within the lower Fraser River region, given the new funding pressures, and the difficulty it presents in implementing long-term plans without secure funding. Some municipalities have adjusted to the additional costs by instituting new taxes for diking, drainage and flood mitigation. Vancouver is developing a financial strategy for coastal flood protection.

Next generation 911 – costs for implementing an improved 911 service are still to be determined. This is a federal regulatory requirement for local governments.

Policies towards substance use and access to safe supply – these policies impact the overdose crisis, both the community of users and broader community as well. These contribute to the cost of delivering City services as described in the medical response section above.

Professional Governance Act changes - The Professional Governance Act is new governing legislation for Engineers and Geoscientists that came into effect in February 2021 introducing a requirement for Engineers and Geoscientists BC to regulate firms. This means that all firms engaging in the practice of professional engineering or geoscience in BC are required to apply for a Permit to Practice on a mandatory basis. This new requirement supersedes the previous voluntary requirements of the Organizational Quality Management Program (OQM). The new PGA requirements will increase consistency in quality management standards across organizations practicing engineering, including municipalities. The City of Vancouver had already achieved high standards of quality management through attaining the voluntary OQM certification; nonetheless there will be some one-time and ongoing costs associated with implementing and adhering to the new mandatory PGA requirements.

Employer Health Tax – the introduction of the Employer Health tax resulted in an increase of \$11 million in costs annually to the City's budget.

- 5. Senior government changes to property tax policy, which impacts the City's ability to collect or increase taxes (example: class 4 port property tax rate cap, support housing class 3 exemptions)**

Supportive Housing exemption - In addition to statutory and permissive exemptions, eligible properties designated as Supportive Housing (Class 3) are assessed at a nominal value and effectively exempt from property taxes. This property class was created by the Province pursuant to the Small Business and Revenue Statutes Amendment Act 2008. This exemption results in approximately \$3 million per year in foregone property tax revenue at a given tax rate.

Class 4 port property tax rate cap - As part of the Ports Competitiveness Initiative that took effect in 2004, the Province has legislated municipal tax rate caps to eligible tenant-occupied port properties: \$27.50 per \$1,000 on existing properties and \$22.50 per \$1,000 on new investments. Seven folios are eligible under this provision, resulting in ~\$1.2 million of forgone property tax revenue at a given tax rate.

6. Existing policy and legislation that limit local government's ability to manage cost increases (examples: the collective bargaining legislative framework, the Police Act provisions around Police Board budgeting)

The collective bargaining legislative framework – under provincial legislation, police and fire are designated as essential services, and as a result, collective agreement outcomes have been driven by regional or city arbitrations, not voluntary settlements. This is distinct from other city bargaining units that are not designated as essential services and cannot access arbitration to settle bargaining disputes.

Examined over the previous two decades:

- Essential services have outpaced other City bargaining units by an average of 0.6% per year between 2000 and 2021; and,
- EY identified this factor as a key driver of the overall city's budget growth during the 2008-2018 time period.

When examining just the collective agreement years between 2016 and 2019 inclusive, the results of bargaining for essential services have included levels of compensation increases that exceeded other City bargaining units by 0.5%-1% per year, resulting a cumulative annual differential of \$10 million that continues in the City's budget each year.

Police Act provisions around Police Board budgeting – the Police Act allows for the Vancouver Police Board to appeal to the Provincial Director of Police Services should Council choose not to approve an expenditure that the Police Board has submitted to Council in their Board-approved budget. In 2021, the Vancouver Police Board submitted an appeal for \$5.6 million in annual budget that was not approved by Council. Due to the timing required for a decision to be reached, the Vancouver Police Board has forecasted that approximately \$4.5 million in over budget expenses will be incurred in 2021 while waiting for the director's ruling.

Emerging Areas of potential senior government partnership

These areas are new and emerging and are not traditionally the responsibility of any one level of government, and will require partnership at all levels given the scope of challenges faced by local government. While difficult to quantify, they potentially may result in large financial impacts if not managed proactively and without effective senior government partnership, including stable and predictable funding support.

7. Areas of emerging service need that have resulted in an expanded mandate for municipalities:

Climate Emergency Response – In November 2020, Council approved the Climate Emergency Response Plan, which recognized the need to increase efforts to reduce carbon pollution in Vancouver. This will require additional sustained investment by the City, as well as from senior government and partner organizations. The additional investment required from the City and others will enable new and accelerated work on pedestrian and cycling infrastructure, zero emission buildings, transit priority corridors, and electric vehicle infrastructure, amongst other climate actions. As outlined in the Climate Emergency Action Plan's financial framework, over the next five years, the total required investment by the City is estimated to be \$500M to meet the 2030 climate goal. The City's annual budget includes \$42 million in operating spending and an average of \$50 million per year in capital as part of the 2019-2022 capital plan.

Climate adaptation – recent extreme weather events have highlighted the unpredictable and potentially costly impacts of climate change, and the requirement for climate adaptation measures to protect infrastructure and property. The City's climate change adaptation strategy includes areas such as climate robust infrastructure, climate resilient buildings, healthy and vigorous natural areas and green space, connected and prepared communities, and coastline preparedness. Further work is required to fully quantify the potential costs impacts of climate adaptation.

Supporting communities through economic and labour market transition – the events of the past several years have generated a significant amount of economic and labour market change, and this has in turn placed a significant burden on disadvantaged groups in finding stable employment. This degree of change calls for new partnership approaches with senior government to ensure economic opportunities within the city. In 2021, the City will spend an estimated \$1.5 million in capital and \$0.7 million in operating on initiatives such as the DTES market and resources.

Cyber Security – emerging cyber security risks create the potential for municipalities to experience financial losses and operational impacts that are difficult to quantify but could be severe based on examples from other jurisdictions. Current expenses for the city include higher insurance costs and staffing costs related to cyber security

8. Vancouver as a regional centre.

As the centre of a metropolitan region, the City supports a number of regional activities. Revenue associated with these events accrues to the provincial government as corporate income tax and provincial sales tax (PST), for example:

- Support for the City as a regional cultural centre, including Vancouver Civic Theatres and support for cultural facilities and cultural grants.
- Grants to non-profits that play a regional role.
- Events such as Celebration of Light, sport and cultural events, and sport hosting (\$2 million annual budget).
- Costs of streets, bridges and other renewal to support regional traffic.
- Support for local economic development that benefits the region led by the Vancouver Economic Commission (\$3 million annual budget)

Improved revenue tools and funding supports for these types of regional activities would continue to provide benefits to the region and the province.

Summary

Below is a summary of downloading cost impacts, senior government legislative and regulatory cost impacts, and City spending in emerging areas of potential senior government partnership. The costs included are the costs that the City has been able to quantify, however, as noted in this report there are many significant impacts in addition to these amounts that are not possible to quantify.

Summary of Downloading cost impacts, Senior Government legislative and regulatory impacts, and emerging areas of potential senior government partnership (\$ in millions)	Operating (\$)	Capital (\$)	Total (\$)	Senior Govt. Revenue (\$)
A. Downloading				
1. Programs where direct funding has been cut				
a. Police DNA	0.6		0.6	
b. CARIP	1.2		1.2	
c. VPL grant funding	0.1		0.1	
2. Areas where policy and/or service delivery should fall under federal or provincial jurisdiction				
a. Affordable Housing	9.5	158.0	167.5	14.0
b. Childcare	2.0	20.6	22.6	11.0
3. Areas where service is delivered by senior government and there are gaps in the service level vs the needs that have resulted in impacts to City operations				
a. Mental Health crisis and the Overdose crisis	3.8		3.8	
b. Homelessness	23.3		23.3	19.0
c. Medical response			Not Available	
d. Income Assistance			Not Available	
Subtotal (where quantified)	40.5	178.6	219.1	44
B. Senior government legislative and regulatory framework that impacts municipal budgets				
4. Legislative and regulatory changes that requires spending by the City				
a. Cannabis legalization			Not Available	
b. Diking standards			Not Available	
c. Next generation 911			Not Available	
d. Policies towards substance use and access to safe supply			Not Available	
e. Professional Governance Act changes			Not Available	
f. Employer Health Tax			Not Available	
	15.0		15.0	
5. Provincial government changes to property tax policy				
a. Supportive Housing exemption	3.0		3.0	
b. Class 4 port property tax rate cap	1.2		1.2	
6. Existing policy and legislation that limit local government's ability to manage cost increases				
a. The collective bargaining legislative framework	10.0		10.0	
b. Police Act provisions around police board budgeting	5.6		5.6	
Subtotal (where quantified)	34.8	-	34.8	-
C. Emerging Areas of potential senior government partnership				
7. Areas of emerging service need that have resulted in an expanded mandate for municipalities				
a. Climate Emergency Response	42.0	50.0	92.0	
b. Climate adaptation			Not Available	
c. Cyber Security			Not Available	
d. Supporting communities through economic and labour market transition	0.7	1.5	2.2	
8. Vancouver as a regional centre				
a. Support for the City as a regional cultural centre			Not Available	
b. Costs of streets, bridges and other renewal to support regional traffic			Not Available	
c. Events such as Celebration of Light	2.0		2.0	
d. Support for local economic development	3.0		3.0	
Subtotal (where quantified)	47.7	51.5	99.2	-

The cost impacts noted in this report represent a significant ongoing financial challenge for the City, and also a significant opportunity to build partnerships with senior government and look for ways to improve coordination, expand revenue tools, and provide stable and predictable funding.

If you have any questions, please feel free to contact me at patrice.impey@vancouver.ca / 604.873.7610.

Best Regards,



Patrice Impey
General Manager, Finance, Risk and Supply Chain Management/CFO
604.873.7610 | patrice.impey@vancouver.ca

PROPERTY TAXES DUE JULY 5, 2022

IMPORTANT INFORMATION



IMPORTANT: This notice contains information on property taxes. For translations or more information, please visit: vancouver.ca/property-tax

重要說明: 此消息包含有關 住房稅 的信息。有關翻譯文本或更多信息, 請訪問: vancouver.ca/property-tax

ਮਹੱਤਵਪੂਰਨ: ਇਸ ਨੋਟਿਸ ਵਿੱਚ ਪੁਰਾਪਰਤੀ ਟੈਕਸ ਬਾਰੇ ਜਾਣਕਾਰੀ ਸ਼ਾਮਲ ਹੈ। ਅਨੁਵਾਦਾਂ ਜਾਂ ਵਧੇਰੇ ਜਾਣਕਾਰੀ ਲਈ, ਕਰਿਪਾ ਕਰਕੇ ਵੇਖੋ: vancouver.ca/property-tax

重要提示: 此讯息包含有关 房屋稅 方面的资讯。如果需要参阅翻译文本或者是获得更多资讯, 请浏览: vancouver.ca/property-tax

REGISTER TO RECEIVE TAX NOTICES BY EMAIL. Sign up today at: vancouver.ca/property-services

WHERE DO MY PROPERTY TAXES GO?

About half of the property taxes and utility fees we collect fund City services; the other half is collected on behalf of other taxing authorities and goes toward funding regional services, schools and transit, supplying drinking water, and treatment of wastewater.

Over the last decade, property taxes charged by other taxing authorities have increased substantially. The City has no control over what these other taxing authorities charge or how they distribute their levies across the region.

The amount of property tax you pay is based on your annual property assessment value, as determined by BC Assessment.

- A 18% Provincial school taxes
- B 15% Metro Vancouver Regional District (tax & utilities)
- C 7% TransLink
- D 1% BC Assessment & Municipal Finance Authority
- E 59% City of Vancouver (tax & utilities):
 - Public Safety (Police & Fire): 30%
 - Engineering and Utilities: 29%
 - Community-related Services: 21%
 - Debt, Capital and Corporate: 20%



① based on the median single-family home (2022)

Supporting climate initiatives

Council approved an additional \$9 million in this year's budget, for new climate-related investments that advance the City's Climate Emergency Action Plan.

Learn more at vancouver.ca/2022-budget

Police services

City Council voted to hold the Vancouver Police Department's budget flat for 2021, and did not support the \$5.7 million budget increase requested by the Vancouver Police Board. Vancouver Police Board appealed this decision with the Provincial Director of Police Services, who determined that the City is obligated to provide the \$5.7 million that was withheld from the Police Board's 2021 budget submission.

This decision will not impact the tax rate for 2022, as City Council voted to fund this through reserves in 2022. A tax increase will be required in 2023 to provide ongoing funding for this budget increase.

The Vancouver Police Department has historically been the largest service department of the City's budget and makes up 21% of total expenditures in the 2022 Operating Budget. In the 2022 Budget, 46% of the City's 5.7% property tax increase is needed to fund the Vancouver Police Department budget.

For more information on policing services: email: office@vancouverpoliceboard.ca or visit: vancouverpoliceboard.ca

EMPTY HOMES TAX

The EHT rate for 2021 and 2022 tax years is 3%. **In 2023, the EHT tax rate will be increasing from 3% to 5%.**

Late declarations

Are you a residential property owner who forgot to make your declaration for 2021?

Late declarations are now open.

Late declarations for the 2020 tax year can be made until July 5, 2022.

Declare now: vancouver.ca/ehd-declare

Payments

Empty Homes Tax payments were due on April 14, 2022. Any unpaid tax as of December 31, 2022, will be added to your 2023 property tax notice.

The City's Empty Homes Tax is separate from the Province's Speculation and Vacancy Tax. For inquiries relating to the Province's tax visit gov.bc.ca/spectax



2022 PROPERTY TAXES – UPDATES AND REMINDERS



CLAIMING YOUR HOME OWNER GRANT

Home owner grant applications must be submitted directly to the province at gov.bc.ca/homeownergrant

For help, call the Province at **1-888-355-2700**

IMPORTANT: After you get confirmation that your grant submission was successful, it may take 3-4 business days for your City of Vancouver tax account balance to update. To avoid a late payment penalty, ensure that you have arranged for payment of the balance (reduced by your eligible grant amount) before the property tax payment due date.



ADDITIONAL SCHOOL TAX

If your residential property is valued above \$3 million, you may be charged an Additional School Tax at a rate of 0.2% on the portion assessed between \$3-4 million and 0.4% on the portion assessed over \$4 million.

Learn more on the Province's website at gov.bc.ca/schooltax



PROPERTY TAX DEFERRALS

The Province's Property Tax Deferment Program is a low-interest provincial loan program designed to help qualified BC

home owners pay their annual property taxes.

Submit your property tax deferment application to the Province, or learn more about the program at gov.bc.ca/propertytaxdeferment

Email: taxdeferment@gov.bc.ca

Phone: 1-888-355-2700



ADDRESSING SIGNIFICANT INCREASES IN LAND ASSESSMENT

Vancouver uses targeted land assessment averaging to help smooth out the taxation impact arising from significant land value increases for eligible residential (Class 1), light industry (Class 5) and business (Class 6) properties. If your property is eligible, the change is reflected on your tax notice. Learn more at vancouver.ca/averaging

Municipalities are currently limited in what they can do to address the taxation impact arising from unused development potential. The Union of BC Municipalities has endorsed a "split assessment through a new commercial sub-class" approach that would allow the City to set a lower tax rate on unused development potential. We continue to advocate to the Province to consider this option. Learn more at vancouver.ca/property-tax

HOW DO I...



GET HELP UNDERSTANDING MY TAX NOTICE

Check out our guide on how to read your tax notice at: vancouver.ca/tax-notice



PAY MY TAX NOTICE

The quickest and easiest way to pay is online via your financial institution. See the reverse of your tax notice for details on other ways to pay or visit: vancouver.ca/property-tax



REGISTER TO RECEIVE MY TAX NOTICES BY EMAIL

With an online services account you can sign up to receive your next tax notice electronically, and check your account balance and details at any time.

Sign up today at: vancouver.ca/property-services



UPDATE MY MAILING ADDRESS

Recently changed your mailing address or own properties other than your principal residence? Don't forget to update your address with BC Assessment.

Visit: bcassessment.ca/update

2021 PROPERTY TAX NOTICE

Due Date: July 5, 2021



1

Statement Date: Dec 02, 2021

5% PENALTY IF NOT PAID OR GRANT NOT CLAIMED BY JULY 5, 2021

DEFERMENT - Go to gov.bc.ca/propertytaxdeferral or phone 1-888-355-2700 to confirm your previous MANUAL or AUTOMATIC DEFERMENT RENEWAL choice.
Reminder: Claim Home Owner Grant by the due date to avoid penalty.

SAMPLE
VANCOUVER BC

FOLIO NUMBER	XXX-XXX-XX-XXXX	ACCESS	XXXXX
LEGAL DESCRIPTION			
LOT BLOCK PLAN V DISTRICT LOT NWD AMD.			

Property Value		Assessed					Taxable	Taxable Land & Buildings		
CLASS		2021	2020	2019	2018	2017	2021 Land	GENERAL	SCHOOL	GVTA
Residential	Land	2,877,000	2,778,000	3,269,000	3,648,000	4,055,000	2,877,000	2,877,000	2,877,000	2,877,000
	Buildings	452,000	452,000	465,000	475,000	476,000		452,000	452,000	452,000
	Total	3,329,000	3,230,000	3,734,000	4,123,000	4,531,000		3,329,000	3,329,000	3,329,000
PROPERTY ADDRESS	2984 27TH AVE W					COLUMN A	COLUMN B	COLUMN C		
PID	013-190-466	CLASS	RATE			NO GRANT	BASIC GRANT	ADDITIONAL GRANT		
Levies from Other Tax Authorities										
Additional School Tax				2.00000			658.00	658.00	658.00	
Provincial School Tax - Residential				0.96661			3,217.84	3,217.84	3,217.84	
Net Provincial School Tax							3,875.84	3,875.84	3,875.84	
TransLink				0.25898			862.14	862.14	862.14	
BC Assessment				0.04116			137.02	137.02	137.02	
Regional District				0.05403			179.87	179.87	179.87	
Municipal Finance Authority				0.00020			0.67	0.67	0.67	
Net Levies from Other Tax Authorities							5,055.54	5,055.54	5,055.54	
Levies from City of Vancouver										
General Levy				1.60152			5,331.46	5,331.46	5,331.46	
Garbage Cart 180L				119.00000			119.00	119.00	119.00	
Green Bin 180L				174.00000			174.00	174.00	174.00	
Street Cleaning				22.00000			44.00	44.00	44.00	
Net Levies from City of Vancouver							5,668.46	5,668.46	5,668.46	
Total 2021 Taxes							10,724.00	10,724.00	10,724.00	
Payments/Adjustments							-10,724.00	-10,724.00	-10,724.00	
TOTAL TAXES DUE							0.00	0.00	0.00	

Pay your taxes online through your financial institution. Claim applicable Home Owner Grant at gov.bc.ca/homeownergrant.
Sign up at vancouver.ca/property-tax to receive your tax notice by email.
This notice is being issued because of a tax balance AMENDMENT.

Customer Copy

AMOUNT DUE JUL 5, 2021

A - NO GRANT	B - BASIC GRANT	C - ADD'L GRANT
\$0.00	\$0.00	\$0.00

2021 CITY OF VANCOUVER TAX NOTICE
PO Box 7747 VANCOUVER BC V6B 8R1
Due Date: July 5, 2021

A	B	C
No Grant	Grant: 0.00	Grant: 0.00
\$0.00	\$0.00	\$0.00

Amount Paid

FOLIO 714-056-14-0000 **D**
PID 013-190-466
CIVIC 2984 27TH AVE W
OWNERS BENSON, SALLY K
2984 27TH AVE W

Jurisdiction	Home Owner Grant Roll Number
200	004-714-056-14-0000



714-056-14-00002 00000000000 00000000000 00000000000