

DRAFT CURRENT STATE BUDGET FOR CONSIDERATION

VANCOUVER **2023**
BUDGET

BUILDING THE BUDGET





GOVERNMENT FINANCE OFFICERS ASSOCIATION

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**City of Vancouver
British Columbia**

For the Fiscal Year Beginning

January 01, 2022

Christopher P. Morill

Executive Director

The Government Finance Officers Association (GFOA) of the United States and Canada presented a Distinguished Budget Presentation Award to the City of Vancouver, British Columbia for its annual budget for the fiscal year beginning January 1, 2022.

The Distinguished Budget Presentation Award encourages and assists local governments to prepare budget documents of the very highest quality that reflect best practices guidelines. In order to receive the award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

BUILDING THE BUDGET

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INTRODUCTION

Purpose of the document

The purpose of this document is to provide information regarding the City of Vancouver’s 2023 Draft Current-State Budget and Five-Year Financial Plan. This comprehensive budget document includes a draft Operating Budget, the Property Endowment Fund operating budget, the Capital Budget and the Consolidated Budget.

This document is a starting point for engagement with Council and the public on the 2023 Budget, and it contains information on the cost of continuing to provide services based on current resourcing levels but does not include funding for new resources and initiatives. As part of the budget presentation to Council on November 29 and December 6, 2022, Council will have an opportunity to ask questions and provide direction to staff on adjustments to the budget. This process will allow the current-state budget to be adjusted to incorporate Council’s changes.

Based on Council’s approval of the 2023 Budget, City staff have the authority to proceed with operating and capital expenditures to manage the timely delivery of quality core services to the public. The budget is important in fostering and maintaining public accountability and transparency by providing detailed information on budgets by revenue and cost category, funding sources and services. The City’s budget process has been developed to ensure revenue and expenditures are managed comprehensively, with fiscal responsibility and transparency, in a manner that ensures the City is achieving value for money and using staff resources efficiently.



FISCAL RESPONSIBILITY

Vancouver, like other Canadian cities, offers a broad range of services with limited revenue sources. The City adheres to prudent fiscal stewardship with careful financial planning that balances short-term operating needs with long-term infrastructure and amenity requirements. The City's financial planning process is guided by a set of financial sustainability guiding principles and financial health targets.

Financial sustainability guiding principles

Fiscal prudence

- Live within our means
- Consider long-term implications in all decisions
- Maintain a stable and predictable revenue stream
- Keep debt at a manageable level
- Build in flexibility and contingencies for emerging priorities and opportunities

Affordability and cost-effectiveness

- Deliver services that are relevant and result in desired public outcomes
- Ensure value for money through productivity and innovation
- Keep property tax and user fees affordable and competitive

Asset management

- Maintain assets in a state of good repair
- Optimize operating and capital investments to meet public and economic needs while achieving value for the investment

Funding strategy for capital investments

The City funds capital investments from a range of sources (who pays) using a balanced mix of payment methods (when to pay).

Funding sources

- **City contributions** — Property taxes and utility fees typically fund most capital maintenance and renewal work.

- **Development contributions** — Consistent with the City’s Financing Growth Policy, new and expanded infrastructure and amenities to support growth are funded in part through development contributions such as Development Cost Levies (DCLs), Community Amenity Contributions (CACs), density bonus zoning contributions (DBZs), development servicing conditions and utility connection charges.
 - Pursuant to the Vancouver Charter and applicable DCL by-laws, DCLs may be applied toward parks, Engineering public works and utilities infrastructure, housing and childcare.
 - CACs are voluntary public benefit contributions offered by property owners when Council grants development rights through rezoning. CACs may be applied to a wide range of amenities, including those that are not DCL eligible such as new or expanded recreation facilities, cultural and social facilities, libraries and firehalls. Allocation of CACs is generally guided by community plans and public benefit strategies and by applicable Council and Board strategies. CACs typically come in two forms: in-kind amenities and cash contributions.
- **Partner contributions** — The City actively pursues innovative partnership and funding opportunities to optimize the value for every tax dollar in advancing Council, Board and community priorities. The City receives funding from provincial and federal governments, from TransLink for road work, and from non-profit agencies, foundations and philanthropists, particularly in the areas of affordable housing and childcare.

Payment methods

- **Pay in advance** — The City sets aside current revenues and other funding in capital reserves to fund future capital investments. Capital reserves can also be used as a source of internal financing in situations where the capital investment can be justified on the basis of a business case, providing a source for repayment to replenish the reserves over time without affecting property tax.
- **Pay-as-you-go** — The City uses property tax, utility and user fees, and other sources to fund capital investments to ensure residents and businesses contribute on an ongoing basis. Balancing the use of current revenues and debt financing enables the City to manage its long-term debt profile, limit future debt repayment obligations, and preserve the City’s borrowing capacity for significant, large-scale capital projects that are too costly to be funded on a pay-as-you-go basis.

- **Pay over time (debt financing)** — Like most major Canadian cities and senior levels of government, the City uses debt to finance capital investments. This allows payment to be made over a longer time frame and enables residents and businesses that benefit from the capital investments to participate in paying for them over time. When used strategically, and within best practices for responsible borrowing, debt financing allows the City to continue to renew its infrastructure and amenities on a regular basis while maintaining its fiscal health.
 - Section 242 of the Vancouver Charter gives Council the authority to borrow funds for the construction, installation, maintenance, replacement, repair and regulation of waterworks, sewerage and drainage, and for energy utility systems without the assent of the electorate.
 - Section 245 of the Vancouver Charter requires that the borrowing authority for all other purposes be established through the electorate’s approval of a borrowing plebiscite.

The requirement to borrow funds to finance capital investments is established by Council at the time of the approval of the annual Capital Budget. Borrowed funds are generally paid back over 10 years to ensure that a systematic borrowing program can be administered, that outstanding debt does not accumulate to unacceptable levels, and that annual debt servicing charges (principal and interest) are maintained at a level that does not put undue pressure on the Operating Budget.

- Section 247A of the Vancouver Charter requires that full provision of annual debt servicing charges (principal and interest) be made in the annual Operating Budget to ensure that debenture holders are paid the interest component at the prescribed rate and time, and that sufficient funding is available to retire the obligation at maturity.

The City takes a very careful approach to its use of debt, funding repayment over 10 years while ensuring a balanced Operating Budget. The City’s consistently strong credit ratings and favourable borrowing rates reflect this careful approach.

Long-term financial plan

When developing its long-term financial plan, the City has maintained a commitment to strong financial discipline and strategic management of debt to ensure that capital investments will not unduly burden the Operating Budget through debt servicing, operating costs and asset lifecycle costs. Identifying the financial and debt capacity up front ensures that the Capital Plan is developed in a fiscally prudent manner that considers the City’s long-term financial health, credit ratings and future impacts on tax and fee payers. Both Moody’s and Standard & Poor’s credit rating agencies have acknowledged the City’s efforts by awarding it with the highest credit rating (Aaa/AAA).

Keep debt at a manageable level

The City determines its long-term borrowing capacity by limiting the ratio of annual debt servicing to operating revenue at a maximum of 10%. This is to ensure that the City does not accumulate debt at unacceptable levels, and that annual debt servicing does not put undue pressure on the annual budget.

As part of the City’s proactive debt management strategy over the past decade, the Water utility has transitioned its infrastructure lifecycle replacement programs from debt financing to pay-as-you-go. The Sewer utility is undergoing a similar strategy and is expected to be mostly funded on a pay-as-you-go basis over the next few years. In addition to saving interest costs over the long term, the City has freed up debt capacity to address its growing infrastructure deficit.

It is expected that the City’s Capital Plan will continue to grow over the next decade to renew its aging infrastructure and amenities. Looking ahead, the City will continue to explore opportunities, where appropriate, to optimize capital investments through balancing pay-as-you-go and debt financing to improve the City’s long-term debt profile and maintain its credit ratings.

When developing its long-term financial plan, the City has maintained a commitment to strong financial discipline and strategic management of debt.

The total net external debt outstanding at the end of 2021 was \$589.9 million, comprising \$1,013.2 million of gross debt outstanding, less \$423.2 million of Sinking Fund reserves. The following table shows principal and interest commitments as of that date:

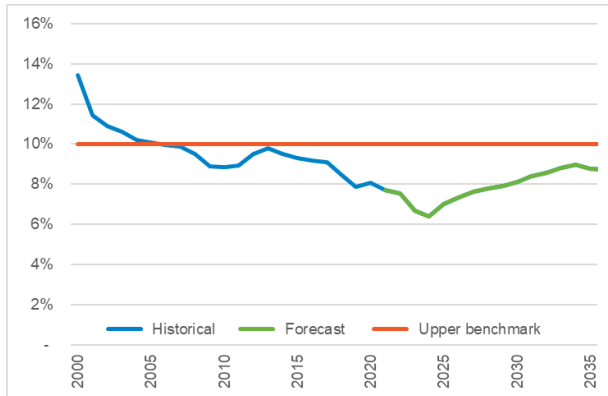
<i>\$ millions</i>	Principal	Interest	Total
2022	\$0.8	\$29.4	\$30.2
2023	\$110.8	\$29.4	\$140.2
2024	\$105.8	\$25.3	\$131.0
2025	\$90.8	\$22.0	\$112.8
2026	\$90.8	\$19.4	\$110.2
2027 & thereafter	\$592.1	\$236.5	\$828.7
Unamortized Premium	\$22.2	(\$22.2)	\$ -
Overall	\$1,013.2	\$339.9	\$1,353.1

Note: Debentures are issued for Capital Fund expenditures. Principal payments or Sinking Fund instalments and interest payments are budgeted through the Revenue Fund.

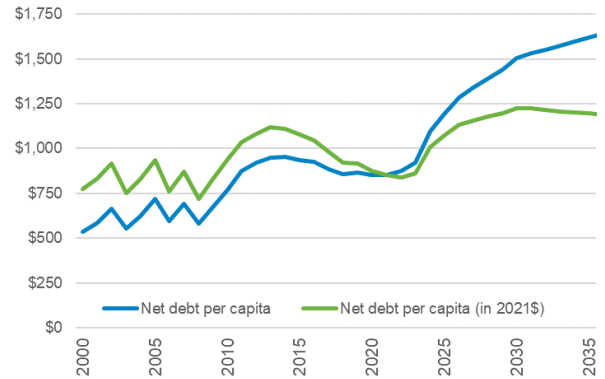
Financial health indicators

For long-term financial planning purposes, the City tracks a number of metrics to provide an indication of its financial health and long-term borrowing capacity, which informs the funding strategy for the Capital Plan. Following are two key financial health metrics and trends:

Debt servicing as percentage of operating revenue



Net debt per capita



In developing the Capital Plan, a key constraining factor is the impact on the Operating Budget and property tax arising from debt servicing and pay-as-you-go funding to support the Capital Plan. Given the rapidly evolving economic landscape with persistently high inflation and rising interest rates, there is a real risk in overextending the City's fiscal capacity and putting further undue pressure on future budgets.

The projected growth in net debt per capita reflects a thoughtful, gradual increase in capital investments to renew and upgrade the City's infrastructure and amenities. The trajectory could change should future Councils choose to transition more capital programs and projects from debt financing to pay-as-you-go sooner. Lowering debt financing would achieve long-term interest savings but result in higher property tax and utility fees during transition years. The City will continue to monitor and adjust its financial strategy to strike a balance between debt financing and pay-as-you-go.

Maintain strong credit ratings and access to low borrowing costs

The City's strong credit ratings (Aaa/AAA) are among the best for Canadian cities and are supported by a diverse economy and a strong and stable tax base. Continued management of debt within target levels is critical to maintaining the City's credit ratings. A strong credit rating reflects the City's prudent financial management and its capacity to adjust to changes in the economic environment. It is estimated that long-term borrowing costs would increase by 3 to 5 basis points for each level of downgrade, or approximately \$0.5 million in additional interest over the term of each \$100.0-million debenture issue.

Keep property tax and fees affordable and competitive

The growing need for asset renewal, the demand for new infrastructure and amenities to support growth, and the rapid escalation in land, construction and other costs will put further pressure on the City's budget. Understanding the long-term impacts on tax and fee payers arising from the City's operating and capital investment decisions, including debt servicing, ongoing operating costs and asset lifecycle costs, is a key consideration in developing the City's Capital Plan.

The City is undertaking work to rationalize the scope and level of service as well as service delivery models to manage future renewal and growth costs. Given the rapidly evolving economic landscape with persistently high inflation and rising interest rates, the City's immediate focus will be on streamlining and expediting project delivery to mitigate cost escalation risks and drive value and efficiencies.

Maintain assets in a state of good repair

Maintaining core infrastructure and amenities in a state of good repair is critical to the City's long-term financial health and resilience, and it helps ensure asset management obligations are not deferred and infrastructure deficits do not accumulate to unacceptable levels — one of the key factors that credit rating agencies consider as part of rating reviews.

Since 2011, the City has adopted a service-based capital planning framework, which ensures that the City's core service needs inform long- and short-term decisions for new and existing infrastructure and amenities, including redevelopment, retrofits, and level of investment in capital maintenance.

Optimize capital investments

Before adding new amenities, the City will consider optimizing partnerships with other levels of government, non-profits and private partners as well as repurposing and right-sizing existing amenities, and it will continue to pursue co-location and functional integration of services to enhance customer service and operational efficiency. All new amenities will be designed with flexible, adaptable and expandable spaces to accommodate changing demographics and future growth.

Municipal finance reform

Local governments and their representative organizations, the Federation of Canadian Municipalities (FCM) and Union of BC Municipalities (UBCM), have noted for over a decade that the current municipal funding model and the overreliance on property taxes are neither sustainable nor resilient.

The COVID-19 pandemic has highlighted the fragility of the current model and elevated the need for a thorough review and reform of how infrastructure, public amenities and services should be funded in the future. As noted in an [FCM](#) report calling on the federal government for financial assistance, "This crisis exposes the cracks in an outdated model that is fundamentally misaligned with the modern reality of the role of local governments."

Recognizing the evolving and expanded mandate of major urban cities across Canada, local governments need appropriate funding sources that are sustainable, predictable and reliable. Consideration should also be given to address the evolving economic activities (e.g., e-commerce, sharing economy) that rely less and less on bricks-and-mortar businesses, on which property taxes are based.

In August 2021, UBCM released the report [*Ensuring Local Government Financial Resiliency: Today's Recovery and Tomorrow's New Economy*](#). The report provides 20 recommendations under two broad categories:

- Moving Forward: Building on Strong Fiscal Futures and Preparing for the New Economy
- Addressing Cost Drivers: Attainable Housing, Community Safety and Climate Change

The report also recognizes that none of these challenges can be addressed by any level of government individually, and solutions must be anchored in shared provincial/local government goals, objectives and priorities.

Having a resilient funding framework that aligns appropriate revenue sources with programs and services is sorely needed to create a more equitable society, strengthen Vancouver's economy, and address Council, Board and community priorities in a cohesive fashion. The City is committed to working with FCM, UBCM and Metro Vancouver to advocate to the federal and provincial governments for additional funding tools that are appropriate and necessary to fund the broad spectrum of critical infrastructure, public amenities and services to support the local, regional and nation-wide economies and the health and well-being of those who live or work in Vancouver.

In addition to the external advocacy work, the City is also committed to transforming its own ways of delivering services. This effort will involve several work streams that include (1) optimizing land, infrastructure and amenities, (2) rationalizing service levels and cost base, (3) transforming business models to drive better outcomes, (4) optimizing revenue sources, and (5) aligning policies and regulations with Council and Board priorities.

Financial policies

Balanced budget

Under legislation, the City must prepare a balanced operating budget where expenditures are equal to revenues.

Basis of financial reporting

The City's annual financial statements are prepared using the accrual method as prescribed by the Public Sector Accounting Board (PSAB) under generally accepted accounting principles (GAAP). The accrual method recognizes revenues as they are earned and expenditures as they are incurred, not when cash is received or paid.

Basis of budgeting

The City prepares budgets, including its funding sources, on a cash basis to include capital additions, debt transactions and transfers and to exclude depreciation. Upon consolidation, adjustments are made to present the City's consolidated budget on an accrual basis consistent with the presentation of the annual financial statements.

Long-term planning

Operating — The City has a five-year financial planning framework that is based on a set of financial sustainability guiding principles and financial health targets. The framework is used to guide the allocation of resources needed to fund annual and multi-year budgets. The framework helps achieve long-term goals, ongoing financial sustainability and resilience, balanced operating forecasts, and alignment with Council and Board (Park, Library, Police) priorities.

Capital — The City has a broad range of long-term plans (e.g., community plans and public benefit strategies) and service strategies (e.g., affordable housing, transportation, climate mitigation and adaptation, healthy communities) that span 10-25 years. These plans and strategies serve to guide the City's 10-year Capital Strategic Outlook, which presents the long-term needs for strategic capital investment in critical infrastructure and amenities. They provide the foundation for the City's long-term service and financial planning.

The City also has a four-year Capital Plan that establishes the financial and debt capacity as well as the overall funding strategy for the capital investment priorities over the term of the plan. The Capital Plan informs the City's short-term service and financial planning, striking a strategic balance with the City's need to maintain critical assets in a state of good repair, enhance its network of infrastructure and amenities to support growth and economic development, and advance Council, Board and community priorities within the City's financial capacity.

Implementation of the Capital Plan is done through the annual budget process subject to Council approval. The annual budget sets out Council-authorized funding and spending for the year, as well as detailed project information and outcomes, and provides the authority to proceed with specific capital projects. The requirement to borrow funds to finance capital investment is also established by Council at the time of the approval of the annual budget.

Revenue

The City estimates revenues conservatively, maintaining a stable and diverse mix of funding sources to support services. It is current Council policy that fees and charges be established either on the basis of the cost of providing the associated services or at market level where the service is provided in a market environment.

Expenditures

Operating expenditures are budgeted not to exceed revenues. The City uses an enterprise resource planning system to report and monitor expenditures against the budget on a monthly basis. Quarterly financial updates are posted on the City's website.

Cash and investment

The City's approach to cash investments is guided by its Responsible Investment Policy with a key goal of preserving principal while ensuring liquidity to meet anticipated cash flow needs. The investment portfolio is structured to maximize a rate of return while maintaining fiscal prudence.

Awards and recognition

As a result of the budgeting practices previously mentioned, the City has been recognized by numerous external organizations.

Annually, since 2019, the Government Finance Officers Association, an association for public sector finance professionals, named Vancouver as a recipient of the Distinguished Budget Presentation Award. The award recognizes organizations whose budget documents explain complex information in a clear and engaging way.

The City's strong financial management practices have also been acknowledged by credit rating agencies, including Moody's and Standard & Poor's, with the highest rating of Aaa/AAA.

Vancouver also received the top ranking among Canadian municipalities of A+ in the C.D. Howe Institute's 2021 municipal fiscal accountability report card.



ECONOMIC CONTEXT

A resilient economy fosters dynamic businesses and sustainable employment, and helps attract and retain professionals, families and individuals to live and work in our city. When developing the short- and mid-term financial plan, the City considers national, regional and local economic factors. Understanding these constantly changing factors allows the City to manage near-term risks and uncertainties while planning for long-term financial resilience and sustainability.

The global economic environment has changed significantly over the past year, as countries around the world reopened after the lifting of COVID-19 restrictions. Strong economic growth, low levels of unemployment, pent-up demand from the pandemic, the war in Ukraine and continued global supply chain disruptions have resulted in growing inflationary pressures and an environment of increasing interest rates that has not been seen for many years. While growth is expected to continue into 2023, the risk of a recession has increased. The approach for building the 2023 Budget and Five-Year Financial Plan will need to take into consideration the significant economic uncertainty in the year ahead.

Metro Vancouver continues to see economic growth after the lifting of COVID-19 restrictions. In 2022, real GDP is expected to increase by 2.8%, and in 2023 and beyond, growth is forecast to be around 2.0%.

The Conference Board of Canada’s Consumer Price Index (CPI) forecast for Metro Vancouver anticipates inflation of 7.2% in 2022, 4.0% in 2023, and dropping to 2.3% in 2024. Over the past 20 years, CPI has averaged 1.7% and has not exceeded 2.7%. The Bank of Canada has raised interest rates to bring inflation down to within the target range of 1.0% to 3.0%; however, the full impact of these rate increases has yet to be seen. There is a risk of economic recession that could moderate the economic growth and inflation forecast. Inflation in a number of sectors has been well above the CPI inflation rate, with considerable impacts to the City’s budget. In 2022, supply chain management has seen considerable cost escalations across different procurements. Construction materials have seen considerable increase in prices. Fuel costs have risen sharply, which has compounded the inflationary pressures. Products used heavily by the City, such as PVC pipes and fittings or electrical conduit, have been scarce in the market resulting in increased prices due to shortages of raw material resins used for their production. Other high-use products — such as ductile iron and copper pipes and fittings, electrical supplies, wire and cabling, waterworks brass fittings, mechanical couplings and steel street lighting poles — are anticipated to have price increases associated with inflation in international metal prices.

Inflation pressures are also beginning to have an impact on compensation trends across the public and private sectors in Canada. Recent compensation increases in public sector collective agreements have been above historical levels, driven in part by recent inflation. At this point, the implications for the City are not known, and the 2023 Budget and Five-Year Financial Plan will need to consider this potential risk



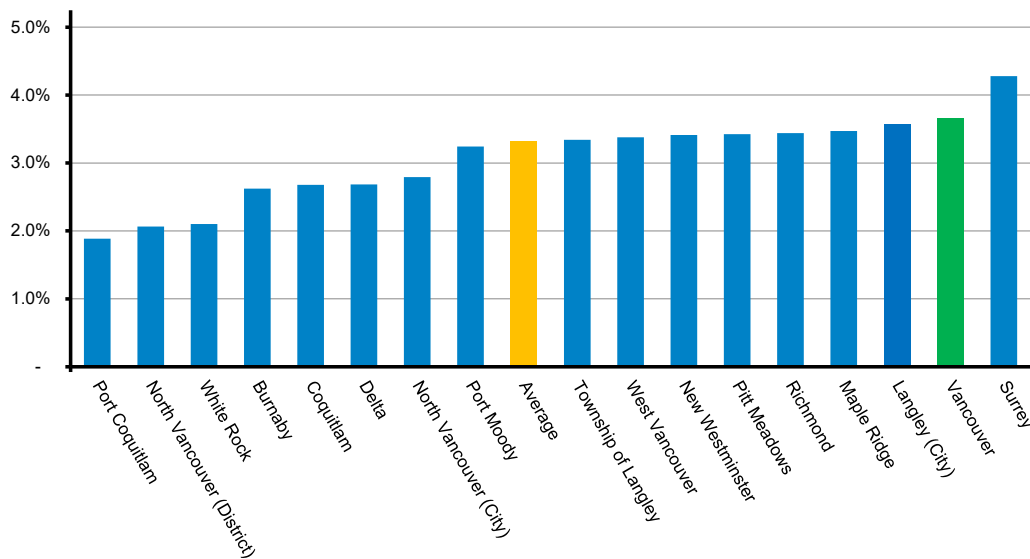
COMPETITIVE PROPERTY TAXES AND FEES FOR BUSINESSES AND RESIDENTS

To enable a thriving business environment and build a world-class, sustainable community, the City strives to balance the affordability and competitiveness of property taxes, utility fees and user fees while sustaining the breadth and quality of infrastructure, public amenities and City services for businesses and residents. While more businesses and residents add to the city’s economic and social vitality, the City needs to address the growing demand for services as well as partner with senior levels of government to resolve housing, mental health and public safety concerns, and other emerging priorities such as climate emergency response, seismic protection, equity and resilience.

When developing the mid- to long-term financial and Capital Plans and the annual budget, the City carefully considers the impact of property taxes, utility fees and user fees on businesses and residents. Within limited financial capacity, the City has made significant progress in advancing Council and Board priorities, transforming the way services are delivered, maintaining or increasing the breadth and quality of services, and demonstrating leadership as a sustainable and livable city.

Over the past 10 years, Vancouver’s property tax increases have been comparable with the average increase across most municipalities in Metro Vancouver.

10-year average annual property tax increase across Metro Vancouver (2013-2022)



Notes: Analysis based on assessment data from BC Assessment and tax rates published by the BC Ministry of Municipal Affairs and Housing for all property classes.

The 2023 Budget includes fixed cost increases to maintain current resourcing and existing service levels in addition to infrastructure renewal. The property tax impact of each of these items is discussed in the Operating Budget section.

Property taxes

The City's property taxes fund approximately 58% of the Operating Budget. The City also collects taxes on behalf of other taxing authorities, including the provincial government (regular school tax as well as the additional school tax on homes valued above \$3 million), TransLink, BC Assessment, Metro Vancouver, and the Municipal Finance Authority of BC.

About half the property tax paid by Vancouver taxpayers goes toward funding City services, while the other half goes to provincial and regional taxing authorities to fund regional services, schools, transit, and property assessment services.

Municipal property tax

The City does not generate higher property tax revenue as a result of rising property values, as the total tax levy to be collected is determined by Vancouver City Council as part of the annual budget. To establish the City's tax rates, Vancouver City Council divides the tax levy by the assessment base provided by BC Assessment for each property class. Under this approach, property tax increases are driven by the City's funding requirement to support the annual budget, not by rising property values.

The City does not generate higher property tax revenues as a result of rising property values.

When comparing municipal property taxes and fees across Metro Vancouver municipalities, it is important to keep in mind that Council priorities and community expectations vary across municipalities. Therefore, property taxes and fees may vary from city to city to support the provision of a desired level of services, infrastructure and amenities, and to address unique challenges faced by individual municipalities.

Like other major Canadian cities, the City of Vancouver has assumed a leading role within the region in economic development, innovation, livability, equity, resilience and climate emergency response. The City has also become increasingly active in addressing needs that fall within the traditional mandate of senior levels of government. In this regard, significant investments have been made in affordable housing, public safety and emergency response, social services, mental health and addictions, childcare, and other services that serve both the city and the Metro Vancouver region.

The City has also been a leader in supporting community partners through financial and in-kind contributions. In 2021, the City contributed approximately \$116 million in the form of property tax exemptions and grants to healthcare and educational institutions and to charitable and not-for-profit organizations — equivalent to \$168 per capita.

Municipalities interact directly with businesses and residents daily, and they are front and centre in providing much-needed services to the public in partnership with senior levels of government. Recognizing the evolving and expanded mandate of major urban cities across Canada, local governments need appropriate funding sources that are sustainable, predictable and reliable. Consideration should also be given to address the evolving economic activities (e.g., e-commerce, sharing economy) that rely less and less on bricks-and-mortar businesses, on which property taxes are based. The City is committed to working with the Federation of Canadian Municipalities, the Union of BC Municipalities and Metro Vancouver to recommend to the federal and provincial governments additional funding tools that are appropriate and necessary to fund the broad spectrum of critical infrastructure, public amenities and services to support the local, regional and nation-wide economies and the health and well-being of those who live or work in Vancouver.

Over the past decade, the City enhanced its network of amenities and infrastructure in the areas of housing, community services and public safety, and it has invested in core infrastructure such as sewer separation and renewed and upgraded transportation infrastructure for walking, cycling and driving.

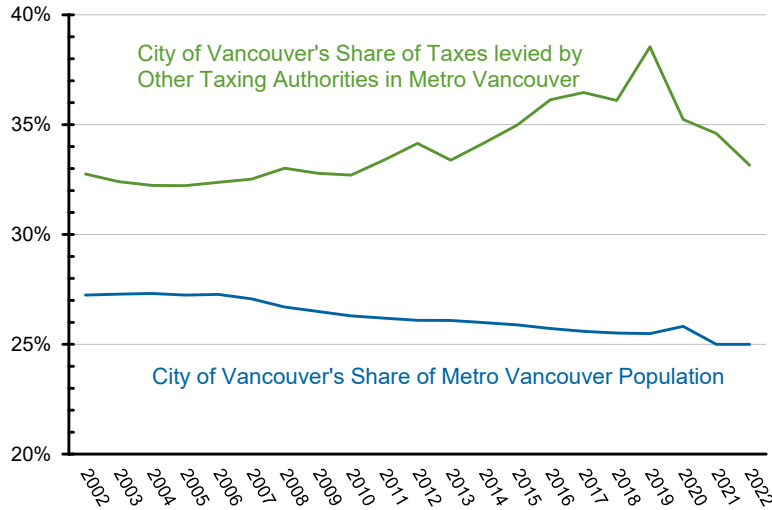
Looking ahead, the growing need for asset renewal, the demand for new infrastructure and amenities to support growth, the need to support critical climate change mitigation and adaptation investments, and the rapid escalation in land, construction and other costs will put further pressure on the City's budget.

Other taxing authorities

Vancouver City Council has no control over how much other taxing authorities charge or how they distribute those levies across the region. As property values in Vancouver continue to be higher than those in other Metro Vancouver municipalities, provincial and regional property taxes paid by Vancouver businesses and residents are typically higher than those in the rest of the region.

The following chart illustrates that Vancouver's share of property taxes levied by other taxing authorities has been consistently higher than its share of population within Metro Vancouver over the past two decades.

City of Vancouver's share of taxes levied by other taxing authorities vs. the City's share of Metro Vancouver population

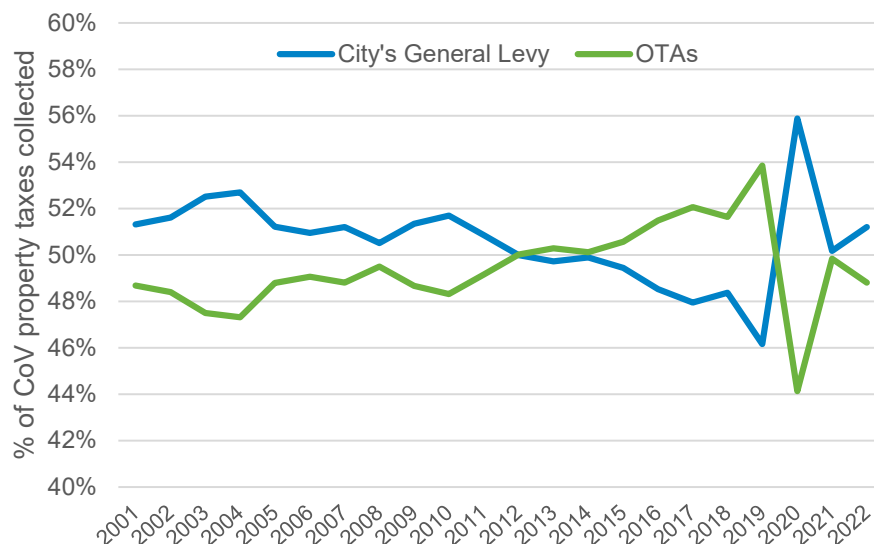


The implementation of the additional school tax on high-valued residential properties, which applied a tax rate of 0.2% on property values between \$3 million and \$4 million and 0.4% on property values over \$4 million, generated \$99 million in Vancouver in 2022, compared with \$72 million in 2021, and represented approximately 45% of the additional school tax revenue across BC.

In April 2020, the provincial government effected several tax relief measures to address the economic impacts of the pandemic. In particular, the school tax rates were lowered for all industrial, business and recreation/non-profit properties to achieve an approximately 25% reduction in the total tax bill. Given the relatively high average property assessments in the city, Vancouver businesses benefited significantly from this measure during this challenging economic environment.

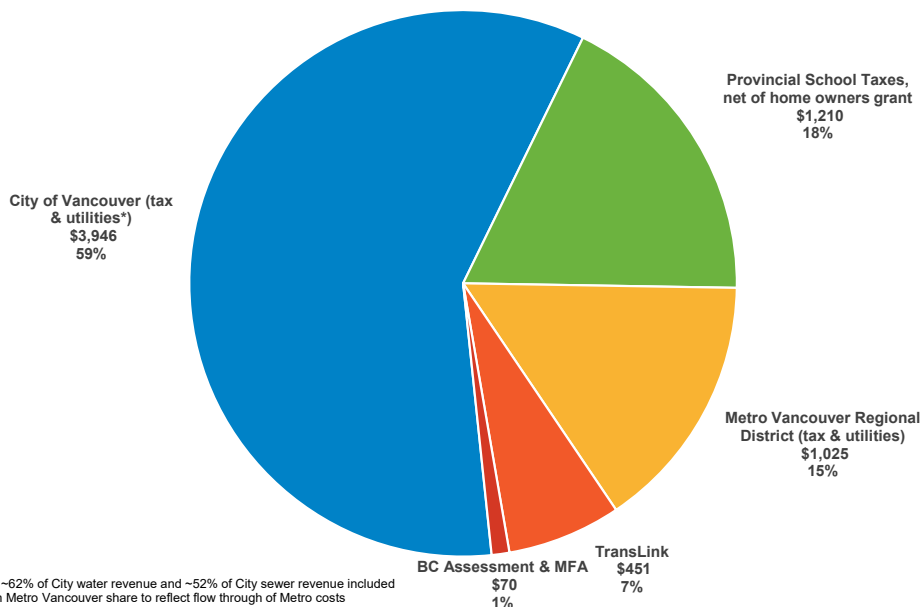
The following chart presents the relative share of the City's general levy and other taxing authorities (OTA). It demonstrates that the OTA share had increased significantly over the past decade, including the introduction of the additional school tax in 2019. The trend reversed in 2020 because of the above-mentioned one-time school tax relief. The provincial government did not extend this tax relief in 2021 or 2022, and therefore the OTA share increased from 44% to 49% of the overall tax levies from 2020 to 2022.

Proportion of property taxes collected for the City's general levy vs. other taxing authorities



As presented in the chart that follows, the levies from other taxing authorities, including the charges from Metro Vancouver related to the provision of their component of water and sewer services, represent approximately 41% of the taxes and fees for a median single-family home.

2022 Distribution of Taxes and Fees for Median Single-Family Home



Note: The annual homeowner grant threshold can change the distribution of taxes for a median single-family home. In 2022, a median single-family home could qualify for a grant of \$484, compared with \$125 in 2021.

Businesses

Since 2007, Vancouver City Council has engaged the Property Tax Policy Review Commission twice to review the impact of property tax on businesses. In 2007, the commission recommended shifting \$23.8 million in property taxes from non-residential to residential property classes at a rate of 1% of tax levy per year to achieve a target distribution of 52% residential and 48% non-residential. It also recommended holding the target tax share for five years unless the business tax differential between the City and its neighbouring municipalities widened considerably, or the balance of business investment tilted away from Vancouver to other parts of Metro Vancouver. The program was completed in 2012.

In 2013, Vancouver City Council reconvened the commission to provide an updated assessment of the City's property tax policy. In 2014, the commission concluded there was no evidence of an increasing business tax differential between Vancouver and other Metro Vancouver municipalities or of business investment moving from Vancouver to neighbouring municipalities. As a result, the commission recommended no change to the tax share for business property classes and recommended the use of metrics to help guide future tax distribution decisions.

In 2019, Council approved a 2% tax shift (\$15.8 million) from non-residential to residential properties over three years, at a rate of 1% in 2019, 0.5% in 2020 and 0.5% in 2021.

In BC, real estate properties are assessed by BC Assessment at their highest and best use (or full market value) in accordance with the Assessment Act, and property taxes are allocated to individual properties based on those values. For underdeveloped properties, the unrealized development potential could result in significant property tax implications.

This issue has become more acute given the active commercial real estate activities experienced in Metro Vancouver in recent years. It is extremely challenging for independent small businesses, as well as the arts, culture and non-profit sectors, to afford the high rents and taxes and remain viable in their neighbourhoods. Despite the uncertainty in the real estate market and anticipated slight retreat in property values in recent months, the cumulative impact over the past years has been significant.

Through triple net leases, landlords pass on the entire tax burden to tenants. This results in tenants having to pay taxes on the space they rent as well as taxes on the development potential. While tenants shoulder the entire tax burden, only property owners benefit from the increase in market value upon rezoning, redevelopment or sale of the property.

Even though the City does not generate higher tax revenue as a result of rising property values, differential assessment increases for individual properties could shift the tax burden from one property to another in any given year.

Prior to 2015, the City used *across-the-board three-year land assessment averaging*, which had been in effect since 1993. Since 2015, the City has used *targeted three-year averaging* to provide short-term relief to "hot" properties (defined as those that have experienced significant year-over-year increases in property values above the "threshold" set by Vancouver City

Council) as recommended by the commission in 2014. In 2019, the City transitioned from three-year to five-year averaging.

To date, Vancouver is the only municipality in BC that uses averaging to phase in significant assessment increases at a city-wide level. For residential properties, this program complements other provincial tax relief measures, such as property tax deferral and the homeowner grant. For commercial properties, however, targeted averaging is the only mitigation currently available.

The affordability challenge arising from a variety of factors, including real estate speculation fuelled by ultra-loose monetary policy around the globe for more than a decade, is a regional issue affecting most Metro Vancouver municipalities, not just Vancouver. Because of the limited authority and policy tools available to municipalities to address property assessment and taxation issues, Vancouver City Council submitted a written request to the provincial government in February 2018 to initiate an intergovernmental working group to:

- Address assessment and classification issues relating to development potential
- Identify viable policy options to support small businesses

An intergovernmental working group (IWG) was established in November 2018, with support from Metro Vancouver in a July 2018 letter and an endorsement from the Union of BC Municipalities in September 2018, to identify viable policy tools to provide targeted and time-limited tax relief to properties that are impacted by development potential. The IWG, comprising Chief Financial Officers (and designates) from a subgroup of Metro Vancouver municipalities, worked alongside senior staff from the Ministry of Municipal Affairs and Housing, Ministry of Finance, and BC Assessment to come up with viable options.

In May 2019, the IWG recommended the “split assessment through a commercial subclass” approach, which entails creating a subclass for development potential and allowing municipalities to apply a lower tax rate on development potential compared with the current use value of the property. In spring 2020, the provincial government enacted the Interim Business Property Tax Relief Exemption legislation. This program may help address the assessment and taxation volatility issue (similar to the City’s targeted land assessment averaging program) but does not address the core issue of development potential. The program was not adopted by any municipalities because of concerns with data availability, transparency and the potential for unintended consequences.

In early 2022, Ministry of Finance staff initiated a property assessment strategic review to develop a long-term solution in time for the 2023 tax year that would provide adequate property tax relief to businesses impacted by development potential while minimizing legislative and administrative complexities. The ministry considered and consulted with municipalities on several options, including the split assessment through a commercial subclass approach.

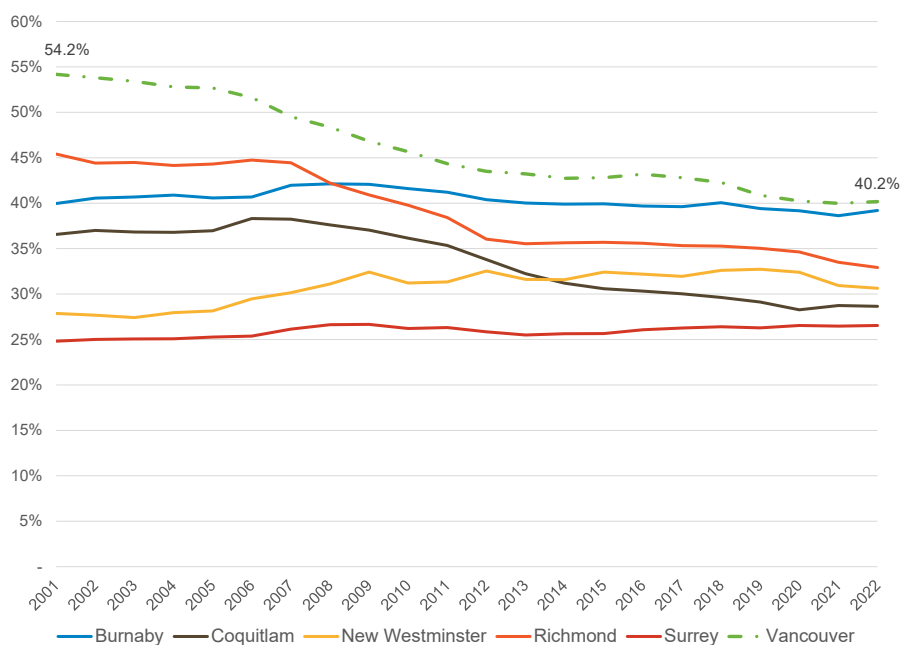
In October 2022, Bill 28, 2022 Municipal Affairs Statutes (Property Taxation) Amendment Act was tabled and passed. Subject to royal assent, it is expected to be made into law before the end of the year. This new legislation enables municipalities to apply a lower tax rate on development potential on commercial properties (relative to the tax rates applicable to the light

industrial and business property classes), which was the intent of the split assessment through a commercial subclass approach recommended by the IWG to the provincial government in 2019. The tax relief is permissive in nature, which means municipalities can decide whether to use the legislation, set their own eligibility criteria (in addition to the minimum provincial eligibility requirements), and determine the amount of relief as appropriate. The tax relief is time-limited (maximum five years), so it will not discourage development and delivery of housing and job space over the long term.

City staff are undertaking a review and analysis of this new and complex piece of legislation and will report to Council in the new year regarding how it can be implemented for 2023 alongside the targeted land assessment averaging program and the implications on the City’s commercial property classes.

The following charts compare Vancouver with other Metro Vancouver municipalities that have substantial commercial sections — Burnaby, Coquitlam, New Westminister, Richmond and Surrey.

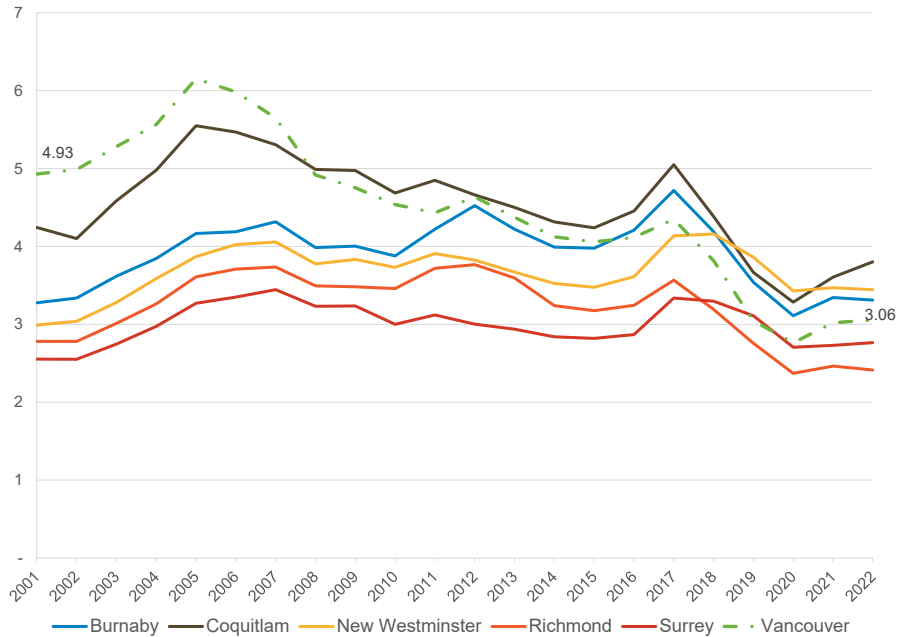
Business (Class 6) tax share



Source: www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/statistics/tax-rates-tax-burden

As a result of tax shift decisions made by consecutive Vancouver City Councils over the past two decades, including the most recent program to shift 2% of overall municipal general purpose tax levy (\$15.8 million) from non-residential to residential property classes over three years starting in 2019, Vancouver’s business tax share has decreased from 54.2% in 2001 to 40.2% in 2022, and its business tax rate ratio has decreased from 4.9 in 2001 to 3.0 in 2022.

Business tax rate ratio (relative to residential tax rate)



Source: www2.gov.bc.ca/gov/content/governments/local-governments/facts-framework/statistics/tax-rates-tax-burden

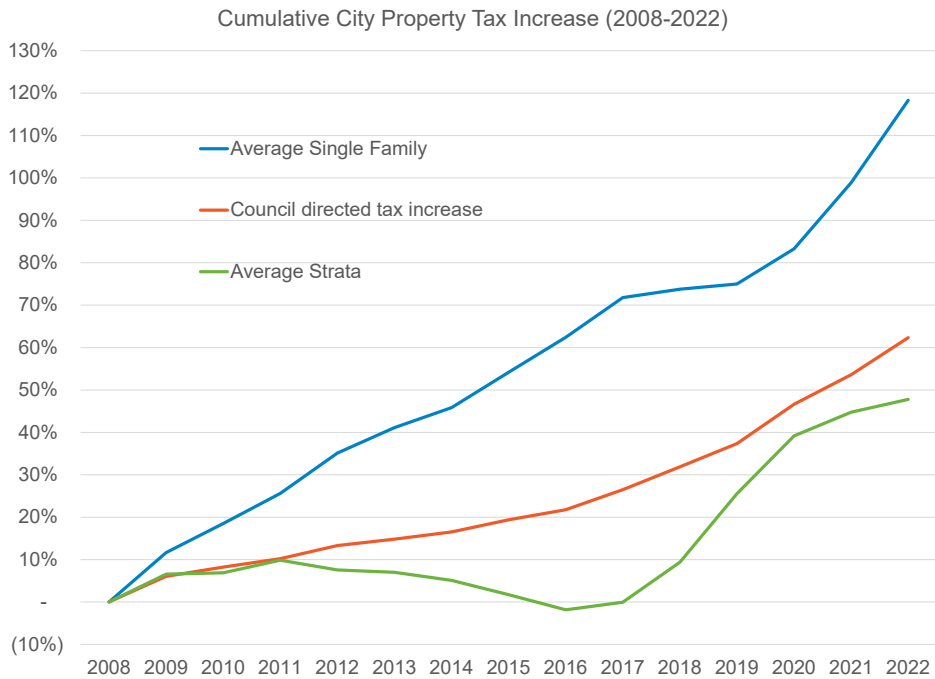
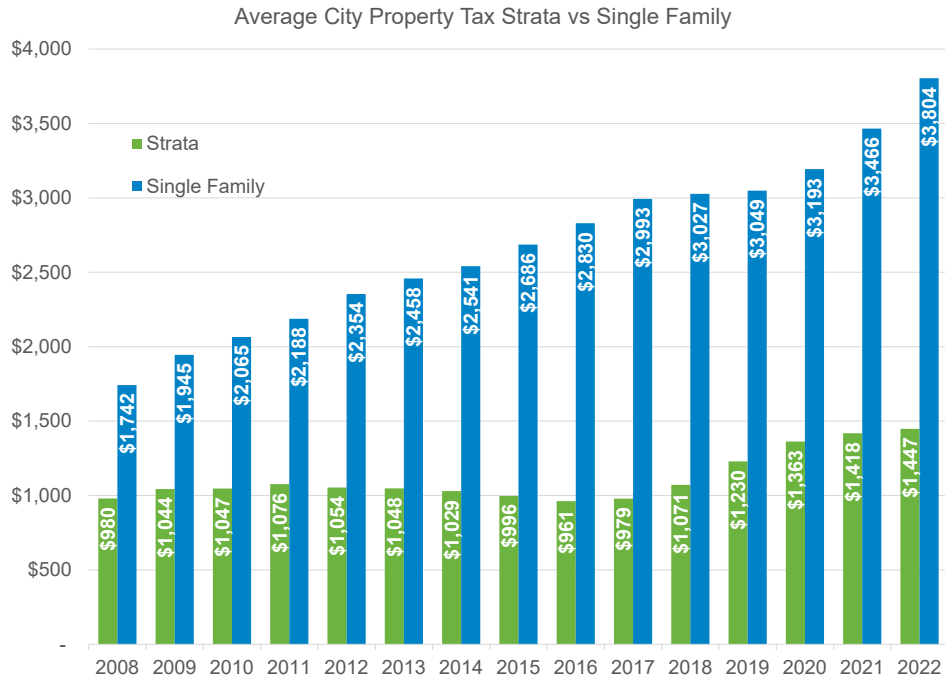
It is important to note that market forces beyond Vancouver City Council’s control affect the tax rate ratio. For instance, if the value of residential property appreciates at a much faster pace than that of non-residential property, the tax rate ratio will increase even though the business tax share is decreasing. Therefore, it could be misleading to rely on the tax rate ratio alone to gauge tax equity among property classes without considering other complementary metrics.

Residents

In 2022, approximately 40% of residential properties in Vancouver are single-family homes, approximately 56% are strata units, and the remaining 4% are other forms of residential housing.

While the Council-directed property tax increase applies to the overall tax levy, the extent of change, year over year, in an individual property’s tax is determined primarily by how that property’s assessed value has changed relative to the average change within its property class. Properties with a higher increase in value relative to the average change of their class could experience a much higher increase in property tax beyond the Council-directed increase, while properties with a lower increase in value could experience no change or a reduction in property tax.

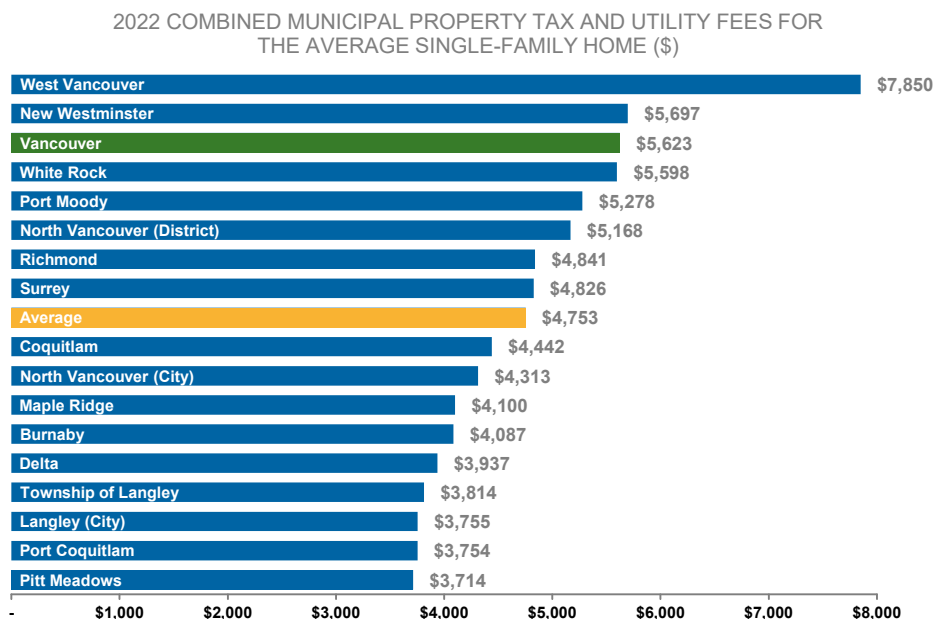
The following chart shows how the differential increase in assessed values impacts property tax across different residential property types. Because the value of single-family homes increased at a much faster pace than that of strata condominiums during most of the past decade, single-family homes experienced a rise in property tax above the Council-directed increase, while strata condominiums experienced a much lower increase or, at times, a reduction in property tax.



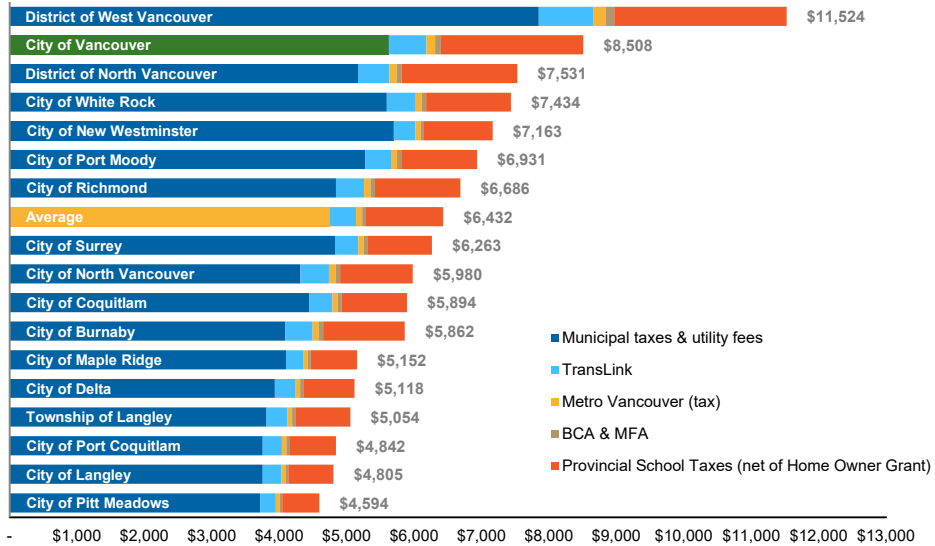
In addition to the City’s targeted land assessment averaging program, the following provincial tax relief measures are available to residential property owners and can be applied independently or in combination to alleviate some taxation impact.

- **Assessment Act s19(8)** — Available to property owners who have occupied their principal residence continuously for at least 10 years. If eligible, assessment will be based on current zoning rather than anticipated zoning or development potential.
- **Property tax deferral** — Available to property owners 55 years of age or older who occupy their principal residence. Also available for families with children under 18 years of age.
- **Homeowner grant** — Available to property owners occupying their principal residence, as long as the value falls within the qualifying range.

The following charts compare the 2022 property taxes and utility fees for an **average** single-family home in Vancouver with those in other Metro Vancouver municipalities.

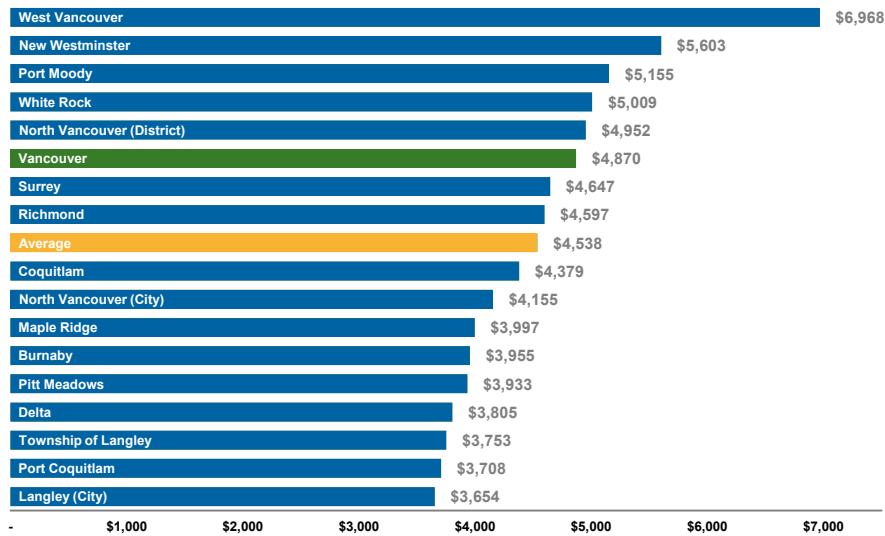


2022 COMBINED PROPERTY TAX AND UTILITY FEES, INCLUDING OTAs FOR
AVERAGE SINGLE-FAMILY HOME (\$)

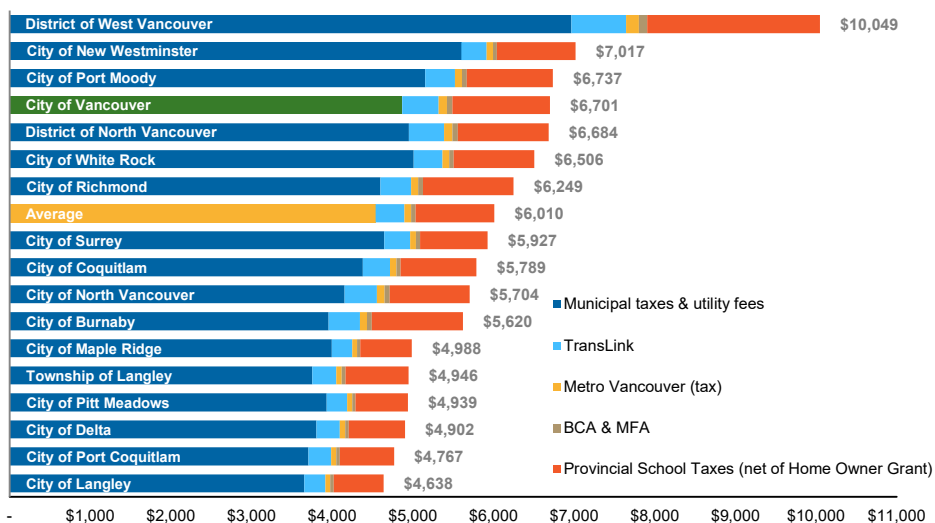


The following charts compare the 2022 property taxes and utility fees for a **median** single-family home in Vancouver with those in other Metro Vancouver municipalities.

2022 COMBINED MUNICIPAL PROPERTY TAX AND UTILITY FEES FOR
MEDIAN SINGLE-FAMILY HOME (\$)



2022 COMBINED PROPERTY TAX AND UTILITY FEES, INCLUDING OTAs
FOR MEDIAN SINGLE-FAMILY HOME (\$)



Utility fees

The City collects utility fees to fund water, sewer and solid waste services, accounting for approximately 20% of the City’s annual Operating Budget.

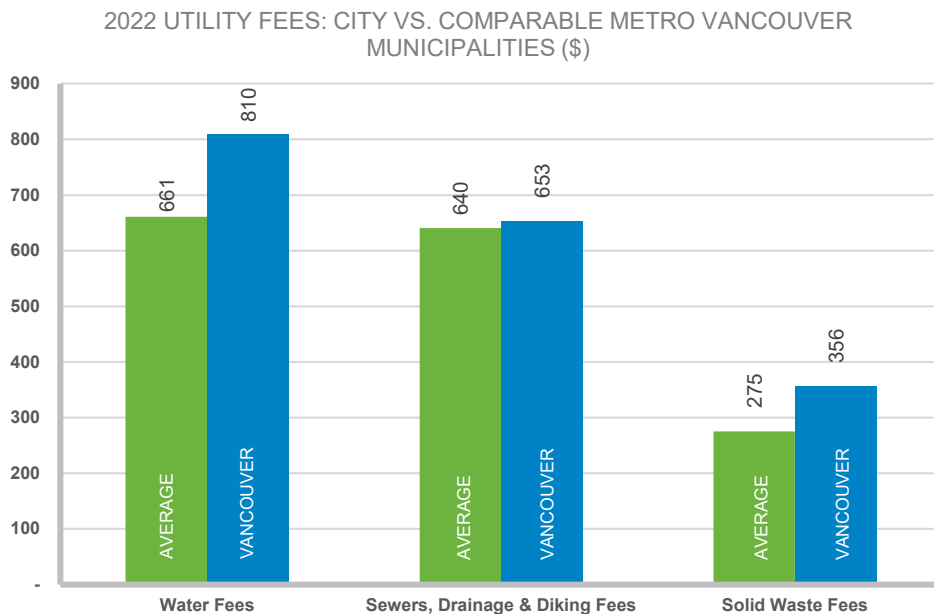
Approximately 42% of the utility budget represents water and sewer charges levied by Metro Vancouver, while the remaining 58% represents a combination of the City’s capital maintenance, renewal and operation of the utility infrastructure.

As part of the City’s long-term debt management strategy, the Water utility has transitioned its infrastructure lifecycle replacement programs from debt financing to pay-as-you-go to help lower the City’s overall debt and save interest costs over the long term. The rates include investments that support the Greenest City Action Plan through the ongoing water conservation program.

In 2015, the Sewer utility introduced a modest level of pay-as-you-go funding. The transition from debt financing to pay-as-you-go accelerated in the last Capital Plan and into the 2023-2026 Capital Plan, and the pace of transition will depend in part on the fee increases passed on from Metro Vancouver and the overall fee effect on businesses and residents. The ongoing infrastructure renewal program, which includes sewer separation as well as construction of the future secondary treatment plant at Iona Island, will continue to put significant upward pressure on future sewer rates.

The chart that follows compares the City’s 2022 utility fees with the average charges in most Metro Vancouver municipalities. Overall, the City’s aggregate utility fees for 2022 are \$1,819, which is above the average charge of \$1,577 across most Metro Vancouver municipalities. Comparison by utility type reflects the following:

- **Water** — The City continues to renew aging water infrastructure and delivers a water conservation program in support of the Greenest City Action Plan and the One Water approach.
- **Sewer and Drainage** — The City continues advancing sewer renewal and separation work, and it will integrate climate change forecasts and future planning with the Rain City Strategy and the One Water approach to amplify the outcomes of investments made.
- **Solid Waste** — Solid waste services and service levels can vary significantly between municipalities. In addition to garbage and green bin services, the City’s Solid Waste utility recovers a general street cleaning fee to support public realm cleanliness programs.



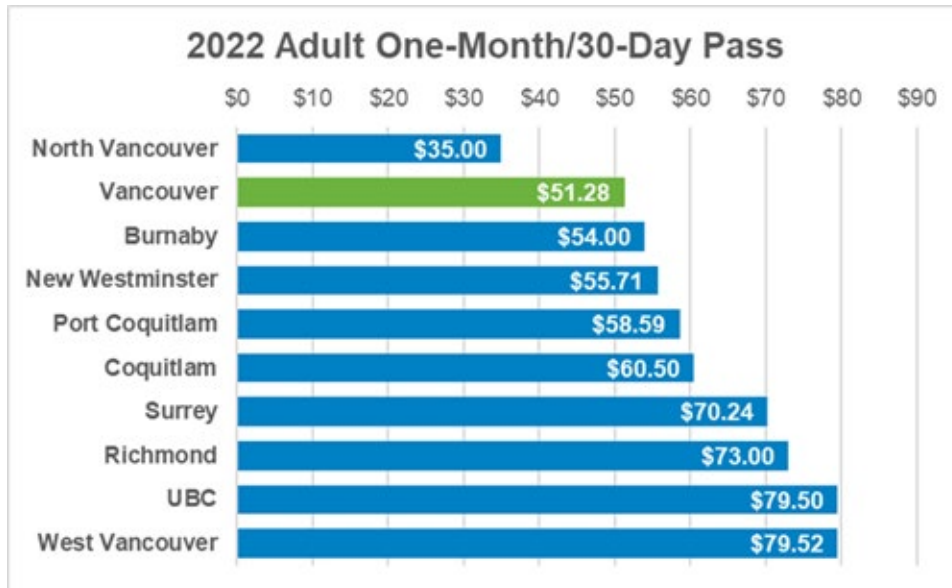
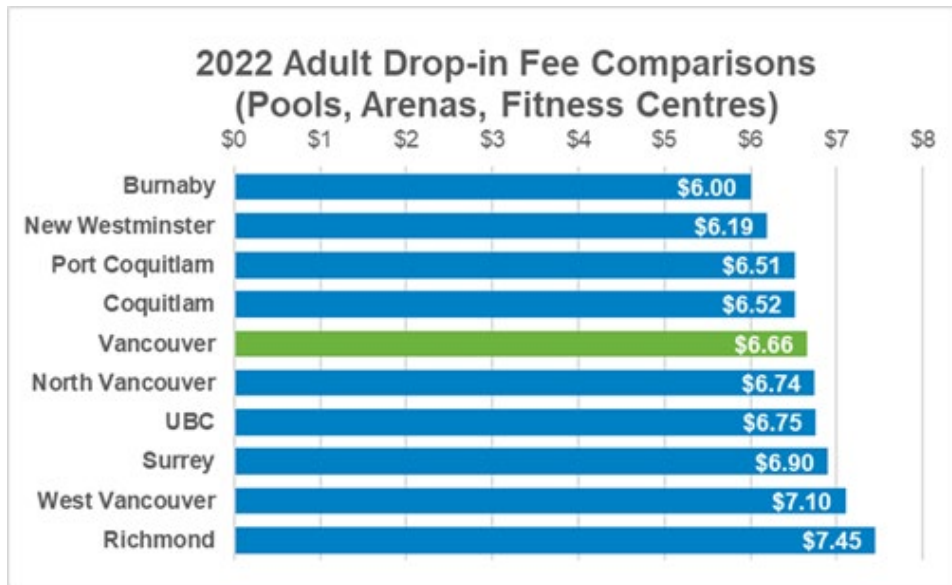
Overall utility rates are expected to increase an average of 10% annually through to 2027, driven primarily by forecasted increases in regional utility charges from Metro Vancouver and increased investments in infrastructure renewal.

User fees

In addition to property taxes and utility fees, the City collects user fees for on-street parking and use of recreational facilities (such as fitness centres, swimming pools and ice rinks). Fees are typically set to recover some or all costs associated with delivering these services, taking into

consideration users' ability to pay and pricing competitiveness relative to similar private and public service providers.

The two charts that follow compare various user fees for fitness centres, swimming pools and ice rinks across Metro Vancouver municipalities. Charges at Vancouver facilities remain very competitive in the region.





DRAFT OPERATING BUDGET

Introduction

The 2023 Draft Current-State Operating Budget and Five-Year Financial Plan has been prepared to provide City Council with information on the budget requirements for 2023 based on current service and resourcing levels and known fixed cost increases.

The 2023 Draft Current-State Operating Budget includes increases for fixed and contractually obligated costs for the City, with no new investments or enhanced service levels. This can serve as the starting point for engagement with Council on adjustments to the budget in alignment with Council's priorities.

The 2023 Draft Current-State Operating Budget outlines potential revenue and expense changes, for a total 2023 Draft Operating Budget of \$1.9 billion, which is an increase of 9.5% or \$166 million from the 2022 Budget. In 2023, the Empty Homes Tax will be included in the budget for the first time; estimated at \$44 million, it can only be used to fund new initiatives to support affordable housing and potential initiatives brought forward to Council for approval. The 2023 Draft Current-State Operating Budget is based on a property tax increase of 5.0% that is required to balance the budget at current-state resources and service levels, largely comprising fixed and contractually obligated costs of the City at existing resource levels, in addition to infrastructure renewal costs and funding for the Vancouver Police Department (VPD) 2021 budget appeal. The property tax increase of 5.0% is broken down as 1.0% additional infrastructure renewal, 2.0% increased funding for VPD services, and 2.0% increased funding for the remainder of City services.

Explanation of the 2023 Draft Current-State Operating Budget, including drivers of revenues and costs, is provided in the sections that follow.

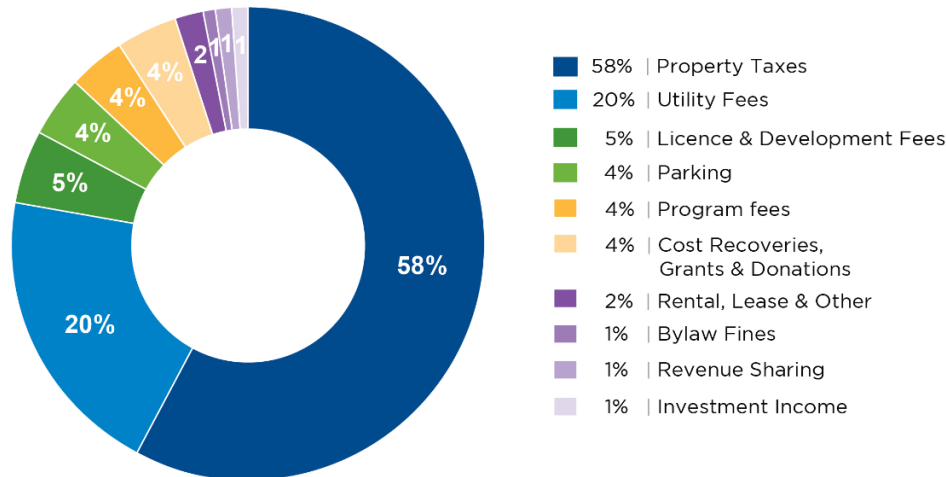
2023 Draft Operating revenues

The City generates revenue from several sources including property tax, utilities, licence and development fees, other user fees, parking and investment income. Revenue changes outlined in the 2023 Draft Current-State Budget reflect rate changes as well as changes in volume or usage.

Revenues such as user and recreation fees have seen a strong recovery from pandemic lows as public health restrictions have lifted; however, risks remain in areas such as parking and parks program fees, where utilization has not yet fully recovered to pre-pandemic levels.

The following section highlights major changes in the 2023 Draft Operating Revenue Budget as compared with that of 2022.

2023 Operating Revenues (\$1,914 million)



Property tax is the largest source of the revenue budget, and it accounts for 58% of total revenues and is budgeted to increase by \$99.5 million in 2023. The projected increase is driven by a 5% property tax increase, newly incorporated vacancy tax revenue estimate, additional property tax revenue related to new construction added to the property tax roll, and adjustments to local improvement taxes and payments in lieu of taxes, which reflect historical trends.

Utility fees make up 20.0% of total operating revenues. Utility fees are based on full cost recovery of utility expenditures. In 2023, water rates will increase by 3.0%, sewer rates will increase by 15.0%, solid waste rates will increase by 5.9% and Neighbourhood Energy Utility (NEU) rates will increase by 3.2%.

Revenue highlights

The revenue drivers and rate increases in the revenue estimates include the following:

- Property taxes** — The 2023 Draft Operating Budget includes funding for fixed cost increases in existing services, infrastructure renewal and VPD's 2021 budget appeal. As a result, the total tax increase for 2023 is 5% or, on average, \$99 additional per year for median residential property owners and \$256 per year for median businesses. The increase is broken down as 1% for additional infrastructure renewal, 2% increased funding for VPD services, and 2% increased funding for the remainder of City services.
- Empty Homes Tax** — Revenue estimates for the 2023 declaration year have been newly built into the budget based on historical assessments and forecasted trends. Prior to 2023, the Empty Homes Tax revenue was not included in the annual operating budget. This revenue can only be used to fund new initiatives to support affordable housing and potential initiatives that will be brought forward to Council for approval during 2023.

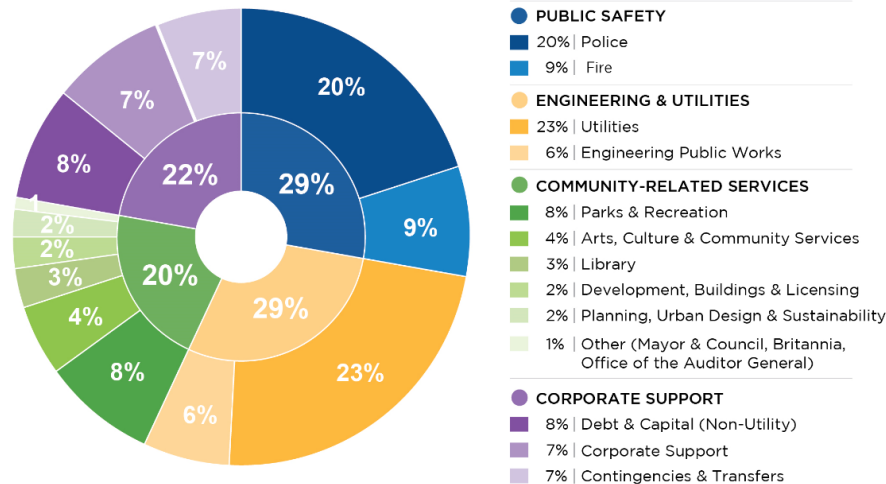
- A water utility rate increase of 3% will provide funding for water capital projects as outlined in the approved 2023-2026 Capital Plan, and higher Metro Vancouver regional water rates will fund infrastructure improvements throughout the region and support investments to address the maintenance of aging infrastructure. The rate is higher than the 2022 rate of 2% primarily because of high water rate projections from Metro Vancouver.
- A sewer utility rate increase of 15% will reflect the increase in Metro Vancouver rates; provide pay-as-you-go funding for sewer capital projects, as outlined in the approved 2023-2026 Capital Plan; cover debt-servicing costs to support the replacement and separation of sewer infrastructure to support the City's goal to eliminate combined sewer overflows by 2050; and allow for fixed cost increases in operating expenditures. This rate is consistent with the sewer utility rate forecast from the 2022 Budget.
- A solid waste utility fee increase of 5.9% is required for sanitation equipment operating costs and capital expenditures, as outlined in the approved 2023-2026 Capital Plan.
- A licence and development fee increase of 5% was approved by Council in July 2022 and is consistent with actual increases in service costs, in addition to continued growth in application volumes for business licences, permits and rezoning services in 2023.
- User fees, such as recreation fees, are projected to increase by 3%, while parking revenues and by-law fines have been held consistent to current-state levels. Staff will continue to monitor the recovery of parking revenue streams based on the economic recovery.
- Investment income increase aligns with positive timing of investment maturities in addition to current and forecasted positive interest rate environment.

2023 Draft Operating expenditures

The 2023 Draft Expenditures Budget is increasing by \$166 million. This includes funding for fixed and contractually obligated cost increases for City services, regional costs from Metro Vancouver to support ongoing services, infrastructure renewal, and the VPD's 2021 budget appeal.

The following section provides an overview of the main factors affecting the 2023 Draft Expenditures Budget as compared with those of 2022.

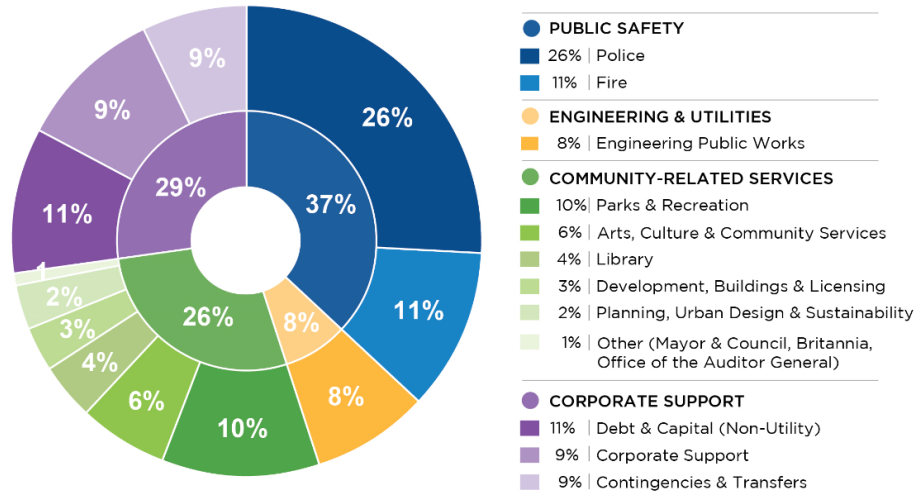
2023 Operating Expenditures, Debt & Transfers by Service Area (\$1,914 million)



Public safety (VPD, Vancouver Fire and Rescue Services) makes up 29% of total expenditures in the 2023 Draft Operating Budget. Engineering (Utilities and Public Works) also makes up 29% of total operating expenditures. Utility expenditures, the largest component, are driven primarily by costs from Metro Vancouver that the City does not control and will increase in 2023. Community-related services make up a remaining 20% of the budget (Parks and Recreation; Arts, Culture and Community Services; Vancouver Public Library; Planning, Urban Design and Sustainability; Development, Buildings and Licensing). Corporate activities, including debt costs and contributions to capital projects, make up 22%.

Total operating expenditures outlined in the 2023 Draft Operating Budget have increased by 9.5% (\$166 million) over 2022 based on the costs included in the 2023 Draft Budget.

2023 Operating Expenditures, Debt & Transfers Excluding Utilities (\$1,471 million)



Utilities are funded primarily from utility rates, which are set to recover the cost of providing services to ratepayers. Excluding utilities, the 2023 Draft Operating Budget, supported by taxes and other fees, is \$1.47 billion. Public safety expenditures are 37% of the tax- and fee-supported budget, and even a small percentage increase in cost in these areas can result in a large increase in the Operating Budget. Recent trends of wage growth above inflation in public safety, in addition to growth in fixed costs, have resulted in significant pressure on property taxes. However, this has been partially mitigated in past years through reprioritization of resources and increased fee revenues in other areas.

Utility cost increases

Utility expenditures are increasing by 8.7%, in part because of increasing regional utility charges passed on to the City by Metro Vancouver to support infrastructure renewal. Details of utility expenditure increases will be outlined in separate utility rate reports to Council to be presented at the same time as the 2023 Draft Operating Budget.

Expense highlights

The expenditure drivers and increases related to the City's current-state resources and service levels include the following:

- Vancouver Police Board's 2021 budget appeal was supported by the provincial government in April 2022, which reinstated \$5.7 million to Vancouver Police Board's 2022 operating budget. This impact was managed through one-time reserve funding in 2022, and permanent funding has been included in the 2023 Draft Budget.
- Additional funding to maintain infrastructure and public amenities in a state of good repair as outlined in the 2023-2026 Capital Plan. Over the course of the five-year plan, based on projected asset condition, there will be a need for continued growth in renewal funding needed to address aging infrastructure and maintain current assets. Additional funding from a 1% property tax increase and a 5% utility fee increase per annum has been incorporated in the City's financial plan to maintain assets in a state of good repair and to address the growing infrastructure deficit.
- Salary increments for existing staff, wage increases and fringe benefit rate increases. As of January 1, 2023, all collective agreements between the City, its related Boards and the bargaining agents representing unionized staff will have expired. The results of the collective agreement negotiations will have a major impact on the City's budget and five-year financial plan; however, the impact is uncertain. Because of the provincial statutory framework for public safety, collective agreements covering firefighters and police officers are subject to binding arbitration where wage outcomes are not within the City's control.
- Increased E-Comm 9-1-1 levies resulting from higher volume and complexity of calls. The volume of 9-1-1 calls has risen steadily and is predicted to continue to rise with the growing population and increased cell phone usage.
- An average of 25% increase in insurance premiums for the City's July 1 insurance renewals due to the continual hardening of the insurance market, especially with respect to property-type insurance coverage, as well as the newly enacted Fine Arts Policy.
- Higher costs for replacement and maintenance of fleet due to cost inflation in the market for vehicles and parts, in addition to an increase in fuel prices.
- Increased building occupancy costs as a result of a 1.2% rate increase from BC Hydro and a forecasted 6.0% rate increase for natural gas. In addition, a slight increase in natural gas consumption offset by supply disruptions and lower usage of biomethane.
- Increased rental and lease costs related to higher contractual rental and annual maintenance costs for existing facilities. These increased lease costs are partially offset by sublease of Marine Gateway.

- Additional costs for utilities that reflect regional costs from Metro Vancouver to support ongoing services and infrastructure improvements, funding to support the approved 2023-2026 Capital Plan, and operating expenditures to support the maintenance of aging infrastructure.
- The impact of a Canada Pension Plan (CPP) rate increase. The federal government has started phasing in increases to the CPP contribution rate over a multi-year period from 2019 to 2024. The 2023 Draft Budget includes an estimated \$2-million increased cost to the City in 2022, and an increased cost of \$2 million to \$3 million per year is expected each year from 2023 to 2024.
- An increase in WorkSafeBC premiums in 2023. The City has recently seen significant increases in premiums resulting from increases in claim rates, particularly in the area of public safety.

Offsetting savings and reprioritization

Considering the financial challenges and the increased efforts and costs involved in rebounding from the pandemic, the City is continuing to take measures to reduce costs while it provides core services:

- Incorporated calculations for historical attrition levels and current labour environment challenges.
- Aligned operating impacts of capital to project delivery schedules.

To alleviate pressure on property tax and fee revenue sources, the Draft Operating Budget has been developed taking into account an ongoing review of City service levels, opportunities for innovation in program delivery (including strategic partnerships with the private sector, not-for-profit organizations and other levels of government), process improvements, business and technology transformation, and new revenue sources.

Revenue stabilization reserve

Reserves are a one-time funding source, and a balance needs to be maintained to respond to potential future events. The target balance for the revenue stabilization reserve is between 8% and 16% of non-utility revenues. The reserve provided funding to continue City operations during the pandemic as revenues were significantly affected, which has resulted in the reserve balance being drawn down well below target levels. As of Q3, the forecasted uncommitted reserve balance is 4% of non-utility revenues, and a multi-year strategy will be required to replenish the reserve to within the 8%-16% target. The current-state budget does not rely on stabilization reserve funding to balance and does not include a specific line item to replenish the reserve.

Draft Detailed Operating Budget table

This section provides a detailed breakdown of the 2023 Draft Operating Budget, outlining each major revenue and expense category. The budget schedule shows the year-over-year impact of changes by revenue type and department expenditure. Significant changes are outlined in the notes at the end of the detailed budget. This detailed budget reflects all the items discussed in the previous sections.

The 2022 budget has been restated so that 2022 and 2023 are comparable. There is no net impact of these restatements on the City's total Operating Budget. The restated budget for 2022 reflects the following adjustments:

- **Interdepartmental reorganizations** — Where activities and costs have moved between departments, the original budget has been restated to reflect an appropriate year-over-year comparison.
- **Changes in shared support services allocation policy** — The costs of corporate shared support services directly attributable to an individual department (e.g., dedicated staff and resources in corporate service areas such as Finance, Technology Services, and Procurement; building occupancy costs; 3-1-1) are shown in department budgets; this aligns with best practices and more accurately reflects the cost of service. The shared support services allocation is reviewed annually, and prior year budgets are restated in alignment with allocation policy changes for comparability.
- **One-time initiatives** — Adjustments for material one-time items, such as the election, for comparability.

City of Vancouver
Operating Budget (\$000)

Revenue (\$000)	2022 Restated Budget	2023 Draft Budget	Net Change (\$)	Net Change (%)	Notes
Property taxes					
General Levy	954,277	1,007,135	52,857	5.5%	1
Empty Homes Tax	-	44,000	44,000	-	2
Business Improvement Association levies	15,255	16,580	1,325	8.7%	
Other property tax related	38,553	39,907	1,354	3.5%	3
Total Property taxes	1,008,085	1,107,622	99,536	9.9%	
Utility fees					
Water revenue					
Metered water charges	81,972	84,070	2,098	2.6%	
Flat-rate water charges	59,811	60,755	943	1.6%	
Meter charges	4,787	4,887	101	2.1%	
Fire line charges	3,548	3,622	75	2.1%	
Other water revenue	542	552	10	1.8%	
Total Water revenue	150,659	153,886	3,226	2.1%	4
Sewer revenue					
Metered sewer charges	68,129	77,620	9,491	13.9%	
Flat-rate sewer charges	48,488	54,636	6,148	12.7%	
Industrial waste water fees	1,125	1,199	74	6.6%	
Other sewer revenue	881	885	4	0.4%	
Total Sewer revenue	118,623	134,339	15,716	13.2%	5
Solid Waste revenue					
Collection revenue	37,815	41,421	3,606	9.5%	
Disposal revenue					
Tipping fees	26,934	42,847	15,913	59.1%	
Metro & Delta's revenue sharing	12,556	7,615	(4,941)	-39.3%	
Other disposal revenue	2,315	2,889	574	24.8%	
Subtotal Disposal revenue	41,804	53,351	11,547	27.6%	6
Total Solid Waste revenue	79,619	94,771	15,152	19.0%	
Neighbourhood Energy revenue					
NEU fixed levy	4,385	4,649	265	6.0%	
NEU energy charge	3,235	3,487	252	7.8%	
NEU connection charge	-	-	-	-	
Total Neighbourhood Energy revenue	7,620	8,137	516	6.8%	7
Total Utility fees	356,522	391,133	34,611	9.7%	

Note: Totals may not add due to rounding

City of Vancouver
Operating Budget (continued)

Revenue (\$000)	2022 Restated Budget	2023 Draft Budget	Net Change (\$)	Net Change (%)	Notes
Program Fees					
Parks & Recreation program fees					
Recreation revenue					
Admissions	11,446	11,672	226	2.0%	
Programming	4,825	5,224	399	8.3%	
Recreation facility rentals	4,488	4,851	364	8.1%	
Other recreation revenue	194	52	(142)	-73.3%	
Subtotal Recreation revenue	20,952	21,798	847	4.0%	8
Golf revenue	11,594	12,048	453	3.9%	
VanDusen Botanical Gardens	4,461	4,625	164	3.7%	
Concession revenue	3,422	3,591	169	4.9%	
Stanley Park Train	2,154	1,885	(269)	-12.5%	
Bloedel Conservatory	1,066	1,108	42	4.0%	
Event permits & other revenue	990	1,459	470	47.4%	
Total Parks & Recreation program fees	44,638	46,514	1,876	4.2%	9
Civic Theatres program fees					
Theatre facility rentals	7,609	7,837	228	3.0%	
Concession revenue	2,743	2,825	82	3.0%	
Ticket surcharges	1,889	1,946	57	3.0%	
Other Civic Theatres revenue	173	178	5	3.0%	
Total Civic Theatres program fees	12,414	12,786	372	3.0%	10
Community Services program fees					
Mountain View Cemetery revenue	2,861	2,861	-	0.0%	
Community Kitchen revenue	1,690	1,690	-	0.0%	
Total Community Services program fees	4,551	4,551	-	0.0%	
Library program fees					
Fines & penalties	371	169	(202)	-54.4%	
Other library revenue	455	455	-	0.0%	
Total Library program fees	826	624	(202)	-24.4%	11
Britannia program fees	1,058	1,090	32	3.0%	
Other Department program fees	1,747	2,034	286	16.4%	12
Total Program fees	65,234	67,599	2,365	3.6%	

Note: Totals may not add due to rounding

City of Vancouver
Operating Budget (continued)

Revenue (\$000)	2022 Restated Budget	2023 Draft Budget	Net Change (\$)	Net Change (%)	Notes
Licence and development fees					
Trade permit fees					
Electrical inspection fees	6,857	7,592	735	10.7%	
Plumbing inspection fees	5,738	6,224	486	8.5%	
Mechanical Permit Fees	-	1,184	1,184	-	
Gas permit fees	896	973	77	8.6%	
Other trade permit fees	935	1,256	320	34.2%	
Total Trade permit fees	14,426	17,229	2,803	19.4%	13.1
Licence fees					
Business licence fees	19,952	20,989	1,037	5.2%	
Dog and other licence fees	943	1,229	286	30.3%	
Total Licence fees	20,895	22,218	1,323	6.3%	13.2
Development permit fees					
Building permit fees	18,225	22,171	3,946	21.6%	
Development permit fees	14,960	14,157	(803)	-5.4%	
Rezoning fees	5,914	6,167	253	4.3%	
Subdivision fees	1,273	1,365	91	7.2%	
Other development fees	26	27	1	3.3%	
Total Development permit fees	40,399	43,887	3,488	8.6%	13.3
Engineering fees & charges					
Anchor rod fees	4,790	3,500	(1,290)	-26.9%	
Street furniture fees	2,497	2,516	19	0.8%	
Sidewalk café fees	1,480	1,480	-	0.0%	
Encroachment fees	901	1,000	99	11.0%	
Garbage container fees	889	934	45	5.1%	
Films/festival fees	137	845	708	518.4%	
Other engineering fees	2,762	3,809	1,047	37.9%	
Total Engineering fees & charges	13,455	14,084	629	4.7%	13.4
Misc. and other fees	2,010	2,212	202	10.1%	
Ride Sharing IMBL	500	750	250	50.0%	
Total Licence and development fees	91,685	100,380	8,696	9.5%	13
Parking revenue					
On street parking revenue	62,508	62,508	-	0.0%	
Parks parking revenue	8,429	8,829	400	4.7%	
Parking permit fees	1,589	1,589	-	0.0%	
Civic Theatres parking revenue	971	971	-	0.0%	
Other parking revenue	1,634	1,661	26	1.6%	
Total Parking revenue	75,132	75,558	426	0.6%	14

Note: Totals may not add due to rounding

City of Vancouver
Operating Budget (continued)

Revenue (\$000)	2022 Restated Budget	2023 Draft Budget	Net Change (\$)	Net Change (%)	Notes
Cost recoveries, grants and donations					
Police Services recoveries, grants & donations	22,933	25,723	2,790	12.2%	
Fire & Rescue Services recoveries	9,112	9,112	-	0.0%	
Engineering recoveries	6,950	7,916	966	13.9%	
Parks & Recreation recoveries, grants & donations	4,864	5,012	148	3.0%	
Community Services recoveries	4,057	4,057	-	0.0%	
Library recoveries, grants & donations	2,488	2,488	-	0.0%	
General Government recoveries	1,802	1,302	(500)	-27.7%	
Planning, Urban Design & Sustainability recoveries	100	100	-	0.0%	
Other department recoveries	10,712	11,156	444	4.1%	
Total Cost recoveries, grants and donations	63,020	66,868	3,847	6.1%	15
Revenue sharing					
Traffic fine revenue sharing	12,000	12,000	-	0.0%	
Gaming revenue sharing	4,644	6,744	2,100	45.2%	
Total Revenue sharing	16,644	18,744	2,100	12.6%	16
Investment income	13,830	26,309	12,479	90.2%	17
Rental, lease and other					
Civic property rental revenue	11,614	11,614	0	0.0%	
Engineering revenue					
Street Use revenue	3,314	3,659	345	10.4%	
Parking Operations revenue	1,851	1,851	-	0.0%	
Street Maintenance revenue	655	1,344	689	105.2%	
Other Engineering revenue	113	113	-	0.0%	
Total Engineering revenue	5,934	6,968	1,034	17.4%	
Parks and Recreation Revenue	7,818	7,950	132	1.7%	
Lease income	1,195	1,195	-	0.0%	
Police Services revenue	207	207	-	0.0%	
Other department revenue	5,909	6,500	591	10.0%	
Miscellaneous Citywide revenue	3,585	3,645	60	1.7%	
Total Rental, lease and other	36,262	38,079	1,817	5.0%	18
Bylaw fines					
Parking fine revenue	21,604	21,604	-	0.0%	
Other Bylaw fines	(27)	(203)	(176)	652.6%	
Total Bylaw fines	21,577	21,401	(176)	-0.8%	
Total Revenues	\$ 1,747,990	\$ 1,913,692	\$ 165,702	9.5%	

Note: Totals may not add due to rounding

City of Vancouver
Operating Budget (continued)

Expenditures & Transfers (\$000)	2022 Restated Budget	2023 Draft Budget	Net Change (\$)	Net Change (%)	Notes
Utilities					
Water					
Water purchases (Metro)	93,780	95,753	1,972	2.1%	
Water operations	13,322	14,214	892	6.7%	
Capital program & other transfers					
Debt service charges	7,454	5,084	(2,370)	-31.8%	
Pay-as-you-go funding	26,128	31,509	5,381	20.6%	
Rate stabilization & other reserve transfer	7,927	5,172	(2,755)	-34.8%	
Subtotal Capital program & other transfers	41,509	41,765	256	0.6%	
Shared support services	2,229	2,335	106	4.8%	
Total Water	150,840	154,067	3,226	2.1%	19
Sewer					
GVS&DD levy (Metro)	86,819	90,983	4,164	4.8%	
Sewer operations	10,497	10,078	(419)	-4.0%	
Capital program & other transfers					
Debt service charges	47,398	43,769	(3,629)	-7.7%	
Pay-as-you-go funding	19,105	30,000	10,895	57.0%	
Rate stabilization & other reserve transfer	2,908	8,278	5,369	184.6%	
Subtotal Capital program & other transfers	69,412	82,047	12,635	18.2%	
Shared support services	1,809	1,916	107	5.9%	
Total Sewer	168,537	185,024	16,487	9.8%	20
Solid Waste					
Collections	27,569	29,457	1,889	6.9%	
Landfill	25,547	23,662	(1,885)	-7.4%	
Transfer station	9,364	8,887	(476)	-5.1%	
Capital program & other transfers					
Capital Financing Fund loan payments	1,354	1,140	(214)	-15.8%	
Pay-as-you-go funding	8,967	17,722	8,755	97.6%	
Solid Waste Reserve & other transfer	5,177	12,298	7,121	137.5%	
Subtotal Capital program & other transfers	15,497	31,159	15,662	101.1%	
Shared support services	2,072	2,170	98	4.7%	
Total Solid Waste	80,049	95,336	15,287	19.1%	21
Neighbourhood Energy					
NEU operations	4,034	3,917	(117)	-2.9%	
Capital program & other transfers					
Debt service charges	2,860	2,727	(133)	-4.6%	
Rate stabilization & other reserve transfer	726	1,492	767	105.6%	
Subtotal Capital program & other transfers	3,586	4,220	634	17.7%	
Total Neighbourhood Energy	7,620	8,137	516	6.8%	22
Total Utility	407,046	442,563	35,517	8.7%	

Note: Totals may not add due to rounding

City of Vancouver
Operating Budget (continued)

Expenditures & Transfers (\$'000)	2022 Restated Budget	2023 Draft Budget	Net Change (\$)	Net Change (%)	Notes
Department					
Engineering					
Public Works					
Street Maintenance	28,162	27,836	(327)	-1.2%	
Parking Operations	17,251	15,999	(1,252)	-7.3%	
Street Use	17,804	18,327	523	2.9%	
Street Cleaning	11,314	11,714	400	3.5%	
Street Lighting	6,534	6,627	92	1.4%	
Transportation	4,284	5,645	1,361	31.8%	
General Public Works	7,993	8,027	34	0.4%	
Shared support services	10,566	10,791	225	2.1%	
Transfers to / (from) reserves & other funds	(18,270)	(18,962)	(693)	3.8%	
Subtotal Public Works	85,639	86,003	364	0.4%	
Department Services					
Equipment Service Operations	(4,501)	(3,910)	591	-13.1%	
Construction Supplies & Services	(1,021)	(740)	281	-27.5%	
Operations Safety & Support	1,114	2,074	960	86.1%	
Equipment Management Group	1,859	1,658	(201)	-10.8%	
Shared support services	89	-	(89)	-100.0%	
Transfers to / (from) reserves & other funds	27,019	30,408	3,388	12.5%	
Subtotal Department Services	24,559	29,490	4,931	20.1%	
Total Engineering	110,197	115,493	5,295	4.8%	23
Police Services					
Support Services	139,299	153,383	14,084	10.1%	
Operations	131,752	132,382	629	0.5%	
Investigations	64,620	65,564	944	1.5%	
Office Of Chief Constable	1,866	1,847	(19)	-1.0%	
Vancouver Police Board	296	318	22	7.3%	
E-Comm allocation	20,805	25,687	4,881	23.5%	
Shared support services	7,442	7,543	101	1.4%	
Transfers to / (from) reserves & other funds	3,987	3,329	(658)	-16.5%	
Total Police Services	370,069	390,053	19,984	5.4%	24
Fire & Rescue Services					
Fire & Rescue Services					
Fire Suppression & Medical	129,031	134,708	5,677	4.4%	
Training & Administration	5,641	5,727	86	1.5%	
Prevention	4,068	4,075	7	0.2%	
E-Comm allocation	5,564	6,288	724	13.0%	
Shared support services	2,794	2,908	114	4.1%	
Transfers to / (from) reserves & other funds	6,818	6,763	(55)	-0.8%	
Total Fire & Rescue Services	153,916	160,470	6,553	4.3%	25

Note: Totals may not add due to rounding

City of Vancouver
Operating Budget (continued)

Expenditures & Transfers (\$000)	2022 Restated Budget	2023 Draft Budget	Net Change (\$)	Net Change (%)	Notes
Department (continued)					
Parks & Recreation					
Recreation	54,730	56,635	1,905	3.5%	
Park maintenance & operations	41,890	45,157	3,267	7.8%	
Golf	7,444	7,664	220	3.0%	
Strategic Operations & Board Relations	6,542	7,224	681	10.4%	
VanDusen Botanical Gardens	4,207	4,373	166	4.0%	
Business Services Support	3,705	4,011	306	8.3%	
Concessions	2,521	2,683	162	6.4%	
Marinas	1,997	1,999	1	0.1%	
Parking	1,697	1,943	245	14.5%	
Stanley Park Train	1,462	1,425	(37)	-2.5%	
Decolonization, Arts & Culture	1,281	1,511	231	18.0%	
Bloedel Conservatory	1,132	1,172	40	3.5%	
Planning & Park Development	1,052	1,088	36	3.4%	
Shared support services	10,630	11,017	387	3.6%	
Transfers to / (from) reserves & other funds	3,551	4,150	600	16.9%	
Total Parks & Recreation	143,840	152,052	8,212	5.7%	26
Library					
Public Services	46,657	47,434	777	1.7%	
Administrative Services	8,303	8,504	200	2.4%	
Shared support services	2,502	2,591	88	3.5%	
Transfers to / (from) reserves & other funds	112	127	14	12.7%	
Total Library	57,576	58,656	1,080	1.9%	27
Britannia Community Services Centre	5,969	6,076	108	1.8%	
Civic Theatres					
Civic Theatre operations	10,404	10,578	174	1.7%	
Shared support services	3,214	3,317	103	3.2%	
Transfers to / (from) reserves & other funds	1,256	1,256	-	0.0%	
Total Civic Theatres	14,874	15,151	277	1.9%	
Community Services					
Social Support	15,953	16,064	110	0.7%	
Housing	6,343	7,256	913	14.4%	
Social Policy	5,315	5,394	79	1.5%	
Culture	4,562	4,589	27	0.6%	
Mountain View Cemetery	2,316	2,354	37	1.6%	
General & Projects	1,409	1,480	70	5.0%	
Shared support services	3,507	3,512	5	0.1%	
Transfers to / (from) reserves & other funds	2,765	2,871	106	3.8%	
Total Community Services	42,171	43,519	1,349	3.2%	28
Grants					
Cultural	13,658	13,931	273	2.0%	
Social Policy	7,664	7,818	153	2.0%	
Childcare	1,669	1,703	33	2.0%	
Other grants	320	329	8	2.6%	
Total Grants	23,311	23,780	468	2.0%	

Note: Totals may not add due to rounding

City of Vancouver
Operating Budget (continued)

Expenditures & Transfers (\$000)	2022 Restated Budget	2023 Draft Budget	Net Change (\$)	Net Change (%)	Notes
Department (continued)					
Planning, Urban Design & Sustainability					
Long Range & Strategic Planning	13,464	13,718	254	1.9%	
Current Planning	10,635	11,168	534	5.0%	
General	5,365	6,252	887	16.5%	
Shared support services	1,372	1,684	311	22.7%	
Transfers to / (from) reserves & other funds	(675)	(955)	(281)	41.6%	
Total Planning, Urban Design & Sustainability	30,161	31,866	1,705	5.7%	29
Development, Buildings & Licensing					
Permitting Services	17,993	18,649	656	3.6%	
Inspections & Bylaw Services	17,743	18,422	678	3.8%	
Licensing & Policy	2,733	2,843	111	4.1%	
Digital Business Services	1,598	1,646	48	3.0%	
General & Projects	524	548	24	4.5%	
Shared support services	2,735	2,841	106	3.9%	
Transfers to / (from) reserves & other funds	14	25	10	71.5%	
Total Development, Buildings & Licensing	43,341	44,973	1,632	3.8%	30
Mayor & Council	3,611	3,670	59	1.6%	
Office of the Auditor General	1,400	2,005	605	43.2%	31
Corporate Support Service					
Real Estate & Facilities Management					
Facility operations	55,819	57,152	1,333	2.4%	
Real Estate & Facility planning & development	3,280	4,418	1,137	34.7%	
Strategic Operations	3,201	2,930	(271)	-8.5%	
Shared support services	(32,102)	(32,820)	(719)	2.2%	
Transfers to / (from) reserves & other funds	3,006	3,622	616	20.5%	
Subtotal Real Estate & Facilities Management	33,205	35,301	2,097	6.3%	32
Finance, Risk & Supply Chain Management					
Finance & Supply Chain Management	33,607	34,695	1,087	3.2%	
Training & Administration	786	862	76	9.6%	
Shared support services	(10,608)	(11,148)	(540)	5.1%	
Transfers to / (from) reserves & other funds	(2,955)	(3,368)	(412)	14.0%	
Subtotal Finance, Risk & Supply Chain Management	20,830	21,041	210	1.0%	33
Technology Services					
Information Technology	41,381	42,020	639	1.5%	
3-1-1 Contact Centre	8,049	8,151	102	1.3%	
Digital Services	2,326	2,823	498	21.4%	
Shared support services	(9,432)	(9,797)	(365)	3.9%	
Transfers to / (from) reserves & other funds	(193)	(193)	-	0.0%	
Subtotal Technology Services	42,130	43,004	874	2.1%	34

Note: Totals may not add due to rounding

City of Vancouver
Operating Budget (continued)

Expenditures & Transfers (\$000)	2022 Restated Budget	2023 Draft Budget	Net Change (\$)	Net Change (%)	Notes
Department (continued)					
Other support services					
Human Resources	12,998	13,161	163	1.3%	
Office of Chief Safety Officer	8,963	9,171	208	2.3%	35
Legal Services	6,834	7,098	264	3.9%	36
City Clerk	6,234	5,952	(282)	-4.5%	37
Communications & Engagement	3,302	3,731	429	13.0%	
City Manager's Office	2,698	2,792	94	3.5%	38
Internal Audit	832	824	(8)	-0.9%	
Equity and Diversity Office	699	678	(21)	-3.1%	
Sport Hosting	507	907	400	78.8%	39
Shared support services	(6,690)	(7,386)	(695)	10.4%	
Transfers to / (from) reserves & other funds	7	207	200	2801.3%	
Subtotal Other support services	36,384	37,136	751	2.1%	
Total Corporate Support Service	132,550	136,482	3,932	3.0%	
General Government					
General Government expenses	63,131	65,786	2,656	4.2%	40.1
Empty Homes Tax Transfer to EHT	-	44,000	44,000	-	40.2
Business Improvement Association grants	15,255	16,580	1,325	8.7%	
Vancouver Economic Commission	3,100	3,100	-	0.0%	
Shared support services	762	762	(0)	0.0%	
Transfers to / (from) reserves & other funds	(2,430)	2,860	5,290	-217.7%	40.3
Total General Government	79,818	133,088	53,271	66.7%	40
Total Department	1,212,803	1,317,334	104,530	8.6%	
General debt & Transfers to Capital Fund					
Debt charges (non-utility)	72,241	63,796	(8,445)	-11.7%	41
Transfers to Capital Fund	55,900	90,000	34,100	61.0%	42
Total General debt & Transfers to Capital Fund	128,141	153,796	25,655	20.0%	
Total Expenditures & Transfers	\$ 1,747,990	\$ 1,913,692	\$ 165,702	9.5%	
Net Operating Budget	-	-	-	-	-

Note: Totals may not add due to rounding

Notes to Operating Budget table

The following notes explain select changes to the budget.

1. **General tax levy** — In 2023, the draft budget for the property tax general levy increases by \$53.0 million. This reflects an increase of \$48.0 million based on a total tax increase of 5% as well as additional revenue of \$5.0 million (related to new construction) added to the property tax roll. On average, this would amount to \$99 additional per year for median residential property owners and \$256 per year for median businesses.
2. **Empty Homes Tax** — Vacancy tax revenue estimates of \$44.0 million are newly incorporated into the draft budget and are reflective of historical assessments and forecasted trends. These revenues are fully offset by transfers to the Empty Homes Tax reserve for initiatives to support affordable housing.
3. **Other property tax related** — Increase in payments in lieu of taxes (PILs) by 5% based on property tax rate increase, in addition to increased late property tax payments resulting in higher penalties and interest.
4. **Water utility revenue** — The 2023 Draft Operating Budget reflects an increase in water revenues by 2.1% due primarily to a proposed 3.0% increase to the metered and flat rate revenues.
5. **Sewer utility revenue** — The 2023 Draft Operating Budget reflects an increase in sewer metered and flat-fee rates. These increases are due primarily to a proposed increase of 15.0% in the sewer utility rate.
6. **Disposal revenue** — The increase is due mainly to higher net cost recoveries anticipated from Metro Vancouver and City of Delta related to a decrease in volume of commercial garbage.
7. **Neighbourhood Energy Utility (NEU) revenue** — The 2023 Draft Operating Budget reflects a 6.8% increase in customer rates and the expansion of the NEU customer base. This revenue increase corresponds with an increase in operating budget expenditures due to system expansion.
8. **Recreation revenue** — The 2023 Draft Operating Budget in recreation revenue reflects a 3% fee increase, supplemented by continued growth in program attendances in recreation facilities and the reopening of Kensington Pool.
9. **Parks and Recreation program revenue** — The 2023 Draft Operating Budget in Parks and Recreation program revenue reflects a 3% fee increase, partially offset by the reduction of Stanley Park Train service due to mechanical maintenance of aging trains.
10. **Civic Theatres program revenue** — The 2023 Draft Operating Budget in Civic Theatres program revenue reflects a fee increase and anticipated bookings of Vancouver Civic Theatres for the 2023 performance season.

11. **Library program revenue** — The 2023 Draft Operating Budget includes a revenue reduction to fully support the fine-free initiative to reduce barriers to library service and increase equity, which began in 2021.
12. **Other Department program fees** — The 2023 Draft Operating Budget reflects new revenue related to Señákw Services Agreement as well as a 3% fee increase reflective of higher service costs.
13. **Total Licence and development fees** — The 2023 Draft Operating Budget reflects the following key changes:
 - 13.1 **Trade permit fees** — Reflects a 5% Council-approved fee increase, in addition to a higher volume of applications and new mechanical permit fees.
 - 13.2 **Licence fees** — Reflects a 5% Council-approved fee increase, in addition to higher application volumes for dog licences.
 - 13.3 **Development permit fees** — Reflects a 5% Council-approved fee increase, in addition to lower application provisions. Revenues are currently presented on a cash basis, where payment is recognized as revenue upon receipt. As part of the 2024 budget process, these fees will transition to an earned revenue basis where revenue will be recognized as performance obligations are satisfied in order to meet Public Sector Accounting Board (PSAB) standards. The permitting program continues to close the gap between revenues and expenses while maintaining current-state resourcing levels and support services.
 - 13.4 **Engineering and other fees** — Reflects a 5% fee increase in alignment with current trend levels.
14. **Total Parking revenue** — The 2023 Draft Operating Budget remains consistent with the 2022 budget with no increase due to the expected continuation of reduced travel and parking activity. Staff will continue to monitor the parking stream based on the economic recovery.
15. **Total Cost recoveries, grants and donations** — The 2023 Draft Operating Budget reflects an increase in Vancouver Police Department recoveries based on current-state resourcing. The increase in total recoveries is fully offset by a corresponding increase in the total expenditures budget predominantly related to salaries that are cost recoverable. This results in a net zero impact on the budget. In addition, revenue increase relates to inflationary increases in other fees such as TransLink and in Engineering's fee increase of 5%.
16. **Total Revenue sharing** — The 2023 Draft Operating Budget reflects increased casino gaming revenues in line with the lifting of public health restrictions and reopening of casinos. This increase aligns casino revenues back to pre-pandemic levels.
17. **Investment income** — The 2023 Draft Operating Budget reflects an increase in revenues aligned with the positive timing of investment maturities in addition to positive interest rate effects on the investment portfolio.

18. **Rental, lease and other revenue** — The 2023 Draft Operating Budget reflects an increase in construction inspections, a higher volume of property tax search applications, and other short-term interest revenues from a positive interest rate effect.
19. **Total Water** — The 2023 Draft Operating Budget reflects a \$2.0-million increase due to a 2.8% increase in the rate charged by Metro Vancouver, partially offset by lower consumption volume. In addition, there is a \$3.0-million increase in costs of capital work to address the increasing level of maintenance of the aging infrastructure as part of the City's 2023-2026 Capital Plan.
20. **Total Sewer** — The 2023 Draft Operating Budget reflects a \$0.2-million increase for the sewer levy charged by Metro Vancouver to fund regional infrastructure growth. Pay-as-you-go toward the Sewer Separation Program is increasing by \$10.9 million as part of the City's four-year Capital Plan. Furthermore, an \$8.3-million transfer to the Sewer Rate Stabilization Reserve will mitigate against future Metro Vancouver levy increases.
21. **Total Solid Waste** — The 2023 Draft Operating Budget reflects additional disposal costs due to higher quantities of waste coming to the landfill, an increase in garbage and green bin collection equipment, and an increase in landfill and transfer station capital renewal work.
22. **Total Neighbourhood Energy** — The 2023 Draft Operating Budget reflects an increase in the price of energy inputs and funding toward continued expansion of the system's capacity.
23. **Total Engineering** — The 2023 Draft Operating Budget reflects an increase in expenses due to (1) increases in compensation and benefit expenses, (2) insurance costs, (3) other operating expenditures to operate and maintain fleet and equipment, and (4) operating impacts associated with previously approved capital projects related to various projects, including Gastown improvements and new pedestrian/bike signals, partially offset by higher vacancy expectation.
24. **Police Services** — The 2023 Draft Operating Budget reflects an increase in expenses due to (1) estimated increases in compensation and benefit expenses, (2) third party costs related to non-emergency call taking services provided by E-Comm 9-1-1 and new requirements from the Justice Institute of British Columbia (JIBC) recruit training, and (3) permanent funding of the 2021 Vancouver Police Department budget appeal, approved by the provincial government.
25. **Vancouver Fire and Rescue Services** — The 2023 Draft Operating Budget includes (1) an increase in compensation and benefit expenses arising from estimated increases, (2) higher Canada Pension Plan and WorkSafeBC premiums, (3) higher third party costs related to dispatch services provided by E-Comm 9-1-1, and (4) tax funding for existing fire prevention officers previously funded by the Empty Homes Tax. This is partially offset by turnover adjustments to reflect the current labour market environment in fire suppression staff and changes in the rank and seniority of firefighters.

26. **Parks and Recreation Board** — The 2023 Draft Operating Budget includes estimated increases in compensation and benefit expenses for existing resource levels and increases in fixed costs driven mainly by higher fuel prices and maintenance, in addition to operating impacts of previously approved capital projects and costs associated with the reopening of Kensington Pool.
27. **Library** — The 2023 Draft Operating Budget reflects fixed cost increases for electricity and natural gas, equipment and collections, and rent and lease expenses. In addition, the 2023 Draft Operating Budget includes estimated increases in compensation and benefit expenses such as adjustments related to annual increment and benefit increases for existing positions. The 2023 Draft Operating Budget also reflects additional funding for IT positions to align with current labour market rates partially offset by turnover adjustments to reflect the current labour market environment.
28. **Arts, Culture and Community Services** — The 2023 Draft Operating Budget reflects estimated increases in fixed costs mainly in compensation and benefit expenses for existing resource levels, higher energy and building costs related to non-market housing, and lease and moving costs for 310 Main Street and DTES street market.
29. **Planning, Urban Design and Sustainability** — The 2023 Draft Operating Budget reflects estimated increases in compensation and benefit expenses and higher building maintenance costs. The 2023 Draft Operating Budget also includes reallocated staffing resources for the Special Projects team.
30. **Development, Buildings and Licensing** — The 2023 Draft Operating Budget reflects estimated increases in compensation and benefit expenses for existing resources and service levels.
31. **Office of the Auditor General** — The Office of the Auditor General follows a separate budget process. The 2023 Draft Operating Budget reflects a proposed resource increase and is subject to approval by the Auditor General Committee and by Council.
32. **Real Estate and Facilities Management** — The 2023 Draft Operating Budget reflects estimated increases in costs to ensure that the City's aging infrastructure is maintained to meet safety and compliance standards. Additional expenses are due to estimated increases in compensation and benefits for current-state resourcing, increased insurance premium for civic buildings, and higher fleet and energy costs. Funding is provided for operating impacts of new childcare centres and new and upgraded park sites that have recently been completed and need to be operated and maintained on an ongoing basis. The 2023 Draft Operating Budget also includes turnover adjustments to reflect the current labour market environment.
33. **Finance, Risk and Supply Chain Management** — The 2023 Draft Operating Budget reflects estimated increases mainly in compensation and benefit expenses for existing staffing levels. This is supplemented by an increase in annual auditing costs to validate a higher number of property status declarations and to encourage higher levels of compliance within the vacancy tax program, fully funded from the Empty Homes Tax reserve.

34. **Technology Services** — The 2023 Draft Operating Budget reflects an estimated increase in compensation and benefit expenses to maintain current-state resourcing, partially offset by turnover adjustments to reflect the current labour market environment. Funding is provided for operating impacts associated mainly with infrastructure maintenance and the upgrade and renewal of enterprise data and analytics licences.
35. **Office of the Chief Safety Officer** — Established in 2022, Office of the Chief Safety Officer seeks to improve the safety of the City with the mandate to review current safety management systems and practices, monitor safety outcomes and report results to the City Leadership Team and departments, identify internal and external best practices, establish organizational priorities for action and alignment of department safety efforts, and work closely with occupational safety experts within the organization. The 2023 Draft Operating Budget reflects an estimated increase in compensation and benefit expenses to maintain current-state resourcing.
36. **Legal Services** — The 2023 Draft Operating Budget reflects estimated increases mainly in compensation and benefit expenses for existing resources.
37. **City Clerk's Office** — The 2023 Draft Operating Budget reflects a decrease in expenses due to lower Board of Variance operating costs, in addition to turnover adjustments to reflect the current labour market environment.
38. **City Manager's Office** — The 2023 Draft Operating Budget reflects an estimated increase in compensation and benefit expenses for existing resources.
39. **Sport Hosting** — The 2023 Draft Operating Budget reflects an increase in expenses due to a reinstatement of the City's annual contribution to the Sport Tourism Development Fund — a partnership among Destination Vancouver, the Vancouver Hotel Destination Association and the City of Vancouver — which was temporarily suspended in 2022 because of the pandemic.
40. **General Government**
- 40.1 **General Government expenses** — The 2023 Draft Operating Budget reflects changes due primarily to increases in contingency because of emerging risks and other uncertainties.
- 40.2 **Empty Homes Tax transfer to EHT reserve** — The 2023 Draft Operating Budget reflects an increase in transfer to the Empty Homes Tax reserve fully offset by vacancy tax revenue estimates reflective of historical assessments and forecasted trends highlighted in previous notes.
- 40.3 **Transfers to/from reserves and other funds** — The 2023 Draft Operating Budget reflects changes due primarily to higher Property Endowment Fund reserve dividends and reinstatement of Election reserve transfer.

41. **Debt charges (non-utility)** — General (non-utility) debt service charges include Sinking Fund contributions, interest expense associated with outstanding debt used to fund general (non-utility) capital, and reserve contributions/(drawdowns) used to stabilize the overall operating impact of the tax-supported capital funding.
42. **Transfers to Capital Fund** — The 2023 draft transfer reflects contributions toward general (non-utility) pay-as-you-go capital funding supporting the 2023-2026 Capital Plan.

Impact on property taxes and utility fees

The following table summarizes the impact of a 5% municipal property tax increase on median residential and business properties, should Council approve the elements included in this budget document. It does not include property taxes levied by other taxing authorities, as such information was not available at the time of writing this document. Council has no control over the amounts collected by these other taxing authorities.

The 2023 Municipal Tax Levy estimates in this document incorporate preliminary 2022 appeal adjustments and new construction estimates available in September 2022 as well as a municipal property tax increase of 5% reflecting the fixed costs outlined in this document. BC Assessment will finalize new construction and other non-market changes, and the final 2023 Assessment Roll will be completed in March 2023. The impact on individual properties will vary, depending on the relative change in value of a property (compared with other properties in the same class) as well as the impact of mitigating measures to be adopted by Council for the 2023 tax year.

Indicative City Property Tax Impact of Draft 2023 Budget

Assessed Value of Property (without land assessment averaging)	Est. 2023 CoV Property Taxes	Change over 2022
\$759,000 - Median residential strata unit	\$1,218	\$58
\$1,301,000 - Median overall residential unit	\$2,087	\$99
\$1,997,000 - Median single-family home	\$3,204	\$153
\$1,098,700 - Median business property	\$5,385	\$256

The following table illustrates the indicative City property tax and utility fee impact of the 2023 Draft Budget for a median single-family home and median business property.

Indicative City Property Tax and Utility Fee Impact of Draft 2023 Budget

	Median Single-Family Home \$1,997,000		Median Business Property \$1,098,700	
	ESTIMATED 2023 TAX BILL (CoV PORTION)	CHANGE OVER 2022	ESTIMATED 2023 TAX BILL (CoV PORTION)	CHANGE OVER 2022
Property taxes (Including 5% increase)	\$3,204	\$153	\$5,385	\$256
Water ¹	\$834	\$24	\$772	\$22
Sewer ¹	\$751	\$98	\$767	\$100
Solid Waste ²	\$377	\$21	\$283	\$16
Subtotal Utility fees	\$1,962	\$143	\$1,822	\$138
Combined	\$5,166	\$296	\$7,207	\$394

¹ The majority of single-family homes are charged a flat fee for utilities; newly constructed single-family homes and business properties are metered. Rate of increases in water and sewer charges for businesses are the same as those for residential properties.

² City staff provide weekly green bin and bi-weekly garbage collection to single-family and duplex homes in Vancouver. The collection of garbage and green bin material from multi-family and commercial establishments is provided primarily by the private sector.

Five-year financial plan

The purpose of the five-year financial plan is to provide a longer-term projection of the City’s revenue and expense direction as well as insights on potential pressures and risks. Growing financial risks and challenges, compounded by impacts of the pandemic, reinforce the importance of a multi-year strategic planning approach. This allows the City to align cost increases to revenue trends to enable a sustainable budget for future years while continuing toward long-term efficiencies. A five-year operating plan allows for more informed planning and decision-making.

In building the five-year plan, the economic recovery scenarios presented in the Economic Context section of this document were considered. The five-year plan in this section is based on the scenario in which economic activity has rebounded from the impacts of pandemic lows; however, there is a risk that revenues such as parking and parks program fees may take longer to recover because there are increasing cost pressures within City operations and externally there are rising inflation and interest rates, and other risks. The five-year plan also considers the need to replenish the general revenue stabilization reserve and to continue to fund infrastructure renewal and public safety growth plans. Therefore, balancing the five-year outlook represents a significant challenge for the City, and will require ongoing process improvements, leveraging of

technology, and new ways of doing business. Without these, the five-year plan would result in property tax increases in the 6%-9% range each year or in service level adjustments in order to balance. The City will look to build capacity for the future, in combination with advocacy for municipal financial reform.

The five-year financial plan is based on the City's Long-Term Financial Sustainability Guidelines and reflects the impacts of the 2023-2026 Capital Plan. The five-year plan is an outlook for the future to guide decisions in the 2023 Budget; Council does not approve the budgets or tax increases as part of the 2023 Budget approval, and those will be brought forward for Council consideration as part of future annual budget processes.

Revenue

Operating revenue is projected to increase by an average of 7% from 2023 to 2027. This increase is driven primarily by the following broad financial assumptions, in line with the Long-Term Financial Sustainability Guidelines:

- Property tax increases are on average 7% for the period 2023 to 2027. This is consistent with the prior five-year plan and increases related to fixed costs, the 1% infrastructure renewal increases from 2023 to 2027, the investment in staffing related to Fire and Police operational reviews, and building the stabilization reserve back to a healthy level.
- Increases to sewer rates are expected to be 15% per year from 2023 to 2027. These are driven primarily by Metro Vancouver forecasted regional utility charge increases, increasing pay-as-you-go for sewer capital projects per the 2023-2026 Capital Plan, and costs associated with the Iona Island Wastewater Treatment Plant.
- Increases to water rates are expected to range from 3% to 10% per year (2023, 3%; 2024 to 2025, 8%; 2026, 9%; 2027, 10%). These are driven primarily by Metro Vancouver forecasted regional utility charge increases to fund regional infrastructure improvements, the transition to pay-as-you-go funding to support delivery of the approved 2023-2026 Capital Plan partially offset by use of reserves to keep rates below Metro Vancouver increases, and water conservation efforts that reduce overall rate revenue.
- Increases to solid waste rates are expected to be 5.9% in 2023 (2024, 2.4%; 2025 to 2027, 2.0%). These rates are driven by higher equipment costs due to expansion of the collection fleet, items from the approved 2023-2026 Capital Plan that are paid on a pay-as-you-go basis, and ongoing inflationary increases to the operating expenditures. Revenues will increase to accommodate increases in the amount of garbage being disposed of and the costs to maintain labour and equipment levels to manage service requirements.
- Increase in investment income in 2023 reflects the positive timing of investment maturities in addition to the current and forecasted positive interest rate environment. This is subsequently normalized to maintain a conservative financial approach for 2024 and onward. Staff will continue to monitor interest trends and adjust budgets accordingly.

- Other revenues such as trade and development fees and program fees are projected to continue to grow in 2023 and onward. The City will continue to monitor the revenue trends and adjust its estimates accordingly.

Expenditures

Operating expenditures are projected to increase by an average of 7% per year from 2023 to 2027. This is a projection based on fixed cost trends and costs related to existing service levels. This is driven primarily by the following assumptions:

- Increases in department budgets, in line with forecasted inflation over five years, will result in fixed cost increases.
- Increases to regional utility charges are assessed by Metro Vancouver to fund regional infrastructure improvements, including costs associated with the Iona Island Wastewater Treatment Plant site preparation for secondary treatment.
- Increases in utility expenditures for water usage and sanitary sewer function on existing and new civic metered groups, based on actual levels of consumption. This change in model is to influence behavioural changes to reduce water consumption and avoid wastage.
- The 2023-2027 plan includes (1) necessary funding for renewal and maintenance of infrastructure and public amenities to ensure they meet the needs of the public and remain in an appropriate state of good repair, as outlined in the 2023-2026 Capital Plan, (2) operating impacts of previously approved capital projects, (3) remaining multi-year impacts of implementing the Vancouver Police Department and Fire and Rescue Services Operational Review recommendations, and (4) rebuilding the reserve level by equivalent of 1% property tax to within best practice targets of 8% by the year 2026.

Over the past decade, the City has become increasingly active in addressing needs that have traditionally been the jurisdiction and mandate of the provincial government. Significant investments have been made, particularly in public safety and emergency response, social housing and social services, addressing issues related to mental health and addiction, childcare, and other core services that serve both the city and the Metro Vancouver region.

Similar to other Canadian municipalities, the City is constrained by limited revenue sources. The City's primary revenue sources are intended to support traditional municipal services and infrastructure programs. These sources are proving to be insufficient as the responsibility for new services has expanded. The City plans to work with the provincial government for opportunities to leverage senior government funding and to explore new revenue tools, including sharing of revenues from various provincial tax categories and modernizing the City's property tax structure, to deliver on growing demands for public services at the municipal level.

Risks and opportunities

Costs for maintaining existing services are rising faster than inflation in a number of areas.

Risks to the five-year financial plan include:

- Inflationary pressures resulting from current and forecasted market conditions and any significant increase in interest rates will increase the City's debt servicing on new debt and will limit future borrowing capacity.
- Uncertainty related to the ongoing impact of the COVID-19 pandemic in areas such as:
 - Revenue streams (e.g., parking) that are exhibiting slower economic recovery than anticipated.
 - Continued global supply chain disruptions that are affecting the City's ability to maintain and deliver key services.
- Collective agreement risk.
- Unanticipated costs downloaded to the City from other levels of government.
- New regulatory and compliance requirements.
- Costs for unforeseen events such as public emergencies and issues related to climate change and unusual weather events.
- Costs for higher water consumption during periods of low rainfall, costs for flooding and wind damage, and higher costs for snow and ice removal in periods of high winter storm activity.
- Potential levy increases imposed by Metro Vancouver for Water and Sewer utility to fund ongoing services and infrastructure improvements throughout the region.
- The City maintains a varied portfolio of more than \$34 billion in assets (at replacement value, excluding land) and regularly reviews asset maintenance and renewal requirements to maintain facilities and infrastructure in a state of good repair. Asset renewal represents additional pressure on the five-year plan that will be reviewed as part of the Capital Strategic Outlook and 2023-2026 Capital Plan process.
- Canada's economic recovery to pre-pandemic levels is estimated to take approximately one to four years, with the possibility that the recovery timeline could extend to 2024.

FIVE YEAR FINANCIAL PLAN - REVENUES

City of Vancouver (\$000)						2023 Change		2024 Change		2025 Change		2026 Change		2027 Change	
	2023 Draft Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Revenues															
Property tax	1,107,622	1,207,168	1,305,255	1,402,226	1,494,253	99,536	9.9%	99,547	9.0%	98,086	8.1%	96,971	7.4%	92,027	6.6%
Utility Fees															
Water revenue	153,886	164,287	175,422	189,035	205,457	3,226	2.1%	10,401	6.8%	11,135	6.8%	13,614	7.8%	16,422	8.7%
Sewer revenue	134,339	153,166	174,758	199,235	227,020	15,716	13.2%	18,827	14.0%	21,591	14.1%	24,477	14.0%	27,785	13.9%
Solid Waste revenue	94,771	97,179	97,487	97,998	98,982	15,152	19.0%	2,407	2.5%	308	0.3%	511	0.5%	984	1.0%
Neighbourhood Energy revenue	8,137	8,840	9,511	10,948	12,468	516	6.8%	703	8.6%	671	7.6%	1,437	15.1%	1,520	13.9%
Utility Fees Total	391,133	423,471	457,177	497,215	543,927	34,611	9.7%	32,338	8.3%	33,706	8.0%	40,038	8.8%	46,711	9.4%
Program Fees	67,599	69,617	71,703	73,852	76,065	2,365	3.6%	2,019	3.0%	2,086	3.0%	2,148	3.0%	2,213	3.0%
Licence & Development fees	100,380	103,150	106,156	109,252	112,440	8,696	9.5%	2,770	3.0%	3,006	3.0%	3,096	3.0%	3,189	3.0%
Parking revenue	75,558	75,558	75,558	75,558	75,558	426	0.6%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Cost recoveries, grants & donations	66,868	66,868	66,868	66,868	66,868	3,847	6.1%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Revenue sharing	18,744	18,744	18,744	18,744	18,744	2,100	12.6%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Investment income	26,309	15,357	15,357	15,357	15,357	12,479	90.2%	(10,952)	-41.6%	-	0.0%	-	0.0%	-	0.0%
Other revenue	38,079	38,079	38,079	38,079	38,079	1,817	5.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Bylaw fines	21,401	21,401	21,401	21,401	21,401	(176)	-0.8%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Revenues	1,913,692	2,039,413	2,176,297	2,318,551	2,462,690	165,702	9.5%	125,721	6.6%	136,884	6.7%	142,254	6.5%	144,140	6.2%

Note: Totals may not add due to rounding

FIVE YEAR FINANCIAL PLAN - EXPENDITURES

City of Vancouver (\$000)	2023 Draft Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	2023 Change		2024 Change		2025 Change		2026 Change		2027 Change	
						(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
Expenditures & Transfers															
Utilities															
Water	154,067	164,467	175,602	189,216	205,638	3,226	2.1%	10,401	6.8%	11,135	6.8%	13,614	7.8%	16,422	8.7%
Sewer	185,024	210,541	246,651	283,864	321,077	16,487	9.8%	25,516	13.8%	36,111	17.2%	37,213	15.1%	37,213	13.1%
Solid Waste	95,336	97,743	98,051	98,562	99,546	15,287	19.1%	2,407	2.5%	308	0.3%	511	0.5%	984	1.0%
Neighbourhood Energy	8,137	8,840	9,511	10,948	12,468	516	6.8%	703	8.6%	671	7.6%	1,437	15.1%	1,520	13.9%
Utilities Total	442,563	481,591	529,816	582,590	638,729	35,517	8.7%	39,028	8.8%	48,225	10.0%	52,774	10.0%	56,139	9.6%
Department															
Engineering	115,493	120,373	125,192	130,118	135,154	5,295	4.8%	4,881	4.2%	4,819	4.0%	4,926	3.9%	5,036	3.9%
Police Services	390,053	406,355	422,721	438,162	450,984	19,984	5.4%	16,302	4.2%	16,366	4.0%	15,441	3.7%	12,822	2.9%
Fire and Rescue Services	160,470	168,612	177,207	185,253	190,514	6,553	4.3%	8,142	5.1%	8,595	5.1%	8,046	4.5%	5,260	2.8%
Parks & Recreation	152,052	159,670	165,619	171,708	177,942	8,212	5.7%	7,618	5.0%	5,948	3.7%	6,089	3.7%	6,235	3.6%
Library	58,656	60,715	62,528	64,395	66,318	1,080	1.9%	2,060	3.5%	1,812	3.0%	1,867	3.0%	1,923	3.0%
Britannia Community Services Centre	6,076	6,259	6,446	6,640	6,839	108	1.8%	182	3.0%	188	3.0%	193	3.0%	199	3.0%
Civic Theatres	15,151	15,605	16,074	16,556	17,053	277	1.9%	455	3.0%	468	3.0%	482	3.0%	497	3.0%
Community Services	43,519	44,825	46,170	47,555	48,981	1,349	3.2%	1,306	3.0%	1,345	3.0%	1,385	3.0%	1,427	3.0%
Grants	23,780	24,493	25,228	25,985	26,764	468	2.0%	713	3.0%	735	3.0%	757	3.0%	780	3.0%
Planning, Urban Design & Sustainability	31,866	32,822	33,807	34,821	35,866	1,705	5.7%	956	3.0%	985	3.0%	1,014	3.0%	1,045	3.0%
Development, Buildings & Licensing (DBL)	44,973	46,322	47,712	49,143	50,618	1,632	3.8%	1,349	3.0%	1,390	3.0%	1,431	3.0%	1,474	3.0%
Mayor & Council	3,670	3,780	3,893	4,010	4,130	59	1.6%	110	3.0%	113	3.0%	117	3.0%	120	3.0%
Office of the Auditor General	2,005	2,056	2,109	2,163	2,219	605	43.2%	51	2.5%	53	2.6%	54	2.6%	56	2.6%
Corporate Services	136,482	143,523	150,243	157,088	164,062	3,932	3.0%	7,042	5.2%	6,720	4.7%	6,845	4.6%	6,974	4.4%
General Government	133,088	160,160	184,282	210,113	239,066	53,271	66.7%	27,072	20.3%	24,122	15.1%	25,831	14.0%	28,953	13.8%
Department Total	1,317,334	1,395,571	1,469,230	1,543,710	1,616,510	104,530	8.6%	78,238	5.9%	73,659	5.3%	74,479	5.1%	72,801	4.7%
General debt & Transfers to Capital Fund															
Debt charges (non-utility)	63,796	67,241	77,241	87,241	97,441	(8,445)	-11.7%	3,445	5.4%	10,000	14.9%	10,000	12.9%	10,200	11.7%
Transfers to Capital Fund	90,000	95,000	100,000	105,000	110,000	34,100	61.0%	5,000	5.6%	5,000	5.3%	5,000	5.0%	5,000	4.8%
General debt & Transfers to Capital Fund Total	153,796	162,241	177,241	192,241	207,441	25,655	20.0%	8,445	5.5%	15,000	9.2%	15,000	8.5%	15,200	7.9%
Total Expenditures & Transfers	1,913,692	2,039,403	2,176,287	2,318,540	2,462,680	165,702	9.5%	125,710	6.6%	136,884	6.7%	142,254	6.5%	144,140	6.2%
Net Operating Budget	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: Totals may not add due to rounding



CAPITAL PLAN AND CAPITAL BUDGET

Introduction

The 2023-2026 Capital Plan was approved by Council in June 2022 and contemplates \$3.5 billion worth of capital investment over the four years of the plan. It presents a comprehensive overview of capital investments in the City's infrastructure and amenities across all service categories, along with their associated funding strategies.

The 2023 Capital Budget is the first step in implementing the 2023-2026 Capital Plan. It provides detailed information and outcomes on one-time projects and ongoing programs that will be starting in 2023, as well as their associated funding and spending for the year. Key projects include the first phase of renewal of the Vancouver Aquatic Centre in the West End, the expansion of W.C. Shelly Park in Grandview-Woodland, and the renewal and expansion of the Downtown South Firehall.

The 2023 Capital Budget also incorporates some projects and programs from prior Capital Plan(s), which are still in progress and are to be delivered within the 2023-2026 Capital Plan period. Examples include the renewal and expansion of Marpole-Oakridge Community Centre, the construction of the Granville Bridge Connector, and the renewal and expansion of the Grandview Firehall.

Capital planning and delivery frameworks

Capital planning framework

Inventory of capital assets

The City owns more than \$34 billion worth of infrastructure and amenities (replacement value, excluding land) encompassing:

- Approximately 8.5 million square feet of facilities providing a broad range of recreational, community, social and cultural programs and services, affordable housing, public safety and civic administration
- Approximately 1,343 hectares of parks and public open spaces
- Approximately 4,350 kilometres of sidewalks, streets and lanes
- Approximately 3,600 kilometres of underground potable water, rainwater and sanitary water mains

It is estimated that partner agencies such as TransLink, Metro Vancouver, Vancouver School Board, Conseil scolaire francophone, BC Housing and non-profit organizations, which also provide important public services to Vancouver residents, own approximately \$30 billion worth of infrastructure and amenities within city limits.

Additional details can be found in the [2023-2026 Capital Plan report](#).

Capital planning goals

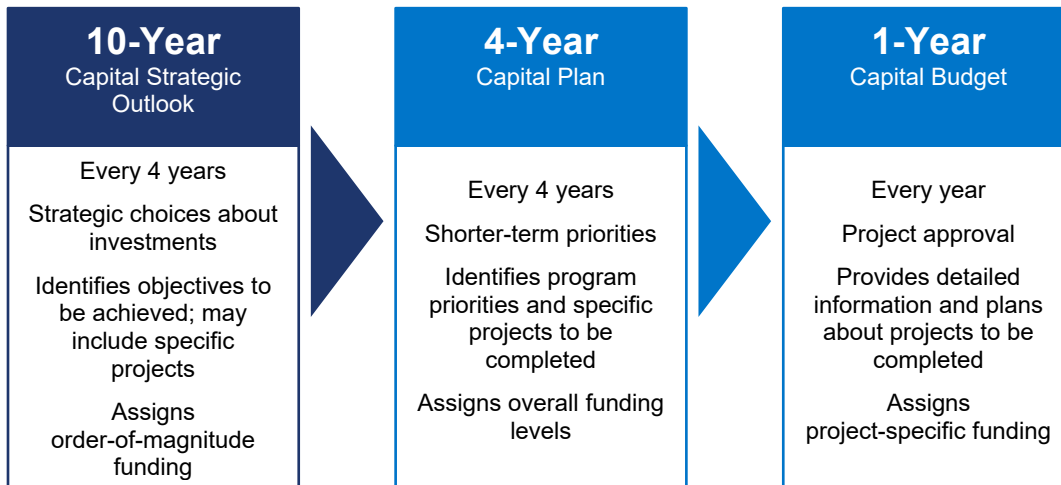
There are four long-term goals associated with capital planning:

- Maintain existing infrastructure and amenities in an appropriate state of repair.
- Add or expand infrastructure and amenities to address existing service gaps or respond to population and employment growth.
- Evolve infrastructure and amenities to address emerging needs (e.g., climate change), as well as Council, Board and community priorities.
- Ensure the City is financially sustainable and resilient in the short, medium and long term as it supports the three previous goals.

Capital planning framework

The City's capital planning framework consists of two forward-looking planning tools: a longer-term **10-year Capital Strategic Outlook** and a medium-term **four-year Capital Plan**, which is then implemented via **Annual Capital Budgets**. The level of specificity related to project details (scope of work, schedule, cost estimate and funding) increases from the Capital Plan to the Capital Budget.

The Capital Plan is meant to be a living document to respond to changing circumstances over its four-year time frame. While some changes are accommodated every year, the plan as a whole is recalibrated in the second year of the four-year time frame through a Mid-term Update.



Service categories

In 2011, the City adopted a service-based planning framework to enable a more holistic city-wide approach to capital decision-making. The City uses the following 12 service categories for capital planning and budgeting purposes:

- Housing
- Childcare
- Parks and public open spaces
- Arts, culture and heritage
- Community facilities
- Public safety
- Civic facilities and equipment
- Streets
- One Water
- Waste collection, diversion and disposal
- Renewable energy
- Technology

Financial framework

The City funds capital investments from a range of sources (“who pays”) and a balanced mix of payment methods (“when to pay”).

Funding sources

- City contributions (e.g., property tax, utility fees) are used primarily to maintain and renew existing assets.
- Development contributions (e.g., Development Cost Levies, Community Amenity Contributions) are used mainly to provide new/expanded amenities and infrastructure to support growth.
- Partnership contributions (e.g., TransLink, Metro Vancouver) can be used for renewal or new assets.

Financing methods

- Reserves are like savings accounts used to accumulate funding in advance of a capital project.
- “Pay-as-you-go” is funding from the current year’s operating revenue. Grants to non-profits, renewal of potable water infrastructure, and most technology projects rely on this method.
- Debt financing is typically for City assets with an anticipated lifespan of 10 years or longer.

The City takes a very careful approach to its use of debt, funding repayment over 10 years while ensuring a balanced operating budget. The City’s consistently strong credit ratings and favourable borrowing rates reflect this careful approach.

Additional details can be found in the [2023-2026 Capital Plan report](#).

Capital delivery framework

One-time projects vs. ongoing programs

The four-year Capital Plan and one-year Capital Budgets include both:

- One-time projects, which are typically larger-scale, distinct projects (e.g., renewing and expanding a specific community facility)
- Ongoing programs, which are typically a collection of small/medium, similar projects (e.g., renewing and upgrading curb ramps along sidewalks)

Some ongoing programs in the four-year Capital Plan will be presented as one line item in the Annual Capital Budgets. Once sufficient financial and non-financial information is available on the major projects within these programs, they will be broken down into separate line items for better cost tracking and project management. Examples include the park renewal program, the Active Transportation Corridor program and the Potable Water Transmission Pipe renewal program.

City-led and development-led projects

The four-year Capital Plan includes both:

- City-led projects (i.e., City funding is deployed to plan, design and construct the capital project)
- Development-led projects (i.e., capital projects are approved through the rezoning/development process, then planned, designed and constructed by developers and transferred to the City when completed)

Delivery and budgeting framework

For optimal management of the City's capital investment projects and programs, staff have developed a **framework for capital delivery** to guide the implementation of the Capital Plan through the annual budgeting process.

Most capital projects involve the following four phases:

- **Project selection phase** — In situations where there are multiple candidate projects that can be implemented with the capital funding, there is a phase to compare, prioritize and select the project(s) to advance.
- **Planning/scoping phase** — Major considerations and choices are explored, and a conceptual plan is prepared for the project. Public engagement, if required, is part of this phase.
- **Detailed design phase** — Construction drawings or documents are prepared.
- **Construction phase** — The project is physically delivered.



The budget for a specific project may be for one or more specific phases of the project or, in some instances, for the whole project. For larger projects that take multiple years to complete, annual budget allocations are shown not just for the upcoming year but for all subsequent years in the four-year Capital Plan period. Once the current phase of a project is completed, Council approval is sought for the subsequent phase’s budget during the annual budget or quarterly capital adjustment process.

Different delivery strategies dictate budget allocations over the four-year period. In general, Annual Capital Budget allocations to one-time projects are lower in the first and second years of the Capital Plan (since projects are typically in the planning/scoping phase or the detailed design phase) and higher in the third and fourth years (as projects move to the construction phase). Annual Capital Budget allocations for ongoing programs are generally more stable year over year. A theoretical example is shown in the following table.

Example	4-year Capital Plan total	For Approval	Forecasted Budget Allocation		
		Year 1 Budget	Year 2 Forecast	Year 3 Forecast	Year 4 Forecast
Renew and expand community facility	\$50M	\$1M for planning/scoping phase	\$6.5M for detailed design phase	-	\$42.5M for construction phase

2019-2022 and 2023-2026 Capital Plans

Given the long-term nature of some capital projects and the impact on City staff’s capacity to work on new initiatives, the capital delivery framework ensures projects still in progress from the previous Capital Plan(s) are closely monitored and accounted for when planning the delivery and implementation of the new Capital Plan. Some of the in-progress projects and programs from the 2019-2022 Capital Plan include:

- Projects and programs that started during the 2019-2022 Capital Plan and will complete during the 2023-2026 Capital Plan period without any additional funding from the 2023-2026 Capital Plan. Although there is no financial impact, work on these projects and programs affects staff’s time and capacity to begin work on new initiatives. One example is the Marpole-Oakridge Community Centre renewal and expansion project.
- Projects that started one of the delivery phases during the 2019-2022 Capital Plan and will proceed to the next phase(s) with additional funding in the 2023-2026 Capital Plan. One example is the RayCam Co-operative Centre renewal and expansion project. A total of \$2 million in funding was provided in the 2019-2022 Capital Plan for the planning/scoping phase. The project is continuing in the 2023-2026 Capital Plan with an additional \$49 million for the detailed design and construction phases.

Multi-Year Capital Project Budget vs. Annual Capital Expenditure Budget

The Capital Budget provides the authority to proceed with specific capital projects and programs and defines both the multi-year Capital Project Budget and the Annual Capital Expenditure Budget for all approved work.

The Annual Capital Budget process includes two sets of financial figures:

- **Multi-year budget** — The budget required for one-time projects and ongoing programs in that specific year (i.e., the total amount necessary to complete the planned scope of work, even if it requires more than one year to complete).
- **Annual Capital Expenditure Budget** — The portion of the Multi-Year Capital Budget that is planned to be spent in the budget year.

Having robust capital planning, budgeting and delivery frameworks and a prudent financial strategy is crucial in maintaining the City's financial health while fulfilling the City's capital needs.

Implementing the 2023-2026 Capital Plan

Current open multi-year project budget from previous Capital Plan(s)

As part of developing the implementation strategy for the 2023-2026 Capital Plan, staff reviewed projects and programs that started during previous Capital Plan(s) that have not yet been completed, and any effect they may have on staff's capacity to commence new project work. It is estimated that there is approximately \$0.97 billion worth of existing projects and programs (out of a previously approved project budget of \$2.5 billion) that will continue into the 2023-2026 Capital Plan period, as follows:

- **Ongoing programs** — Approximately \$460 million in total. Includes land acquisition for social and supportive housing, ongoing replacement of City fleet, and ongoing capital maintenance and renovations of City infrastructure.
- **One-time projects that are in progress and will be completed in the 2023-2026 Capital Plan period without additional funding** — Approximately \$450 million in total. Includes projects such as the Marpole-Oakridge Community Centre renewal and expansion, the Granville Bridge Connector, and the Grandview Firehall renewal and expansion.
- **One-time projects that are in progress and will require additional funding during the 2023-2026 Capital Plan** — Approximately \$60 million in total. Includes projects such as the RayCam Co-operative Centre renewal and expansion, Burrard Slopes Park expansion, and Vancouver Animal Control Centre renewal and expansion.

Appendix B includes the list of all approved projects and programs from prior Capital Plans along with a timeline of the corresponding expenditures over the next five years.

2023-2026 Capital Plan

The 2023-2026 Capital Plan was approved by City Council in June 2022 and contemplates \$3.5 billion worth of capital investment over the four years of the plan, comprising:

- \$0.7 billion worth of Council-approved in-kind infrastructure and amenities to be delivered through development and expected to begin construction over the next four years
- \$2.8 billion worth of capital programs and projects to be delivered by the City and/or its community partners, expected to be brought forward for Council approval as part of the annual budget process over the next four years

The following table summarizes the investment by service category.

	Investments in:			Overall	Funding source for cash contributions				In-kind Contributions
	Existing City assets (renewal & upgrades)	New City assets	Non-City / partner assets		City	Dev't.	Partner	Subtotal	
<i>\$ million</i>									
Housing	17	498	102	617	84	186	12	282	335
Childcare	11	102	23	136	11	57	11	79	58
Parks & public open spaces	94	118	-	211	72	129	-	201	10
Arts, culture & heritage	31	96	23	151	94	24	1	119	32
Community facilities	183	198	11	391	191	60	6	257	134
Public safety	71	34	-	105	99	6	-	105	-
Civic facilities & equipment	41	16	-	57	57	-	-	57	-
Streets	304	167	-	471	196	90	82	368	103
Water, sewers & drainage	783	91	-	874	537	303	-	840	35
Waste collection, diversion & disposal	135	6	-	141	128	-	13	141	-
Renewable energy	5	39	30	73	68	5	-	73	-
Technology	110	-	-	110	110	-	-	110	-
Emerging priorities, contingency & project delivery	126	29	-	155	152	3	-	155	-
Overall	1,909	1,393	189	3,492	1,800	862	124	2,786	706
<i>Debt</i>	644	91	-	735	735	-	-	735	-
<i>Pay-as-you-go</i>	836	132	49	1,017	774	131	113	1,017	-
<i>Reserves</i>	341	603	90	1,034	292	732	11	1,034	-
<i>In-kind</i>	89	567	50	706	-	-	-	-	706
	a	b	c	d=a+b+c d=h+i	e	f	g	h=e+f+g	i

The Capital Plan includes \$495 million of City contribution that would be financed through borrowing that requires voter approval. The ballot at the municipal election on October 15, 2022, included three questions regarding borrowing for renewal of assets in these areas:

- (1) Transportation and core operating technology projects: \$173.45 million
- (2) Community facilities: \$162.07 million
- (3) Parks, public safety and other civic facilities, climate change adaptation and other emerging priorities: \$159.48 million

The three questions were approved with 78% support for question 1, 68% support for question 2 and 76% support for question 3.

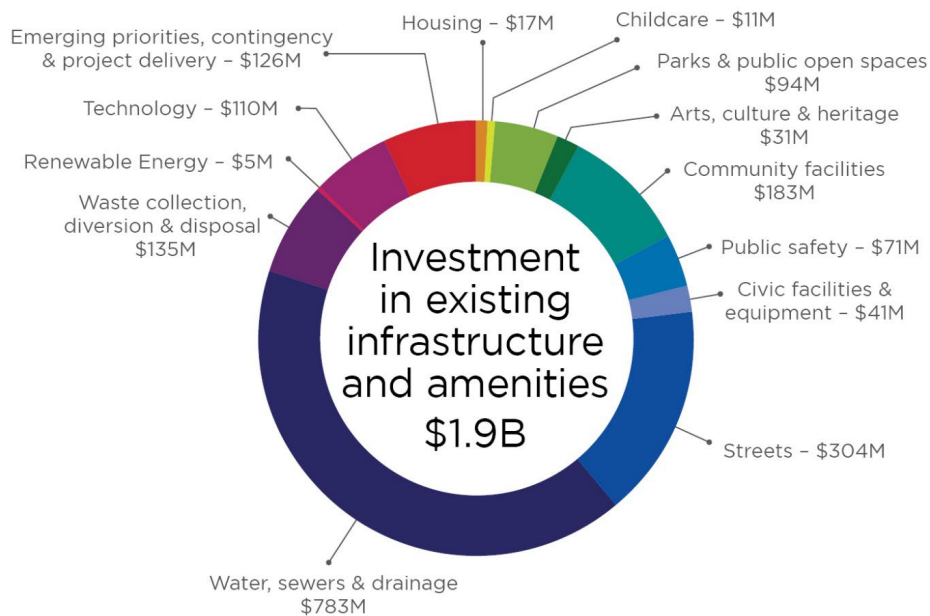
2023-2026 Capital Plan priorities

- Renew critical aging water and sewer infrastructure and enhance water quality.
- Renew and upgrade aging community, public safety and civic facilities to strengthen community resilience and business continuity.
- Preserve and create affordable housing and childcare to support our workforce and grow our economy.
- Advance climate mitigation and adaptation work in accordance with the Climate Emergency Action Plan and the Climate Change Adaptation Strategy.

Renewing existing assets and the infrastructure deficit (\$1.9 billion)

Building on the 2019-2022 Capital Plan, increasing the City’s capacity to address its growing portfolio of aging infrastructure and amenities in a financially sustainable and resilient manner continues to be the core theme of the City’s medium- to long-term capital planning framework. Based on the infrastructure and amenities’ estimated replacement value of \$34 billion, the City needs to invest around \$800 million annually to maintain its assets in a state of good repair. Compared with the approximately \$300 million of asset renewal funding per annum in the 2019-2022 Capital Plan, the City needs an intentional, multi-decade funding strategy to address the growing infrastructure deficit. Of the \$3.5 billion worth of strategic investments contemplated in the Capital Plan, more than 55% is dedicated for asset maintenance and renewal. This is equivalent to roughly \$480 million of annual capital maintenance plus upgrade and renewal funding.

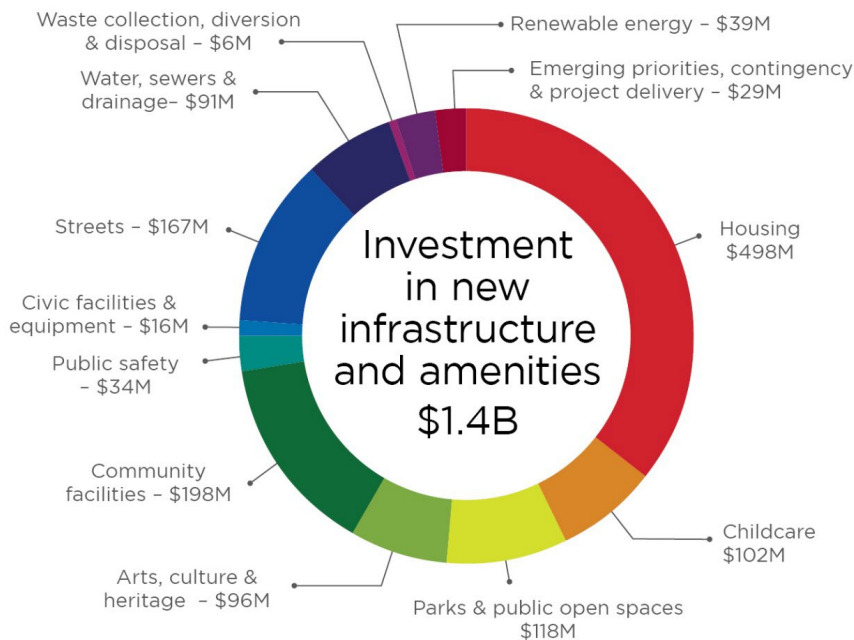
The following chart shows a breakdown of investment on asset maintenance and renewal by service category:



New assets to serve population and employment growth (\$1.4 billion)

The City and partner agencies need to provide a range of services to new residents and workers. Growth areas change over time, based on zoning changes and development opportunities. Growth in recent years has been, and over the next decade is anticipated to be, concentrated in the West End, Northeast False Creek, Southeast False Creek, the Cambie Corridor, Marpole and East Fraser Lands. Growth in these areas is guided by community/area plans, which include a “public benefits strategy” to inform infrastructure and amenity priorities as the City builds its Capital Plans.

The following chart shows a breakdown of investment on new infrastructure and amenities by service category:



Development-led (in-kind) capital projects

Some of the major development-led capital projects expected to start or be delivered in the 2023-2026 Capital Plan are:

- **Housing** — Approximately 725 new non-market housing units
- **Childcare** — Approximately 250 new childcare spaces for infants, toddlers and preschoolers (0-4 years old)
- **Parks and public open spaces** — New 3.6-hectare park at Oakridge Centre

- **Arts and culture** — New 20,000-square-foot music centre in Northeast False Creek and new 16,000-square-foot cultural facility at Burrard and Davie streets
- **Community facilities** — New 36,000-square-foot community centre in East Fraser Lands, new 40,000-square-foot community centre and 31,000-square-foot ice rink in Northeast False Creek, and new 5,900-square-foot youth centre and 14,500-square-foot non-profit office space in the Cambie Corridor

In addition, two development-led projects are currently under construction and will be completed during the 2023-2026 Capital Plan period:

- Oakridge Centre project, which includes an expanded branch library as well as a new community centre, childcare, cultural facility and non-market housing
- Arbutus Centre Neighbourhood House

More details on the 2023-2026 Capital Plan can be found [online](#).

2023-2026 Capital Plan proposed changes to date

Over the four-year period, the 2023-2026 Capital Plan will need to be adjusted to align with changing factors affecting capital priorities, funding opportunities and budget pressures, and as additional development contributions and partnership funding are secured or as reserve funding becomes available. Examples include the addition of new priority projects, the removal of cancelled or deferred projects and changes in planned sources of project funding.

Through the 2023 Capital Budget process, staff are recommending a net decrease of \$6.9 million, bringing the revised 2023-2026 Capital Plan total to \$3.49 billion. The drivers behind proposed changes to the 2023-2026 Capital Plan in this budget report include:

- **Administrative adjustments** — There are three projects included in the Capital Plan that require adjustment to their funding amount because of administrative factors, such as alignment to original cost estimates and advancing the project to the 2019-2022 Capital Plan to accommodate procurement timelines. There is no impact or change to the planned scope or outcomes highlighted in the approved 2023-2026 Capital Plan.
- **Changes to planned scope or outcomes** — The 2019-2022 Capital Plan included \$9 million for the first phase of renewal at Sunset Service Yard. The project, which is currently in detailed design and will move to construction in 2023, requires additional funding (\$10.4 million) because of higher-than-anticipated costs. The additional funding is recommended to be reallocated from a range of facility projects and programs planned for the 2023-2026 Capital Plan. Refer to the Civic Facilities and Equipment section for more details.

Budget allocations over the four-year period

Overall, the four-year budget allocations in the 2023-2026 Capital Plan (as shown in the following table) are following an increasing profile that reflects the different delivery strategies for the projects and programs included in the 2023-2026 Capital Plan. When the allocations are reviewed on a one-time project from an ongoing program perspective, the following trends are observed:

- **One-time projects** — For the 2023-2026 Capital Plan, budget allocations for one-time projects in year one are higher than expected as budget commitments are required to initiate the procurement process for the design and construction phases for major projects, such as the rehabilitation of and seismic upgrades to the Granville and Cambie bridges, renewal and expansion of the Vancouver Aquatic Centre, and the Vancouver Landfill Phase 5 closure. For years two through four, the allocation profile is aligned with the project delivery framework and respective project delivery schedules.
- **Annual programs** — For the 2023-2026 Capital Plan, the capital budget allocation profile for annual programs is stable across the four years, with a slightly lower allocation in year one due to the large approved unspent budgets, as highlighted in the current open multi-year project budget from previous Capital Plan(s) section.

The following table summarizes the capital delivery strategy by showing the approved budget by service category from the previous Capital Plan(s) as well as changes to the 2023-2026 Capital Plan and its four-year allocation profile.

\$ millions City-wide	2023-2026 Capital Plan			Devt. led	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E	Revised Plan	Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Housing	616.8	-	616.8	335.0	281.8	35.1	91.3	70.3	85.2	414.0	449.0
Childcare	136.1	(0.0)	136.1	57.5	78.6	13.1	6.1	15.4	44.0	155.6	168.7
Parks & public open spaces	211.3	(0.2)	211.1	10.0	201.1	23.0	61.0	60.0	57.0	196.6	219.6
Arts, culture & heritage	150.6	(5.1)	145.5	31.7	113.8	10.5	21.5	72.2	9.7	83.8	94.2
Community facilities	391.3	(2.7)	388.6	134.1	254.5	40.6	26.2	21.3	166.5	231.8	272.5
Public safety	105.0	-	105.0	-	105.0	17.1	34.1	49.8	4.0	156.9	174.0
Civic facilities & equipment	56.8	2.6	59.4	-	59.4	30.2	11.6	10.9	6.7	85.3	115.5
Streets	471.0	-	471.0	103.0	368.0	133.1	81.9	83.7	69.3	413.0	546.1
Water, sewers & drainage	874.5	-	874.5	34.5	840.0	177.6	235.1	211.7	215.6	501.9	679.4
Waste collection, diversion & disposal	140.8	(1.5)	139.3	-	139.3	50.6	24.4	29.2	35.1	124.6	175.2
Renewable energy	73.1	-	73.1	-	73.1	11.9	8.5	25.6	27.1	53.0	64.9
Technology	110.0	-	110.0	-	110.0	29.4	29.4	26.4	24.8	69.0	98.4
Emerging priorities, contingency & project delivery	154.9	-	154.9	-	154.9	8.6	8.8	68.7	68.8	28.5	37.2
Total	3,492.2	(6.9)	3,485.3	705.8	2,779.5	580.8	639.7	745.1	813.8	2,514.0	3,094.8
<i>City contributions</i>	1,800.0	(6.1)	1,793.9	-	1,793.9	415.8	397.7	485.8	494.5	1,280.3	1,696.1
<i>Devt. contributions</i>	1,568.1	-	1,568.1	705.8	862.3	124.2	212.0	241.0	285.1	895.4	1,019.6
<i>Partner contributions</i>	124.0	(0.8)	123.2	-	123.2	40.8	30.0	18.2	34.1	338.3	379.2

* The previously approved column includes \$1.5B forecasted expenditure till end of 2022

The following table highlights some of the major initiatives in the 2023-2026 Capital Plan along with planned outcome, 2023-2026 Capital Plan budget allocations and the overall delivery/implementation strategy.

Program/Project Name	Sub-Projects	Planned Outcomes	Project phasing and anticipated schedule												Approved Project Budget from Prior Capital Plan (\$M)*	2023-2026 Cap Plan Amount (in \$M)	Planned allocations (\$M)				Capital Plan Delivery / Implementation Strategy			
			2022			2023			2024			2025					2026		2023 Budget	2024 Forecast		2025 Forecast	2026 Forecast	
			Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3			Q4	Q1	Q2	Q3		Q4		
Land acquisition for Social & Supporting Housing		Land that can accommodate ~800 units of social and/or supportive housing																\$213.9	\$110.0		\$35.0	\$35.0	\$40.0	<ul style="list-style-type: none"> Sufficient funding available from prior capital plan to fund any potential acquisition in 2023 2023-2026 Capital Plan amount is evenly allocated in 2024, 2025 and 2026 Additional funding can be added mid-year if previously-approved amount is insufficient to cover cost of a specific acquisition
Expansion of Burrard Slopes Park		expand park by 0.8 hectares																\$3.0	\$11.0		\$0.3	\$0.5	\$10.3	<ul style="list-style-type: none"> Currently in planning & preliminary design phase which is expected to finish by 2025 (includes deconstruction of existing buildings) Construction of the park to be initiated in 2026 (completed by Q1 2027)
New East Parks in Southeast False Creek area		1) plan & design for new "East Park" and existing Creekside Park south of Science World 2) construction of new "East Park" (1.2 hectares)																\$2.1	\$16.8		\$3.8	\$12.5	\$0.5	<ul style="list-style-type: none"> Currently in Concept Development, Design for East Park and Creekside Park Construction / Implementation of Phase 1 to start in 2025 (completed by Q4 2027)
Outdoor Amphitheatre at Hastings Park/PNE		Construction of an open air venue of 65,000 sq.ft. including weather protection and front and back-of-house support buildings of approximately 25,000 sq.ft.																\$11.0	\$54.0			\$54.0		<ul style="list-style-type: none"> Currently in planning & design phase which is expected to finish by 2024 Construction work to be initiated in 2025 Capital Plan amount has been reduced by \$5M based on latest estimate of available funding from prior capital plans
RayCam Community Centre (inc. Childcare)		<ul style="list-style-type: none"> Renewal & expansion of community centre (from 27,250 to 40,000 square feet) Renewal & expansion of full-day childcare (from 40 to 148 spaces) and school age childcare (from 55 to 60 spaces) 																\$2.0	\$80.4		\$10.5		\$69.9	<ul style="list-style-type: none"> Currently in planning phase which is expected to finish by 2023 (funded by 2019-2022 Capital Plan) with design work in 2024 and construction in 2026. Project is in partnership with BC Housing, who are providing funding to build social housing above community centre. Overall project planning & delivery is led by BC Housing
Vancouver Aquatic Centre - renewal & expansion (inc. Childcare)		<ul style="list-style-type: none"> Plan, design and start construction on the first phase, focusing on the renewal of the 50m lap pool and diving pool Plan, design and start construction for a new full-day childcare (74 spaces) 																	\$155.9	\$23.4			\$132.5	<ul style="list-style-type: none"> Planning phase expected to start in 2023 with design in 2024 and construction in end of 2026.
Animal Control Centre renewal & expansion		<ul style="list-style-type: none"> renew 16,000 sq.ft. and expand by 8,000 sq.ft. facility planned to be relocated with SPCA facility 																\$2.4	\$22.0		\$22.0			<ul style="list-style-type: none"> Currently in detailed design phase which is expected to finish in first half of 2025 with construction work expected to start in mid-2025 Project delivery will be led by BC SPCA Although construction work to be initiated in 2025, the construction budget to be allocated in 2024 as part of delivery contract / agreement with BC SPCA

The 2023 Capital Budget

The City’s capital budget process has been developed to ensure assets and investments are managed comprehensively, with rigour and transparency, and in a manner that ensures the City is achieving value for money and that staff resources are used efficiently. The Capital Budget defines the multi-year capital project budgets and outcomes in addition to a corresponding Annual Capital Expenditure Budget to manage the timely delivery of these outcomes. The Capital Budget is important in fostering and maintaining public accountability, and providing detailed information about specific programs and projects, including budgets by cost category, identification of specific funding sources, and outcomes that are clearly identifiable and measurable. Under the City’s Capital Budget policy, approval of the Capital Budget by Council is required to provide staff with authority to spend.

The following table summarizes the 2023 Capital Budget, including proposed additions to the City’s aggregate Multi-Year Capital Budget and the corresponding Annual Capital Expenditure Budget and four-year expenditure forecasts, which are outlined in the following chart. Please refer to Appendix B for details of the 2023 Multi-Year Capital Budget (including funding sources) and expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
Category	A	B	C=A+B	D	E = C-D E=Σ F → J	F	G	H	I	J
Housing	414.0	35.1	449.0	235.6	213.5	132.9	62.4	12.9	3.0	2.3
Childcare	155.6	13.1	168.7	70.3	98.5	23.7	31.6	19.6	14.6	8.9
Parks & public open spaces	196.6	23.0	219.6	118.0	101.7	47.2	39.4	8.1	4.6	2.4
Arts, culture & heritage	83.8	10.5	94.2	37.9	56.3	21.6	18.9	8.7	7.1	-
Community facilities	231.8	40.8	272.7	71.3	201.3	34.8	65.2	38.4	26.0	36.8
Public safety	156.9	17.1	174.0	71.7	102.3	25.0	57.0	19.3	1.0	-
Civic facilities & equipment	85.3	30.0	115.3	59.5	55.8	18.4	21.9	11.0	4.5	-
Streets	413.0	133.1	546.1	295.6	250.5	156.1	73.6	6.9	7.7	6.2
Water, sewers & drainage *	501.9	177.6	679.4	369.1	310.3	172.4	125.3	8.6	4.1	-
Waste collection, diversion & disposal	124.6	50.6	175.2	100.5	74.7	31.7	31.1	11.5	0.4	-
Renewable energy	53.0	11.9	64.9	26.3	38.6	22.8	11.8	2.6	1.5	-
Technology	69.0	29.4	98.4	63.6	34.8	34.8	-	-	-	-
Emerging priorities, contingency & project delivery	28.5	8.6	37.2	28.5	8.6	8.6	-	-	-	-
Overall	2,514.0	580.8	3,094.8	1,547.8	1,547.0	730.0	538.1	147.7	74.5	56.7
					<i>Forecast projects from 2023-2026 Capital Plan</i>	-	161.9	572.3	655.5	413.3
					<i>Forecast projects from 2027-2030 Capital Plan</i>	-	-	-	-	300.0
					<i>Forecast expenditures</i>	730.0	700.0	720.0	730.0	770.0

*2023 multi-year capital budget for Connections reflects revenues received to date for 2023 work requests; as further revenues are received, this budget will be adjusted through the quarterly capital budget adjustment process

The 2023 Multi-Year Capital Budget

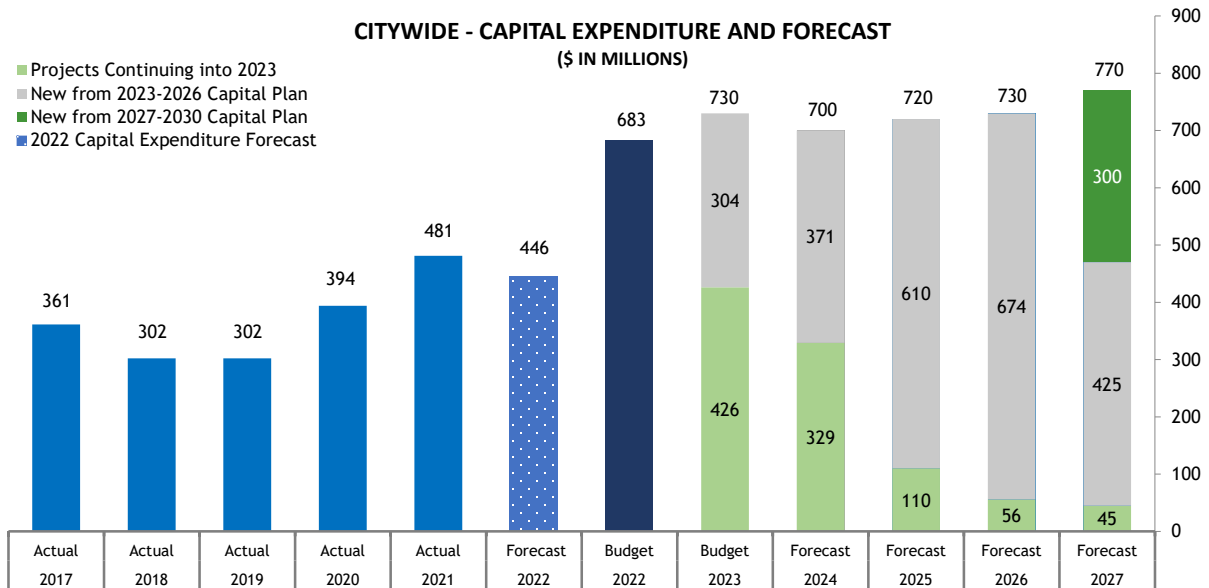
Unlike operating expenses in the Operating Budget, a capital project, such as the construction of a new community centre or firehall, can span multiple years. The multi-year Capital Project Budget reflects this longer time frame and represents the total estimated cost and associated funding for the overall project or project phase, regardless of whether the related expenditures will occur within one year or over multiple years. The Multi-Year Capital Budget represents the aggregate of all approved multi-year capital project budgets. The first year of the 2023-2026 Capital Plan is 2023. The 2023 new multi-year capital project budget allocations are estimated to total \$581 million. The main drivers for the 2023 allocations are:

- Funding required for procurement for design and/or construction phases for a few of the major projects included in the 2023-2026 Capital Plan, such as rehabilitation of and seismic upgrades to the Granville and Cambie bridges, the Vancouver Landfill Phase 5 closure, and renewal and expansion of Vancouver Aquatic Centre.
- Funding required for initial phases, such as planning/scoping and detailed design, of most of the one-time projects included in the 2023-2026 Capital Plan, such as renewal and expansion of Downtown South Firehall No. 8, renewal and expansion of Firehall Arts Centre and interim rehabilitation/renovation of Vancouver Archive facilities.
- Funding for ongoing programs such as sewer main renewal, Active Transportation Corridors program, capital maintenance and renovations of infrastructure, and capital granting programs.

Annual Capital Expenditure Budget and Five-Year Financial Plan

While the Multi-Year Capital Budget represents the aggregate of all approved multi-year capital project budgets, the Annual Capital Expenditure Budget represents the portion of the Multi-Year Capital Budget that is planned to be spent in the budget year.

The Five-Year Financial Plan provides capital expenditure forecasts for the next five years. It includes expenditure forecasts for previously approved multi-year capital project budgets continuing into 2023, expenditure forecasts for new multi-year capital project budgets in the 2023 Capital Budget, and estimated expenditures for new capital projects anticipated to be approved during the remaining years of the 2023-2026 Capital Plan and the first year of the yet-to-be-developed 2027-2030 Capital Plan. The following chart shows the trending of historical and forecasted capital expenditures.



The 2023 Capital Expenditure Budget is \$730 million. This comprises \$426 million for previously approved multi-year capital project budgets continuing into 2023 and \$304 million for the current year's expenditure portion of the 2023 multi-year capital project budgets. The 2023 Capital Expenditure Budget includes expenditures for one-time projects, such as the seismic upgrades to Cambie Bridge, renewal and expansion of Grandview Firehall and expenditures for ongoing annual capital programs, such as sewer main replacements, acquisition of land for affordable and social housing, and capital granting programs. Capital expenditures from 2020 to 2022 were below planned spending because of impacts from the pandemic, including on public engagement, and supply chain challenges. Expenditures for 2022 are projected to be \$446 million, representing 65% of the 2022 adjusted budget of \$683 million. Capital expenditures are expected to increase substantially in 2023 for the following reasons:

- More major projects are advancing to construction phases or moving from the planning phase to the design phase.
- There are higher budget allocations in 2023 because the 2023-2026 Capital Plan is larger than the previous Capital Plan.

It is important to note that the forecasts for 2024 through 2027 are preliminary and represent early estimates, given that 2023 is only the first year of the four-year 2023-2026 Capital Plan and the 2027-2030 Capital Plan is yet to be developed. The level of annual capital expenditures for 2024-2027 is expected to be in the range of \$700 million to \$780 million and includes spending for projects yet to be approved from the remainder of the 2023-2026 Capital Plan.

Capital Budget by service category

Housing

An equitable housing system incorporates values of inclusion and diversity. It ensures adequate, secure and affordable housing and mitigates displacement while recognizing the need for growth, creating a sense of belonging, and meeting the needs of newcomers and existing residents.

Over the past decade, Metro Vancouver has experienced a decoupling of incomes and housing costs, with low- and moderate-income people most affected. Vancouver has persistent homelessness, and many are living in unsafe or inadequate conditions.

With a growing population, limited increases in income and not enough affordable housing created in recent decades, the City needs to plan for and accommodate a wide spectrum of housing needs for low-income residents, seniors, young people, growing families and newcomers. This cannot be achieved without clear commitment and partnerships from all levels of government responsible for housing in Vancouver, the community and the private sector.

Inventory of assets

	City Assets	Partner Assets
Shelters (year-round)	<ul style="list-style-type: none"> • 11 shelters (~490 beds) on City-owned land leased to partners 	<ul style="list-style-type: none"> • ~865 year-round beds funded by the provincial government through BC Housing
SROs (open and closed rooms)	<ul style="list-style-type: none"> • ~765 SRO rooms owned by the City 	<ul style="list-style-type: none"> • ~3,700 SRO rooms owned by private sector • ~2,300 SRO rooms owned by the provincial government through BC Housing • ~600 SRO rooms owned by non-profit societies • ~170 SRO rooms owned by the Chinese Benevolent Association
Supportive housing and non-market rentals	<ul style="list-style-type: none"> • ~234 parcels of City-owned land leased to partners • ~965 units in City buildings 	<ul style="list-style-type: none"> • ~15,000 units on City-owned land • ~15,500 units on non-City land
Purpose-built rentals	<ul style="list-style-type: none"> • ~100 units (#1 Kingsway) 	<ul style="list-style-type: none"> • ~72,300 units

Implementing the 2023-2026 Capital Plan

Current open multi-year project budget from previous Capital Plan(s)

There are several City-led housing projects that were approved prior to the 2023-2026 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$178 million of the previously approved budget of \$414 million will be spent on these projects in the upcoming years. Key projects and programs include:

- Approximately \$58 million for acquisition of land to enable, design, build, finance, operate and maintain social and supportive housing projects on City-owned land.
- Approximately \$28 million for construction of the new 60-unit social housing facility as part of the Coal Harbour school, childcare and housing project.
- Disbursement of already approved capital grants to non-profit and other partner agencies to work on social and affordable housing projects. Approximately \$28 million to be disbursed pending completion of granting requirements.
- Approximately \$11 million of contributions toward the construction of public benefits at 155 East 37th Avenue (Little Mountain), including the Little Mountain Neighbourhood House, childcare and affordable housing.
- Approximately \$17 million toward ongoing pre-development work for affordable housing projects led by Arts, Culture and Community Services. However, there is potential for pre-development funding to be recovered if and when a project proceeds to construction.

2023-2026 Capital Plan and planned allocations over the four-year period

The 2023-2026 Capital Plan includes \$617 million to maintain, renew and expand affordable housing. This investment supports ongoing programs:

- **Existing affordable housing** — These programs account for approximately \$60 million of the investments in affordable housing and include maintenance, renovation and replacement of City-owned and City-operated housing, replacement of existing temporary shelters and single room occupancy (SRO) units, and the SRO upgrade granting program.
- **New affordable housing** — These programs account for approximately \$222 million of City-led and \$335 million of development-led in-kind investments in affordable housing. City-led investments include development of new and replacement of existing non-market rental housing on City-owned sites, grants to support development of non-City-owned non-market rental housing, and land acquisition for future housing projects. In-kind investments include projects delivered by developers as a condition of rezoning or via inclusionary zoning provisions and new secured below-market and market rental units.

The following table presents a summary of housing projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Devt. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Housing											
Land acquisition											
Land acquisition program											
Demolition & other land preparation costs	12.0	-	12.0	-	12.0	2.8	1.8	5.8	1.8	7.6	10.3
New land for social housing projects	60.0	-	60.0	-	60.0	-	19.0	19.0	22.0	213.9	213.9
New land for supportive housing	50.0	-	50.0	-	50.0	-	16.0	16.0	18.0	-	-
Subtotal Land acquisition	122.0	-	122.0	-	122.0	2.8	36.8	40.8	41.8	221.5	224.2
Low-income housing											
Other projects											
Replacement & preservation affordability of City operated units	10.0	-	10.0	-	10.0	-	10.0	-	-	-	-
Shelters											
Shelter program	12.0	-	12.0	-	12.0	0.1	3.9	4.0	4.0	0.5	0.6
SROs											
SRO replacement strategy	24.0	-	24.0	-	24.0	-	12.0	-	12.0	-	-
SRO upgrade program	2.0	-	2.0	-	2.0	0.5	0.5	0.5	0.5	8.0	8.5
Supportive housing											
Relocation of City-owned modular housing from 220 Terminal	3.0	-	3.0	-	3.0	-	3.0	-	-	-	-
Subtotal Low-income housing	51.0	-	51.0	-	51.0	0.6	29.4	4.5	16.5	8.5	9.1
Non-market housing											
Programs											
Grants to support new or redeveloped Partner units	65.0	-	65.0	-	65.0	16.0	16.0	16.0	17.0	40.8	56.8
Predevelopment funding program for housing projects on City-land	35.0	-	35.0	-	35.0	14.0	7.0	7.0	7.0	15.8	29.8
Co-op lease renewals	-	-	-	-	-	-	-	-	-	7.5	7.5
Projects											
Housing - Coal Harbour School	-	-	-	-	-	-	-	-	-	36.5	36.5
Little Mountain Neighborhood House	-	-	-	-	-	-	-	-	-	11.3	11.3
Roddan Lodge Redevelopment	-	-	-	-	-	-	-	-	-	58.3	58.3
Projects (in-kind)											
New units delivered by development (in-kind)	300.0	-	300.0	300.0	-	-	-	-	-	-	-
Subtotal Non-market housing	400.0	-	400.0	300.0	100.0	30.0	23.0	23.0	24.0	170.3	200.3
Purpose built rental housing											
Programs											
Rental Protection & Relocation Grants	-	-	-	-	-	-	-	-	-	1.5	1.5
Projects											
New secured below market rental units (in-kind, non-city)	3.5	-	3.5	3.5	-	-	-	-	-	-	-
New secured market rental units (in-kind, non-city)	31.5	-	31.5	31.5	-	-	-	-	-	-	-
Subtotal Purpose built rental housing	35.0	-	35.0	35.0	-	-	-	-	-	1.5	1.5
Housing Programs											
Capital maintenance & renovations - Housing	4.3	-	4.3	-	4.3	0.6	1.0	0.9	1.8	5.5	6.1
Planning & studies - Housing	4.5	-	4.5	-	4.5	1.1	1.1	1.1	1.2	6.8	7.9
Subtotal Programs	8.8	-	8.8	-	8.8	1.7	2.1	2.0	3.0	12.3	14.0
Total Housing	616.8	-	616.8	335.0	281.8	35.1	91.3	70.3	85.2	414.0	449.0
City contributions	84.3	-	84.3	-	84.3	15.6	29.7	15.6	23.4	83.9	99.5
Development contributions	520.5	-	520.5	335.0	185.5	19.5	55.6	54.7	55.8	232.1	251.6
Partner contributions	12.0	-	12.0	-	12.0	-	6.0	-	6.0	97.9	97.9

* The previously approved column includes \$236M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for Housing for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
Housing	A	B	C=A+B	D	E = C-D E=Σ F → J	F	G	H	I	J
Land acquisition	221.5	2.8	224.2	139.2	85.0	58.5	21.5	5.0	-	-
Low-income housing	8.5	0.6	9.1	0.8	8.2	3.7	4.5	-	-	-
Non-market housing	170.3	30.0	200.3	92.9	107.3	63.3	30.9	7.8	3.0	2.3
Purpose built rental housing	1.5		1.5	0.0	1.4	0.7	0.7	-	-	-
Programs	12.3	1.7	14.0	2.5	11.5	6.7	4.7	0.1	-	-
Total Housing	414.0	35.1	449.0	235.6	213.5	132.9	62.4	12.9	3.0	2.3

Notable capital projects and programs

Ongoing programs

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/ Implementation Strategy
		2023-2026 Capital Plan	
Land acquisition for social and supportive housing	<ul style="list-style-type: none"> Land that can accommodate ~800 units of social and/or supportive housing 	\$110.0	<ul style="list-style-type: none"> Sufficient funding available from prior Capital Plan to fund any potential acquisition in 2023. 2023-2026 Capital Plan amount is evenly allocated in 2024, 2025 and 2026. Additional funding can be added mid-year if previously approved amount is insufficient to cover cost of a specific acquisition.
Grants to support new or redeveloped partner units	<ul style="list-style-type: none"> No. of non-City units: 1,000 	\$65.0	<ul style="list-style-type: none"> Even allocation across four years. Planned scope for 2023 budget: 300 units.
Predevelopment funding program for housing projects on City-owned land	<ul style="list-style-type: none"> No. of projects planned: 30-33 	\$35.0	<ul style="list-style-type: none"> Four-year allocation profile aligned with the projects identified. Most of these funds are recoverable if and when a project proceeds to construction. Planned scope for 2023 budget request: ~14-15 projects.
SRO replacement strategy	<ul style="list-style-type: none"> No. of units identified: 150 	\$24.0	<ul style="list-style-type: none"> No allocation in 2023, as the SRO replacement strategy is to be developed in partnership with senior governments.

Childcare

Available, accessible, quality childcare supports the well-being of children and families in Vancouver, promotes gender equity and is key to a thriving economy. Childcare includes infant, toddler and preschool programs for children 5 years and under, and school-age care for children aged 5 to 12 years.

Inventory of assets

	City Assets	Partner Assets
Full day for infants, toddlers and preschoolers (0-4 years)	<ul style="list-style-type: none"> 54 facilities with ~1,965 spaces 	<ul style="list-style-type: none"> ~5,600 spaces provided by Vancouver School Board, non-profit agencies and part-day private sector
Part-day private sector preschool (part-day for children 3-4 years old)	<ul style="list-style-type: none"> 31 facilities with ~775 spaces 	
School-age (5-12 years old)	<ul style="list-style-type: none"> 22 facilities with ~940 spaces 	<ul style="list-style-type: none"> ~4,700 spaces provided by Vancouver School Board, non-profit agencies and part-day private sector

Implementing the 2023-2026 Capital Plan

Current open unspent multi-year project budget from previous Capital Plan(s)

There are several City-led childcare projects that were approved prior to the 2023-2026 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$85 million of the previously approved budget of \$156 million will be spent on these projects in the upcoming years. Key projects include:

- Approximately \$14.6 million for construction of an expanded childcare centre at Marpole-Oakridge Community Centre (74 spaces for children 0-4 years old).
- Approximately \$30 million for construction of childcare centres (0-4 years) to be delivered in partnership with Vancouver School Board, including David Lloyd George Elementary School (69 spaces), Eric Hamber Secondary School (69 spaces), Coal Harbour Elementary School (69 spaces) and Henry Hudson Elementary School (69 spaces).
- Approximately \$24 million for childcare projects delivered at various locations, including West Fraser Lands Childcare (69 spaces), Little Mountain Neighbourhood House (69 spaces) and Kaslo Street (74 spaces).

In addition, construction started on the following development-led childcare project during the 2019-2022 Capital Plan period, and it will be completed in the 2023-2026 Capital Plan period:

- Construction of a new childcare facility at Oakridge Centre, with completion anticipated by mid-2026 (69 spaces for children 0-4 years old).

2023-2026 Capital Plan and planned allocations over the four-year period

The 2023-2026 Capital Plan includes \$136 million to maintain, renew and expand childcare facilities, out of which \$58 million worth of projects will be delivered by developers as in-kind projects. Investments can be divided into one-time projects delivered either by the City or developers (in-kind), and ongoing programs:

- **Development-led (in-kind) projects** — A total of seven childcare projects are identified to be delivered by developers in the 2023-2026 Capital Plan, with an estimated value of \$58 million. These include six new full-day (0-4 years old) childcare projects for a total of 253 spaces and one new part-day (0-4 years old) project for 20 spaces.
- **City-led projects** — Six projects are identified in the 2023-2026 Capital Plan that account for \$64 million of the investments:
 - **RayCam Co-operative Centre** — Renewal and expansion of childcare, from 40 to 148 spaces for 0-4 years old and from 55 to 60 spaces for 5-12 years old, plus funding for planning, design and construction.
 - **East Fraser Lands Community Centre** — New childcare with 74 spaces for 0-4 years old, plus funding for planning and design.
 - **Urban Native Youth Centre** — New childcare with 74 spaces for 0-4 years old, plus funding for planning and design.
 - **Vancouver Aquatic Centre** — Potential for new childcare with 74 spaces for 0-4 years old, plus funding available for planning, design and construction.
 - **Downtown South childcare** — Potential for new childcare with 44 spaces for 0-4 years old, plus funding for planning and design.
 - **West End Community Centre** — Renewal and expansion of childcare, plus funding for preliminary design after the planning and scoping phase (currently funded and underway) is complete.
- **Ongoing programs** — Programs include capital maintenance, renovations, planning and studies, and capital grants to support a new full daycare (0-4 years old), new school-age (5-12 years old) partner spaces and non-City-owned childcare spaces. These programs account for a total of \$14 million of the investments in childcare.

The following table presents a summary of childcare projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocations.

\$ millions	2023-2026 Capital Plan			Dev. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Childcare											
Full day care (0-4 years old)											
Other											
Conversion of part-day spaces to full day (0-4) care	0.6	-	0.6	-	0.6	0.1	0.6	-	-	-	0.1
Grants to support new full day (0-4) Partner spaces	5.4	-	5.4	-	5.4	5.4	-	-	-	2.0	7.4
Projects											
New full day (0-4) spaces - EFL Community Center	2.4	-	2.4	-	2.4	2.4	-	-	-	-	2.4
New full day (0-4) spaces - Urban Youth Native Accociation	1.3	-	1.3	-	1.3	0.2	-	1.1	-	-	0.2
New full day (0-4) spaces - Other projects	12.2	-	12.2	-	12.2	1.3	-	10.9	-	-	1.3
Childcare - RayCam - renewal & expansion of full day (0-4) spaces	31.1	-	31.1	-	31.1	-	3.1	-	28.0	-	-
Childcare - Vancouver Aquatic Centre - new full day (0-4) spaces (potential)	15.9	-	15.9	-	15.9	2.4	-	-	13.5	-	2.4
Childcare - West End Centre renewal - new full day (0-4) spaces, design	1.0	-	1.0	-	1.0	-	-	1.0	-	-	-
Childcare (November 2020)	-	-	-	-	-	-	-	-	-	14.0	14.0
Vancouver School Board / City Childcare Partnership Project (December 2021)	-	-	-	-	-	-	-	-	-	8.9	8.9
Childcare - Gastown Parkades	-	-	-	-	-	-	-	-	-	17.0	17.0
Childcare - Marpole Library (design)	-	-	-	-	-	-	-	-	-	3.5	3.5
Vancouver School Board / City Childcare Partnership Project (March 2019)	-	-	-	-	-	-	-	-	-	12.7	12.7
Vancouver School Board / City Childcare Partnership Project (June 2017)	-	-	-	-	-	-	-	-	-	9.3	9.3
Childcare (0-4) (June 2022)	-	-	-	-	-	-	-	-	-	0.1	0.1
Vancouver School Board / City Childcare Partnership Project (June 2018)	-	-	-	-	-	-	-	-	-	10.8	10.8
Vancouver School Board / City Childcare Partnership Project (December 2015)	-	-	-	-	-	-	-	-	-	8.6	8.6
Childcare - Henry Hudson	-	-	-	-	-	-	-	-	-	12.7	12.7
Childcare - Kensington	-	-	-	-	-	-	-	-	-	5.7	5.7
Childcare - Little Mountain (cash to in-kind)	-	-	-	-	-	-	-	-	-	2.3	2.3
Vancouver School Board / City Childcare Partnership Project (July 2015)	-	-	-	-	-	-	-	-	-	7.5	7.5
Childcare - Marpole Oakridge CC renewal & expansion	-	-	-	-	-	-	-	-	-	14.9	14.9
Vancouver School Board / City Childcare Partnership Project (November 2016)	-	-	-	-	-	-	-	-	-	8.8	8.8
Childcare - West Fraser Lands	-	-	-	-	-	-	-	-	-	14.0	14.0
Projects (in-kind)											
Childcare - 1157 Burrard St. (in-kind) - new full day (0-4) spaces	7.8	-	7.8	7.8	-	-	-	-	-	-	-
Childcare - 1444 Alberni St. (in-kind) - new full day (0-4) spaces	11.8	-	11.8	11.8	-	-	-	-	-	-	-
Childcare - 1940 Main St. (in-kind) - new full day (0-4) spaces	7.8	-	7.8	7.8	-	-	-	-	-	-	-
Childcare - 427-477 West 49th Ave. (in-kind) - new full day (0-4) spaces	7.8	-	7.8	7.8	-	-	-	-	-	-	-
Childcare - 5812-5844 Cambie St. (in-kind) - new full day (0-4) spaces	7.8	-	7.8	7.8	-	-	-	-	-	-	-
Childcare - St. Paul's Hospital (Phase 1) (in-kind, non-city) - new full day (0-4) spaces	10.3	-	10.3	10.3	-	-	-	-	-	-	-
Subtotal Full day care (0-4 years old)	123.2	-	123.2	53.3	69.9	11.7	3.7	13.0	41.5	152.7	164.4
Part day care (0-4 years old)											
Projects (in-kind)											
Childcare - St. Paul's Hospital, Phase 1 (in-kind, non-city) - new part day (0-4) spaces	4.2	-	4.2	4.2	-	-	-	-	-	-	-
Subtotal Part day care (0-4 years old)	4.2	-	4.2	4.2	-	-	-	-	-	-	-
School age (5-12 years old)											
Other											
Grants to support new school age (5-12) Partner spaces	3.0	-	3.0	-	3.0	-	1.0	1.0	1.0	-	-
Projects											
Childcare - RayCam - renewal school age (5-12) childcare spaces	0.3	-	0.3	-	0.3	-	-	-	0.3	-	-
Childcare - Mackenzie Elementary (5-12)	-	-	-	-	-	-	-	-	-	0.0	0.0
Childcare - Tennyson Elementary (5-12)	-	-	-	-	-	-	-	-	-	0.0	0.0
Subtotal School age (5-12 years old)	3.3	-	3.3	-	3.3	-	1.0	1.0	1.3	0.1	0.1
Programs											
Childcare facility programs											
Capital maintenance - Childcare	0.6	-	0.6	-	0.6	0.2	0.2	0.2	-	0.2	0.4
Planning & studies - Childcare	3.5	-	3.5	-	3.5	0.9	0.9	0.9	0.9	2.3	3.2
Renovations - Childcare	0.9	(0.0)	0.9	-	0.9	0.2	0.2	0.2	0.2	0.2	0.4
Small capital grants for non-City owned childcares	0.4	-	0.4	-	0.4	0.1	0.1	0.1	0.1	0.2	0.3
Subtotal Programs	5.4	(0.0)	5.4	-	5.4	1.4	1.4	1.4	1.2	2.9	4.3
Total Childcare	136.1	(0.0)	136.1	57.5	78.6	13.1	6.1	15.4	44.0	155.6	168.7
City contributions	10.6	(0.0)	10.6	-	10.6	0.5	1.4	0.5	8.1	8.8	9.3
Development contributions	114.5	-	114.5	57.5	57.0	11.4	4.0	12.3	29.3	118.1	129.5
Partner contributions	11.0	-	11.0	-	11.0	1.2	0.7	2.5	6.6	28.7	29.9

* The previously approved column includes \$70M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for Childcare for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
Childcare	A	B	C=A+B	D	E = C-D E=Σ F → J	F	G	H	I	J
Full day care (0-4 years old)	152.7	11.7	164.4	68.5	95.9	21.3	31.4	19.6	14.6	8.9
Programs	2.9	1.4	4.3	1.7	2.6	2.3	0.2	-	-	-
School age (5-12 years old)	0.1	-	0.1	0.1	-	-	-	-	-	-
Total Childcare	155.6	13.1	168.7	70.3	98.5	23.7	31.6	19.6	14.6	8.9

Notable capital projects and programs

One-time projects

Project Name	Scope and Planned Outcomes	Total Available Funding (\$M)		Capital Plan Delivery/Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
Renewal and expansion of childcare at RayCam Co-operative Centre	<ul style="list-style-type: none"> Childcare for children 0-4 years old: Renewal of 40 spaces and 108 new spaces, and childcare for children 5-12: renewal of 55 spaces and five new spaces. 	-	\$31.3	<ul style="list-style-type: none"> Currently in planning phase, which is expected to finish by 2023, with design work in 2024 and construction in 2026. Planning budget included as part of the RayCam Co-operative Centre project. Project to be delivered in partnership with BC Housing.
New childcare at Vancouver Aquatic Centre	<ul style="list-style-type: none"> Childcare for children 0-4 years old: 74 new spaces. 	-	\$15.9	<ul style="list-style-type: none"> Childcare component is exploratory at this point and will be reviewed once planning and design are complete. Planning work to start in 2023, with design in 2024 and construction in 2026. Childcare spaces to be delivered along with Vancouver Aquatic Centre, with the same delivery schedule.
New childcare at East Fraser Lands Community Centre	<ul style="list-style-type: none"> Plan and design childcare for children 0-4 years old: 74 new spaces. 	-	\$2.4	<ul style="list-style-type: none"> Planning and design phase to be initiated in 2023. Childcare to be located at intersection of River District Crossing and North Arm Avenue.

Project Name	Scope and Planned Outcomes	Total Available Funding (\$M)		Capital Plan Delivery/Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
New childcare (children 0-4) — Urban Native Youth Association	<ul style="list-style-type: none"> Plan and design for 37 spaces. 	-	\$1.3	<ul style="list-style-type: none"> Planning work to be initiated in 2023 with design phase in 2025. Childcare to be located at intersection of East Hastings Street and Commercial Drive.
New childcare (children 0-4) — Downtown South	<ul style="list-style-type: none"> Plan and design for 44 spaces. 	-	\$1.3	<ul style="list-style-type: none"> Planning and design work to be initiated in 2023.

Ongoing programs

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/Implementation Strategy
		2023-2026 Capital Plan	
Grants to support new full-day (children 0-4) partner spaces	<ul style="list-style-type: none"> New childcare at Cedar Cottage Neighbourhood House redevelopment project has been identified as a candidate project. Creation of ~40 new childcare spaces. 	\$5.4	<ul style="list-style-type: none"> \$5.2M grant to support Cedar Cottage Neighbourhood House childcare component. \$0.2M to be allocated toward a separate granting project.

Parks and public open spaces

The livability of a city is strongly tied to the quality of its parks and public open spaces, which provide spaces for people to gather, play, socialize and appreciate nature. They play a crucial role in supporting public health and social connections, maintaining urban ecological systems, providing natural carbon emissions capture and fostering a sense of community. As Vancouver continues to grow over the coming decades, its parks and public open spaces will become increasingly important.

Inventory of assets

	City Assets	Partner Assets
Parkland	<ul style="list-style-type: none"> • 1,343 hectares 	<ul style="list-style-type: none"> • Portion of Pacific Spirit Regional Park within municipal boundaries • Public open spaces at schools (primary, secondary, colleges and universities) • Public open spaces at institutions such as hospitals, Granville Island, Canada Place and Vancouver Convention Centre
Seawall and waterfront	<ul style="list-style-type: none"> • 33 kilometres of seawall and shoreline • 20 hectares of beaches • 23 marine structures 	<ul style="list-style-type: none"> • Waterfront on Granville Island and at Canada Place
Urban forests and natural areas	<ul style="list-style-type: none"> • 397 hectares of forests and woodlands • 63 lakes, ponds and streams • 22,000 ornamental trees in parks • 130,000 street trees 	<ul style="list-style-type: none"> • Portion of Pacific Spirit Regional Park within municipal boundaries
Park amenities	<ul style="list-style-type: none"> • 217 kilometres of pathways, walkways and trails • 4,600 park benches • 160 playgrounds • 278 sport fields • 225 sport courts • 39 dog off-leash areas • 6 golf courses 	<ul style="list-style-type: none"> • Playgrounds, sport fields and sport courts at primary and secondary schools
Park buildings, infrastructure and vehicles	<ul style="list-style-type: none"> • 390 park buildings • 85 picnic shelters and gazebos • 23 kilometres of roadway • 360 vehicles and equipment 	<ul style="list-style-type: none"> • n/a

Implementing the 2023-2026 Capital Plan

Current open unspent multi-year project budget from previous Capital Plan(s)

There are several City-led parks and public open spaces projects that were approved prior to the 2023-2026 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$79 million of the previously approved budget of \$197 million will be spent on these projects in the upcoming years. Key projects and programs include:

- Planning, design and construction of new parks at multiple locations, such as East Fraser Lands, Burrard Slopes Park and East Park in Southeast False Creek.
- Renewal and expansion of existing parks, such as West End Waterfront Park, Joyce-Collingwood parks, Cambie Corridor parks and Jonathan Rogers Park.
- Ongoing work on renewal of and upgrades to existing park amenities and infrastructure, such as washrooms, fieldhouses, playgrounds and dog parks.
- Ongoing programs such as land acquisition for new parks, street trees (new and replacements), capital maintenance and renovations, park bridges, vehicles and equipment.

2023-2026 Capital Plan and planned allocations over the four-year period

The 2023-2026 Capital Plan includes \$211 million to maintain, renew and expand parks and public open spaces as follows:

- **Development-led (in-kind) projects** — One project to be delivered by developers in the 2023-2026 Capital Plan for a total of \$10 million, which includes delivering a new park at Oakridge Centre.
- **Land acquisition for future parks** — This program involves the acquisition of land to create new parks or expand existing parks. A total of \$23 million has been included in the 2023-2026 Capital Plan for the land acquisition program.
- **New and existing parks** — A total of \$67 million has been included in the 2023-2026 Capital Plan for renewal of and upgrades to existing parks (such as Yaletown Park and West End Waterfront Park) and the planning/design/construction of new parks (such as W.C. Shelly Park, Burrard Slopes Park, and East Park in Southeast False Creek).

- **Ongoing programs** — These programs account for a total of \$111 million of the investments and are grouped as follows:
 - **Seawall and waterfront (\$16 million)** — Includes work to maintain and repair existing shorelines and seawalls on the ocean and riverfronts.
 - **Urban forest and natural areas (\$13 million)** — Includes work such as replacement of street trees, planting new park trees and converting parkland to provide healthy habitat.
 - **Other park amenities and infrastructure (\$33 million)** — Includes work for renewals and upgrades as well as the planning/design/construction of new facilities such as playgrounds, spray parks, sport courts, skate parks, playfields and dog off-leash areas.
 - **Ongoing programs (\$50 million)** — Work related to capital maintenance, renovations, renewal of existing assets and provision of new assets.

The following table presents a summary of parks and public open spaces projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Devt. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Parks & public open spaces											
Park land											
Land acquired by City											
New land for parks	22.5	-	22.5	-	22.5	-	18.5	4.0	-	9.3	9.3
Subtotal Park land	22.5	-	22.5	-	22.5	-	18.5	4.0	-	9.3	9.3
Seawall & waterfront											
Marine structures											
Renewal of marine structures	1.0	-	1.0	-	1.0	-	1.0	-	-	11.1	11.1
Seawall & shoreline											
Deconstruction Creekside Expo deck (initial phases)	1.0	-	1.0	-	1.0	0.4	-	0.6	-	-	0.4
Maintenance / repairs of seawall or shoreline	4.5	(0.1)	4.5	-	4.5	1.1	1.1	1.1	1.1	2.4	3.5
Seawall / shoreline planning - Coastal Flood Protection	5.0	-	5.0	-	5.0	0.3	1.0	1.5	2.3	-	0.3
Seawall / shoreline planning - Coastal Resiliency	2.0	(0.3)	1.8	-	1.8	0.3	0.3	0.6	0.6	-	0.3
Waterfront walkway-bikeway											
Upgrades to waterfront-walkway bikeway	2.0	-	2.0	-	2.0	-	-	1.0	1.0	4.3	4.3
Subtotal Seawall & waterfront	15.5	(0.3)	15.2	-	15.2	2.1	3.4	4.8	4.9	17.7	19.8
Urban forest & natural areas											
Natural areas											
Convert park land to healthy habitat	5.5	(0.2)	5.4	-	5.4	0.5	1.6	1.7	1.6	6.4	6.9
Urban agriculture											
Local food assets	0.4	-	0.4	-	0.4	-	0.1	0.1	0.1	0.4	0.4
Community gardens	-	-	-	-	-	-	-	-	-	0.0	0.0
Urban forest											
Park trees - new	2.5	-	2.5	-	2.5	-	0.8	0.8	0.8	0.5	0.5
Street trees - replacement	5.0	-	5.0	-	5.0	-	1.7	1.7	1.7	9.4	9.4
Carbon sequestration projects	-	-	-	-	-	-	-	-	-	1.1	1.1
Subtotal Urban forest & natural areas	13.4	(0.2)	13.2	-	13.2	0.5	4.2	4.3	4.2	17.8	18.3

\$ millions	2023-2026 Capital Plan			Devt. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Parks & public open spaces											
Park amenities											
Ball diamonds & playfields											
New ball diamonds & playfields	3.3	-	3.3	-	3.3	0.1	0.4	2.0	0.9	-	0.1
Renewal & upgrades of ball diamonds & playfields	3.6	(0.1)	3.5	-	3.5	1.0	1.0	0.8	0.7	5.4	6.4
Dog off-leash areas											
Renewal of dog off-leash areas	0.5	-	0.5	-	0.5	0.5	-	-	-	2.4	2.9
Upgrades dog off-leash area at Emery Barnes Park	0.9	-	0.9	-	0.9	0.9	-	-	-	-	0.9
Existing parks											
Park renewal program	6.3	(0.1)	6.2	-	6.2	-	2.0	3.0	1.3	10.1	10.1
West End waterfront parks (phase 1 implementation)	10.0	-	10.0	-	10.0	-	1.0	4.0	5.0	3.8	3.8
Yaletown Park redevelopment	4.0	-	4.0	-	4.0	-	0.2	0.6	3.3	-	-
John Hendry Park - Master Plan	-	-	-	-	-	-	-	-	-	2.0	2.0
Oak Park renewal	-	-	-	-	-	-	-	-	-	1.9	1.9
New parks											
Expansion of Burrard Slopes Park (phase 1)	12.0	(1.0)	11.0	-	11.0	-	0.3	0.5	10.3	3.0	3.0
Expansion of Delamont Park (phase 1)	1.9	-	1.9	-	1.9	0.1	0.5	1.3	-	0.2	0.3
Expansion of W.C. Shelly Park	3.7	-	3.7	-	3.7	0.2	0.6	-	2.9	-	0.2
New 'East Park' in Southeast False Creek (phase 1)	16.8	-	16.8	-	16.8	-	3.8	12.5	0.5	1.5	1.5
New park at Alberni & Nicola	3.0	-	3.0	-	3.0	0.1	-	0.3	2.6	-	0.1
New park at Oakridge Centre (phase 1, in-kind)	10.0	-	10.0	10.0	-	-	-	-	-	-	-
New parks at Pearson-Dogwood site	3.9	-	3.9	-	3.9	-	-	-	3.9	-	-
New parks in East Fraser Land	5.4	-	5.4	-	5.4	-	0.6	0.1	4.7	17.1	17.1
New 'wedge park' at Little Mountain site	0.3	-	0.3	-	0.3	-	0.1	0.1	-	1.0	1.0
New park at Main & 7th	-	-	-	-	-	-	-	-	-	2.0	2.0
New Smithe Richards Park	-	-	-	-	-	-	-	-	-	18.4	18.4
Other amenities											
New other amenities	0.7	-	0.7	-	0.7	0.2	0.2	0.2	0.2	2.5	2.6
Renewal of other amenities	0.8	-	0.8	-	0.8	0.2	0.2	0.2	0.2	9.4	9.6
Other sports amenities											
New track & field facility	10.7	-	10.7	-	10.7	-	10.7	-	-	3.1	3.1
Park planning											
Planning & studies - Parks	1.5	(0.1)	1.4	-	1.4	0.2	0.5	0.5	0.3	20.9	21.1
Playgrounds & spray parks											
New playgrounds & spray parks	1.3	-	1.3	-	1.3	0.4	0.2	0.7	0.1	0.3	0.7
Renewal & upgrades of playgrounds & spray parks	6.0	-	6.0	-	6.0	2.0	1.3	1.3	1.4	12.8	14.8
Sport courts & skate parks											
New sport courts & skate parks	1.3	-	1.3	-	1.3	0.1	0.1	1.0	0.1	1.0	1.1
Renewal & upgrades of sport courts & skate parks	2.4	-	2.4	-	2.4	0.6	0.6	0.6	0.6	0.8	1.4
Subtotal Park amenities	110.1	(1.2)	108.9	10.0	98.9	6.5	24.1	29.5	38.8	119.4	125.9

\$ millions	2023-2026 Capital Plan			Devt. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Parks & public open spaces											
Park buildings, infrastructure & vehicles											
Park buildings											
Capital maintenance - Park buildings	5.0	-	5.0	-	5.0	1.3	2.0	1.7	-	2.9	4.2
New park buildings	3.3	-	3.3	-	3.3	0.9	0.8	0.8	0.8	6.4	7.3
Grays Park Fieldhouse Deconstruction	-	-	-	-	-	-	-	-	-	0.4	0.4
Washrooms & Fieldhouses Renewal	-	-	-	-	-	-	-	-	-	5.2	5.2
Renovations - Park buildings	5.0	(0.2)	4.9	-	4.9	-	1.5	1.5	1.9	-	-
Park infrastructure											
Maintenance, upgrading & renewal of park electrical & water infrastructure	3.3	(0.1)	3.2	-	3.2	0.8	0.8	0.8	0.7	3.0	3.9
New park electrical & water infrastructure	4.0	-	4.0	-	4.0	1.0	1.0	1.0	1.0	-	1.0
Potable water reduction/reuse program	2.0	-	2.0	-	2.0	0.5	0.5	0.5	0.5	-	0.5
Stanley Park cliff maintenance (Prospect Pt.- 3rd Beach)	0.5	-	0.5	-	0.5	0.1	0.1	0.1	0.1	0.5	0.6
Park pathways											
Maintenance & renewal of park pedestrian infrastructure	2.5	(0.2)	2.4	-	2.4	0.6	0.6	0.6	0.5	4.4	5.0
Universal access improvements to park pedestrian infrastructure	1.0	-	1.0	-	1.0	-	-	0.5	0.5	0.6	0.6
Park roads & parking lots											
Maintenance & renewal of park vehicular infrastructure	2.5	(0.1)	2.4	-	2.4	0.6	0.6	0.6	0.5	1.1	1.8
Park vehicles & equipment											
Electrification of vehicles & equipment - Parks	3.4	-	3.4	-	3.4	0.5	0.6	1.6	0.6	-	0.5
New vehicles & equipment - Parks	3.1	-	3.1	-	3.1	1.4	-	1.5	0.2	-	1.4
Renewal of vehicles & equipment - Parks	13.2	-	13.2	-	13.2	3.3	2.0	6.0	1.8	7.8	11.1
Subtotal Park buildings, infrastructure & vehicles	48.8	(0.5)	48.3	-	48.3	11.2	10.7	17.4	9.1	32.3	43.5
Decolonization, arts & culture											
Decolonization & policy development											
Co-management framework	0.2	-	0.2	-	0.2	0.2	-	-	-	-	0.2
Cultural visibility on the land	0.3	-	0.3	-	0.3	0.2	0.2	-	-	-	0.2
Decolonization strategy	0.5	-	0.5	-	0.5	0.5	-	-	-	-	0.5
Subtotal Decolonization, arts & culture	1.0	-	1.0	-	1.0	0.9	0.2	-	-	-	0.9
Project management & overhead											
Parks project management & overhead	-	2.0	2.0	-	2.0	2.0	-	-	-	-	2.0
Subtotal Project management & overhead	-	2.0	2.0	-	2.0	2.0	-	-	-	-	2.0
Total Parks & public open spaces	211.3	(0.2)	211.1	10.0	201.1	23.0	61.0	60.0	57.0	196.6	219.6
<i>City contributions</i>	71.9	(0.2)	71.8	-	71.8	16.2	17.1	24.4	14.1	64.7	80.9
<i>Development contributions</i>	139.2	0.1	139.4	10.0	129.4	6.8	43.9	35.7	42.9	128.7	135.5
<i>Partner contributions</i>	-	-	-	-	-	-	-	-	-	3.3	3.3

* The previously approved column includes \$118M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for Parks and Public Open Spaces for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023 $E = C - D$ $E = \sum F \rightarrow J$	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
	A	B	C=A+B	D		F	G	H	I	J
Parks & public open spaces										
Park land	9.3	-	9.3	3.6	5.7	0.6	4.0	-	-	1.0
Seawall & waterfront	17.7	2.1	19.8	13.4	6.4	4.1	1.6	0.3	0.5	-
Urban forest & natural areas	17.8	0.5	18.3	10.2	8.1	6.5	1.6	-	-	-
Park amenities	119.4	6.5	125.9	75.7	50.2	22.8	21.9	4.2	1.3	1.2
Park buildings, infrastructure & vehicles	32.3	11.2	43.5	15.0	28.4	10.8	9.8	3.6	2.8	1.4
Decolonization, arts & culture	-	0.9	0.9	-	0.9	0.4	0.4	-	-	-
Project management & overhead	-	2.0	2.0	-	2.0	2.0	-	-	-	-
Total Parks & public open spaces	196.6	23.0	219.6	118.0	101.7	47.2	39.4	8.1	4.6	3.6

Notable capital projects and programs

One-time projects

Project Name	Scope and Planned Outcomes	Total Available Funding (\$M)		Capital Plan Delivery/ Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
Expansion of Burrard Slopes Park	<ul style="list-style-type: none"> Expand park by 0.8 hectare. 	\$3.0	\$11.0	<ul style="list-style-type: none"> Currently in planning and preliminary design phase, which is expected to finish by 2025 (includes deconstruction of existing buildings). Construction of the park to be initiated in 2026 (completed by Q1 2027).
New east parks in Southeast False Creek area	<ul style="list-style-type: none"> Plan and design new "East Park" and existing Creekside Park south of Science World. Construct new East Park (1.2 hectares). 	\$2.1	\$16.8	<ul style="list-style-type: none"> Currently in concept development and design for East Park and Creekside Park. Construction and implementation of Phase 1 to start in 2025 (completed by Q4 2027).
New parks in East Fraser Lands	<ul style="list-style-type: none"> Community Centre Plaza: planning, design and construction. Linear Riverfront Park: detailed design phase. Avalon North Park: detailed design phase. 	\$17.1	\$5.4	<ul style="list-style-type: none"> Prior Capital Plan funding for the construction of South Kinross Park, Foreshore Park and Promontory Park. Design and construction for the park at Community Centre Plaza to be aligned with delivery of the community centre.

Project Name	Scope and Planned Outcomes	Total Available Funding (\$M)		Capital Plan Delivery/ Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
New track and field training facility at Killarney Park	<ul style="list-style-type: none"> Construction of a new competitive track and field facility. 	\$2.5	\$10.7	<ul style="list-style-type: none"> Currently in planning and design phase, which is expected to finish by mid-2024. Construction of the facility to initiate in second half of 2024.

Ongoing programs

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/Implementation Strategy
		2023-2026 Capital Plan	
Parkland acquisition	<ul style="list-style-type: none"> Total land to be acquired ~0.35 hectare. 	\$22.5	<ul style="list-style-type: none"> No allocation in 2023 due to available approved unspent funding from prior Capital Plan(s). Allocation in 2024 to purchase an identified parcel of land. Remaining Capital Plan to be allocated in 2025 for any other planned acquisition.

Arts, culture and heritage

The City supports access to arts and culture through a variety of means, including through operating the Vancouver Civic Theatres, commissioning new public art through the Public Art Program, supporting cultural heritage in Chinatown, providing capital grants to support both City and non-City cultural spaces, supporting non-profit cultural tenants and artists in City-owned spaces, and developing new cultural spaces through development.

Inventory of assets

	City Assets	Partner Assets
Cultural facilities	<ul style="list-style-type: none"> 56 facilities (1,325,000 square feet) 	<ul style="list-style-type: none"> Non-profit cultural facilities
Entertainment and exhibition	<ul style="list-style-type: none"> 10 facilities at Pacific National Exhibition (500,000 square feet) Playland Nat Bailey Stadium 	<ul style="list-style-type: none"> BC Place Stadium Rogers Arena Vancouver Convention Centre

	City Assets	Partner Assets
Public art	<ul style="list-style-type: none"> • ~240 art installations (permanent) • ~200 art installations (temporary) 	<ul style="list-style-type: none"> • ~100 art installations on private land
Heritage	<ul style="list-style-type: none"> • ~100 buildings 	<ul style="list-style-type: none"> • ~2,155 buildings

Implementing the 2023-2026 Capital Plan

Current open unspent multi-year project budget from previous Capital Plan(s)

There are several City-led arts, culture and heritage projects that were included in the 2019-2022 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$46 million of the previously approved budget of \$84 million will be spent on these projects in the upcoming years. Key projects include:

- Approximately \$10 million to be spent on the Heritage Incentive Program.
- Approximately \$11 million for renewal and expansion of the outdoor amphitheatre at Hastings Park and Pacific National Exhibition (PNE). Planning and design were funded in the 2019-2022 Capital Plan. Construction is included in the 2023-2026 Capital Plan.
- Approximately \$2 million of outstanding grants were approved for the Cultural Infrastructure Grant Program and will be disbursed as grant requirements are met.

In addition, construction started on the following development-led cultural facility project during the 2019-2022 Capital Plan period, and it will be completed in the 2023-2026 Capital Plan period:

- An estimated \$15 million for cultural space at Oakridge Centre, co-located with the expanded Oakridge Branch Library and new community centre.

2023-2026 Capital Plan and planned allocations over the four-year period

The 2023-2026 Capital Plan includes approximately \$146 million to maintain, renew and expand arts, culture and heritage. Investments can be divided between one-time projects delivered either by the City or developers (in-kind), and ongoing programs.

- **Development-led (in-kind) delivered projects and programs** — Three cultural facility projects are anticipated to start construction during the 2023-2026 Capital Plan period with a combined estimated value of \$21.7 million:
 - A new cultural hub at Burrard and Davie streets
 - A music presentation centre in Northeast False Creek
 - New artist studios at 5910-5998 Cambie Street

- **City-led projects** — Four projects are included in the 2023-2026 Capital Plan, accounting for \$59 million of the investments:
 - **One large-scale project** — Renewal and expansion of the outdoor amphitheatre at Hastings Park and the PNE. Planning and design were funded in the 2019-2022 Capital Plan. Construction is included in the 2023-2026 Capital Plan.
 - **Three small-scale projects** — Renewal and expansion of Chinatown Memorial Square, renovations to Joy Kogawa House and completion of the detailed design phase for the Firehall Arts Centre.
- **Ongoing programs** — These programs account for \$55 million of the investments:
 - **Ongoing programs for City-owned assets** — These programs include capital maintenance, renovations, renewal of existing assets and provision of new assets.
 - **Ongoing programs for non-City-owned assets** — These programs include contributions and grants to non-profits and privately owned heritage buildings, and new public art on private property.

The following table presents a summary of arts, culture and heritage projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Devt. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets		
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B	C=D+E	D	E=I+ii+iii+iv	i	ii	iii	iv	J	K=J+i	
Arts, culture & heritage												
Cultural facilities												
Grants												
Chinatown cultural partnership grants	1.0	-	1.0	-	1.0	0.3	0.3	0.3	0.3	0.1	0.4	
Cultural capital grant program	5.0	-	5.0	-	5.0	1.3	1.3	1.3	1.3	14.3	15.6	
Programs												
Capital maintenance - Cultural facilities	16.0	-	16.0	-	16.0	4.1	6.5	5.4	-	9.4	13.5	
Civic theatre upgrades	2.0	-	2.0	-	2.0	1.2	0.6	0.1	0.1	3.4	4.6	
Planning & studies - Cultural facilities	0.4	(0.0)	0.4	-	0.4	0.1	0.1	0.1	0.1	1.0	1.1	
Renovations - Cultural facilities	1.0	(0.0)	1.0	-	1.0	0.3	0.3	0.3	0.2	1.0	1.3	
Projects												
FireHall Theatre renewal & expansion, detailed design	0.7	-	0.7	-	0.7	0.7	-	-	-	-	0.7	
Historic Joy Kogawa House renewal	1.4	-	1.4	-	1.4	-	0.2	1.2	-	0.8	0.8	
First Nations Signage For ŚxʷAExən Xwtl'A7Shn And ŚxʷAθneq Xwtl'E7ÉNk Square	-	-	-	-	-	-	-	-	-	0.9	0.9	
Projects (in-kind)												
New artist studios at 5910-5998 Cambie (in-kind)	6.1	-	6.1	6.1	-	-	-	-	-	-	-	
New cultural hub at Burrard & Davie (in-kind)	15.6	-	15.6	15.6	-	-	-	-	-	-	-	
Subtotal Cultural facilities	49.2	(0.1)	49.2	21.7	27.5	7.9	9.1	8.6	1.9	31.0	38.8	
Entertainment & exhibition												
Programs												
Capital maintenance - Entertainment & exhibition	5.2	-	5.2	-	5.2	1.3	2.1	1.8	-	5.1	6.4	
Renovations - Entertainment & exhibition	0.3	(0.0)	0.3	-	0.3	-	0.1	0.1	0.1	0.2	0.2	
Projects												
PNE Amphitheatre renewal & expansion	59.0	(5.0)	54.0	-	54.0	-	-	54.0	-	15.8	15.8	
Playland redevelopment	-	-	-	-	-	-	-	-	-	2.3	2.3	
Subtotal Entertainment & exhibition	64.5	(5.0)	59.5	-	59.5	1.3	2.2	55.9	0.1	23.4	24.7	
Heritage												
Grants												
Grant to Heritage Foundation	1.2	-	1.2	-	1.2	0.3	0.3	0.3	0.3	1.2	1.5	
Heritage Facade Program	1.2	-	1.2	-	1.2	-	0.4	0.4	0.4	2.3	2.3	
Heritage Incentive Program	15.0	-	15.0	-	15.0	-	5.0	5.0	5.0	15.5	15.5	
Other												
Chinatown Memorial Square redesign	2.5	-	2.5	-	2.5	-	2.5	-	-	1.0	1.0	
Subtotal Heritage	19.9	-	19.9	-	19.9	0.3	8.2	5.7	5.7	20.0	20.3	
Public art												
Programs												
Maintenance of Public Art	2.0	-	2.0	-	2.0	0.5	0.5	0.5	0.5	1.5	2.0	
New public art delivered by development (in-kind)	10.0	-	10.0	10.0	-	-	-	-	-	-	-	
New public art delivered by the City	5.0	-	5.0	-	5.0	0.5	1.5	1.5	1.5	7.9	8.4	
Subtotal Public art	17.0	-	17.0	10.0	7.0	1.0	2.0	2.0	2.0	9.4	10.4	
Total Arts, culture & heritage	150.6	(5.1)	145.5	31.7	113.8	10.5	21.5	72.2	9.7	83.8	94.2	
			<i>City contributions</i>									
			94.4			89.3	9.7	12.1	64.6	2.9	73.2	82.9
			<i>Development contributions</i>									
			55.2		31.7	23.5	0.8	9.3	6.8	6.8	9.6	10.4
			<i>Partner contributions</i>									
			1.0			1.0	-	0.1	0.9	-	0.9	0.9

* The previously approved column includes \$38M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for Arts, Culture and Heritage for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
Arts, culture & heritage	A	B	C=A+B	D	E = C-D E=Σ F→J	F	G	H	I	J
Cultural facilities	31.0	7.9	38.8	18.9	20.0	10.8	5.6	1.5	2.1	-
Entertainment & exhibition	23.4	1.3	24.7	5.8	19.0	6.6	8.6	3.7	-	-
Public art	9.4	1.0	10.4	5.6	4.7	2.8	1.2	0.8	-	-
Heritage	20.0	0.3	20.3	7.7	12.6	1.4	3.5	2.7	5.0	-
Total Arts, culture & heritage	83.8	10.5	94.2	37.9	56.3	21.6	18.9	8.7	7.1	-

Notable capital projects and programs

One-time projects

Project Name	Scope and Planned Outcomes	Total Available Budget (\$M)		Capital Plan Delivery/Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
Renewal and expansion of outdoor amphitheatre at Hastings Park/ PNE	<ul style="list-style-type: none"> Start construction of the outdoor amphitheatre (~90,000 square feet). 	\$11.0	\$54.0	<ul style="list-style-type: none"> Currently in planning and design phase, which is expected to finish by 2024. Construction work to be initiated in 2025. Capital Plan amount has been reduced by \$5M based on latest estimate of available funding from prior Capital Plans.
Chinatown Memorial Square redesign	<ul style="list-style-type: none"> Increase the size of this public open space by ~0.1 hectare. 	\$1.0	\$2.5	<ul style="list-style-type: none"> Currently in planning and design phase, which is expected to finish in 2024. Construction work expected to start in late 2024 or early 2025.
Joy Kogawa House renewal	<ul style="list-style-type: none"> Major renovations and renewal of Joy Kogawa House (2,500 square feet). 	-	\$1.4	<ul style="list-style-type: none"> Currently in the permitting phase, with demolition and design work to start in 2024. Renewal and renovations to start in 2025. Project is being led by a non-profit operator, who is contributing \$1.0M of the \$1.4M budget.
Renewal and expansion of Firehall Arts Centre	<ul style="list-style-type: none"> Design of Firehall Arts Centre (from 3,000 to 7,200 square feet). 	-	\$0.7	<ul style="list-style-type: none"> Preliminary and detailed design to be initiated in 2023 and expected to finish by 2024.

Community facilities

Community facilities offer a range of literary, leisure, recreational and social programs for people of all ages, incomes, backgrounds and abilities in all Vancouver neighbourhoods. While many of the community facilities are operated by the City, there are many facilities that are operated by non-profit partners. Collectively, the programs offered at these facilities promote the well-being of individuals, families and the broader community.

Inventory of assets

	City Assets	Partner Assets
Libraries	<ul style="list-style-type: none"> 21 facilities (575,000 square feet) 	<ul style="list-style-type: none"> n/a
City Archives	<ul style="list-style-type: none"> 1 building and 1 ancillary building (35,000 square feet) 	<ul style="list-style-type: none"> n/a
Recreational	<ul style="list-style-type: none"> 55 facilities (1,680,000 square feet) 	<ul style="list-style-type: none"> YMCA, YWCA
Social	<ul style="list-style-type: none"> 46 facilities (600,000 square feet) 	<ul style="list-style-type: none"> Non-profit social facilities and office spaces
Mountain View Cemetery	<ul style="list-style-type: none"> 3 facilities (28,500 square feet) 9 kilometres of roads 	<ul style="list-style-type: none"> n/a

Implementing the 2023-2026 Capital Plan

Current open unspent multi-year project budget from previous Capital Plan(s)

There are several City-led community facility projects that were approved prior to the 2023-2026 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$161 million of the previously approved budget of \$232 million will be spent on these projects in the upcoming years. Key projects include:

- Approximately \$61.0 million for construction of the Marpole-Oakridge Community Centre.
- Approximately \$14.6 million for construction of the Sunset Seniors Centre.
- Approximately \$8.4 million for construction of a QMUNITY social facility serving the LGBTQIA2S+ community.
- Approximately \$17.3 million for planning and design for the future renewal and expansion of Britannia Community Centre.

In addition, construction started on the following development-led community facility projects during the 2019-2022 Capital Plan period, and they will be completed in the 2023-2026 Capital Plan period:

- An estimated \$75.0 million for construction of the community facility complex at Oakridge Centre, which will include a new community centre and larger branch library.
- An estimated \$7.1 million for construction of the new Arbutus Neighbourhood House.

2023-2026 Capital Plan and planned allocations over the four-year period

The 2023-2026 Capital Plan includes \$391 million to maintain, renew and expand community facilities. Investments can be divided between one-time projects delivered either by the City or development (in-kind), and ongoing programs.

- **Development-led (in-kind) projects** — There are a total of five facilities to be delivered by developers in the 2023-2026 Capital Plan, including two new community centres (East Fraser Lands and Northeast False Creek), one ice rink (Northeast False Creek) and two social facilities (both in the Cambie Corridor), for a total amount of \$134 million.
- **City-led projects** — There are seven projects included in the Capital Plan, accounting for \$206.6 million of the investments in community facilities:
 - **Two large-scale projects involving renewal and expansion of existing facilities** — Vancouver Aquatic Centre and RayCam Co-operative Centre.
 - **Four small-scale projects** — Provision of furniture and equipment for Oakridge Branch Library (to coincide with the completion of this development-led project in 2024), renovations to the Central Library’s Children’s Library, renovations to Levels 2 and 3 of the Central Library, and renovations at the Vancouver Archives.
 - **Funding to prepare preliminary detailed design plans for the West End Community Hub project, which includes the renewal and expansion of the following community facilities** — community centre, ice rink, Joe Fortes Branch Library and social/cultural space, as well as childcare and a relocated firehall.
- **Ongoing programs** — These programs include capital maintenance, renovations, and grants to non-profits and planning. They account for a total of \$48.7 million of the investments in community facilities.

The following table presents a summary of community facilities projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Devt. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Community facilities											
Libraries											
Programs											
Capital maintenance - Libraries	5.8	-	5.8	-	5.8	1.5	2.4	1.9	-	7.7	9.2
Renovations - Libraries	0.7	-	0.7	-	0.7	0.2	0.2	0.2	0.2	0.7	0.9
Projects											
Joe Fortes Branch Library - renewal & expansion, design	2.0	-	2.0	-	2.0	-	-	2.0	-	-	-
Oakridge Library: furniture, equipment + collection	2.4	-	2.4	-	2.4	2.4	-	-	-	-	2.4
Renovation of Central Children's Library	3.5	(0.4)	3.1	-	3.1	-	3.1	-	-	0.4	0.4
Renovation of Central Library Level 2 & 3	2.5	-	2.5	-	2.5	-	0.1	0.2	2.2	18.9	18.9
Marpole Library renewal & expansion	-	-	-	-	-	-	-	-	-	3.7	3.7
Central Library office relocation	-	-	-	-	-	-	-	-	-	0.1	0.1
West Point Grey Branch Library relocation	-	-	-	-	-	-	-	-	-	1.4	1.4
Subtotal Libraries	16.9	(0.4)	16.5	-	16.5	4.1	5.8	4.3	2.4	32.9	37.0
Archives											
Programs											
Capital maintenance - Archives	0.5	-	0.5	-	0.5	0.1	0.2	0.2	-	-	0.1
Projects											
Interim rehabilitation / renovation of Archive facilities	4.0	(2.0)	2.0	-	2.0	2.0	-	-	-	6.2	8.2
Subtotal Archives	4.5	(2.0)	2.5	-	2.5	2.1	0.2	0.2	-	6.2	8.3
Recreation facilities											
Programs											
Capital maintenance - Recreation facilities	19.1	-	19.1	-	19.1	4.9	7.7	6.5	-	13.9	18.8
Renovations - Recreation facilities	2.3	(0.3)	2.0	-	2.0	0.7	0.7	0.5	0.2	5.7	6.4
Projects											
RayCam Community Centre - renewal & expansion	49.0	-	49.0	-	49.0	-	7.4	-	41.7	2.0	2.0
Vancouver Aquatic Centre - renewal & expansion	140.0	-	140.0	-	140.0	21.0	-	-	119.0	-	21.0
West End Community Centre - renewal & expansion, design	3.1	-	3.1	-	3.1	-	-	3.1	-	2.0	2.0
West End Ice Rink - renewal & expansion, design	1.5	-	1.5	-	1.5	-	-	1.5	-	-	-
Britannia Community Centre redevelopment	-	-	-	-	-	-	-	-	-	20.0	20.0
Kensington Community Centre Community Hall	-	-	-	-	-	-	-	-	-	0.6	0.6
Marpole Oakridge Community Centre renewal & expansion	-	-	-	-	-	-	-	-	-	67.4	67.4
Marpole Civic Center site acquisition	-	-	-	-	-	-	-	-	-	3.2	3.2
Projects (in-kind)											
New East Fraser Lands Community Centre (in-kind)	47.0	-	47.0	47.0	-	-	-	-	-	-	-
New North East False Creek Community centre (in-kind)	41.7	-	41.7	41.7	-	-	-	-	-	-	-
New North East False Creek Ice rink (in-kind)	25.0	-	25.0	25.0	-	-	-	-	-	-	-
Subtotal Recreation facilities	328.7	(0.3)	328.4	113.7	214.7	26.6	15.8	11.5	160.8	114.7	141.3

\$ millions	2023-2026 Capital Plan			Devt. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Community facilities											
Social facilities											
Grants											
Downtown Eastside capital grant programs	4.5	-	4.5	-	4.5	0.4	1.4	1.4	1.4	6.4	6.8
Social capital grant program	1.1	-	1.1	-	1.1	0.3	0.3	0.3	0.3	2.7	3.0
Programs											
Capital maintenance - Social facilities	2.9	-	2.9	-	2.9	0.7	1.2	1.0	-	4.0	4.7
Planning & studies - Social facilities	4.0	-	4.0	-	4.0	1.0	1.0	1.0	1.0	1.9	2.9
Renovations - Social facilities	1.4	-	1.4	-	1.4	0.5	0.3	0.3	0.3	1.8	2.3
Projects											
Neighbourhood house capital project grants	5.0	-	5.0	-	5.0	5.0	-	-	-	-	5.0
New social/cultural space in West End Community Hub, design	1.0	-	1.0	-	1.0	-	-	1.0	-	-	-
Indigenous Healing and Wellness Centre	-	-	-	-	-	-	-	-	-	0.7	0.7
Indigenous Social Enterprise	-	-	-	-	-	-	-	-	-	2.0	2.0
Kingsway Drop-in Centre	-	-	-	-	-	-	-	-	-	1.5	1.5
Little Mountain Neighbourhood House: Social Housing	-	-	-	-	-	-	-	-	-	2.0	2.0
Qmunity Facility	-	-	-	-	-	-	-	-	-	8.5	8.5
Sunset Seniors Center	-	-	-	-	-	-	-	-	-	14.6	14.6
Projects (in-kind)											
Youth Centre at 5812 Cambie (in-kind)	8.0	-	8.0	8.0	-	-	-	-	-	-	-
Subtotal Social facilities	27.9	-	27.9	8.0	19.9	7.8	4.2	5.0	3.0	46.1	53.9
Non-profit office space											
Projects											
New non-profit office space at 5740 Cambie (in-kind)	12.4	-	12.4	12.4	-	-	-	-	-	-	-
Subtotal Non-profit office space	12.4	-	12.4	12.4	-	-	-	-	-	-	-
Cemetery											
Programs											
Maintenance & upgrades of cemetery facilities	1.0	-	1.0	-	1.0	0.1	0.3	0.3	0.3	0.4	0.4
Subtotal Cemetery	1.0	-	1.0	-	1.0	0.1	0.3	0.3	0.3	0.4	0.4
School											
Projects											
Coal Harbour School	-	-	-	-	-	-	-	-	-	31.7	31.7
Subtotal School	-	-	-	-	-	-	-	-	-	31.7	31.7
Total Community Facilities	391.3	(2.7)	388.6	134.1	254.5	40.6	26.2	21.3	166.5	231.8	272.5
City contributions	191.4	(2.3)	189.1	-	189.1	32.7	20.6	16.3	119.5	108.0	140.7
Development contributions	193.9	-	193.9	134.1	59.8	8.0	2.3	4.8	44.7	63.1	71.1
Partner contributions	6.0	(0.4)	5.6	-	5.6	-	3.2	0.2	2.2	60.7	60.7

* The previously approved column includes \$71M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for Community Facilities for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
	A	B	C=A+B	D	E = C-D E = Σ F → J	F	G	H	I	J
Community facilities										
Libraries	32.9	4.1	37.0	26.9	10.1	5.5	2.3	2.1	0.2	
Archives	6.2	2.1	8.3	4.6	3.7	2.1	1.6	(0.0)		
Recreation facilities	114.7	26.6	141.3	21.1	120.2	8.7	28.7	24.7	23.2	34.8
Social facilities	46.1	8.0	54.1	10.8	43.3	13.3	20.6	4.7	2.7	2.0
School	31.7		31.7	7.8	23.9	5.0	12.0	6.9		
Cemetery	0.4	0.1	0.4	0.2	0.2	0.2				
Total Community facilities	231.8	40.8	272.7	71.3	201.3	34.8	65.2	38.4	26.0	36.8

Notable capital projects and programs

One-time projects

Project Name	Scope and Planned Outcomes	Total Available Budget (\$M)		Capital Plan Delivery/ Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
Renewal and expansion of Vancouver Aquatic Centre	<ul style="list-style-type: none"> Plan, design and start construction on the first phase of this project, which will focus on renewal of the 50-metre lap and diving pool (existing: 65,000 square feet and new size TBD). 	-	\$140.0	<ul style="list-style-type: none"> Planning phase expected to start in 2023, with design in 2024 and construction by end of 2026. Childcare spaces may be delivered as part of this project with the same delivery schedule.
RayCam Co-operative Centre	<ul style="list-style-type: none"> Renewal and expansion of community centre (from 27,250 to 40,000 square feet). 	\$2.0	\$49.0	<ul style="list-style-type: none"> Currently in planning phase, which is expected to finish by 2023 (funded by 2019-2022 Capital Plan) with design work in 2024 and construction in 2026. Project is in partnership with BC Housing, which is providing funding to build social housing above community centre. Overall project planning and delivery is led by BC Housing.
Renovation of Central Library's Children's Library	<ul style="list-style-type: none"> Design and construction of the facility (6,826 square feet). 	\$0.3	\$3.1	<ul style="list-style-type: none"> Currently in planning phase, which is expected to finish by Q2 2023. Construction work is expected to start in Q3 2023, and the facility will reach completion by 2024.

Ongoing programs

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/ Implementation Strategy
		2023-2026 Capital Plan	
Neighbourhood house capital project grants	<ul style="list-style-type: none"> Two candidate projects have been identified: <ul style="list-style-type: none"> Cedar Cottage Neighbourhood House redevelopment project Downtown Eastside Neighbourhood House 	\$5.0	<ul style="list-style-type: none"> Individual grants are expected to be brought forward for Council approval in 2023.

Public safety

Public safety includes three core services: police, fire and animal control. These services play a significant role in developing and maintaining public safety and community resilience, and they have a critical role during and after emergencies. While all three provide service on a city-wide basis, the service delivery model for police and animal control deploys police officers and staff from one or a small number of locations, whereas the service delivery model for fire deploys firefighters from a neighbourhood-based network of firehalls.

Inventory of assets

	City Assets	Partner Assets
Police	<ul style="list-style-type: none"> 2 primary police facilities (235,000 square feet) 12 secondary police facilities (365,000 square feet) ~500 vehicles and equipment 	<ul style="list-style-type: none"> n/a
Fire and rescue	<ul style="list-style-type: none"> 19 firehalls (185,000 square feet) 5 specialty fire facilities (45,000 square feet) ~130 vehicles and equipment 	<ul style="list-style-type: none"> n/a
Animal control	<ul style="list-style-type: none"> 1 animal control shelter (12,000 square feet) 	<ul style="list-style-type: none"> n/a

Implementing the 2023-2026 Capital Plan

Current open unspent multi-year project budget from prior Capital Plan(s)

There are several City-led public safety projects that were included in the 2019-2022 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$85 million of the previously approved budget of \$157 million will be spent on these projects in the upcoming years. Key projects include:

- Approximately \$62.0 million for renewal and expansion of Grandview Firehall No. 9, which will also include the relocation of Vancouver Fire and Rescue Services (VFRS) headquarters.
- Approximately \$4.0 million for completion of the seismic upgrades to Kitsilano Firehall No. 12.
- Approximately \$2.4 million for renewal, expansion and relocation of the Vancouver Animal Control Centre. Construction is included in the 2023-2026 Capital Plan.
- Approximately \$15.0 million for renewal of Vancouver Police Department (VPD) and VFRS vehicles and equipment.

2023-2026 Capital Plan and planned allocations over the four-year period

The 2023-2026 Capital Plan includes \$105 million to maintain, renew and expand public safety facilities. Investments can be divided between one-time projects and ongoing programs:

- **One-time projects** — There are four projects included in the Capital Plan, accounting for \$60.1 million of the investments in public safety:
 - **Two large-scale projects involve the renewal and expansion of existing facilities** — Downtown South Firehall No. 8 and the Vancouver Animal Control Centre.
 - **Two projects involve the preparation of plans and designs for the renewal of existing facilities** — Design for West End Firehall No. 6, and preliminary planning and scoping for a consolidated post-disaster police headquarters facility.
- **Ongoing programs for City-owned assets** — These programs include capital maintenance, renovation and renewal of existing facilities; replacement of existing vehicles (including electrification for some of the vehicles); and purchase of new vehicles. The programs account for \$44.9 million of the investments in public safety.

The following table presents a summary of public safety projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Devt. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Public safety											
Fire & rescue											
Programs											
Capital maintenance - Fire & Rescue	1.5	-	1.5	-	1.5	0.4	0.6	0.5	-	2.4	2.8
Electrification of vehicles & equipment - Fire & Rescue	0.2	-	0.2	-	0.2	-	0.1	0.1	-	-	-
New vehicles & equipment - Fire & Rescue	4.7	-	4.7	-	4.7	3.5	-	1.2	-	-	3.5
Renewal of vehicles & equipment - Fire & Rescue	11.4	-	11.4	-	11.4	4.2	1.7	5.5	0.0	15.2	19.4
Renovations - Fire & Rescue	0.7	-	0.7	-	0.7	0.3	0.2	0.2	0.1	1.0	1.3
Projects											
Downtown South fire hall (FH#8) - renewal & expansion	35.6	-	35.6	-	35.6	3.6	-	32.0	-	-	3.6
West End fire hall (FH#6) - renewal & expansion, design	1.5	-	1.5	-	1.5	-	-	1.5	-	-	-
Kitsilano fire hall (FH#12) - seismic upgrades	-	-	-	-	-	-	-	-	-	5.8	5.8
Fraserview fire hall (FH#17) - renewal	-	-	-	-	-	-	-	-	-	24.7	24.7
Grandview Woodland fire hall (FH#9) renewal	-	-	-	-	-	-	-	-	-	62.3	62.3
Champlain fire hall (FH#5) renewal	-	-	-	-	-	-	-	-	-	23.3	23.3
Subtotal Fire & rescue	55.6	-	55.6	-	55.6	12.0	2.6	41.0	0.1	134.7	146.7
Police											
Programs											
Capital maintenance - Police	5.6	-	5.6	-	5.6	1.4	2.3	1.9	-	2.3	3.7
Electrification of vehicles & equipment - Police	3.4	-	3.4	-	3.4	-	1.9	1.3	0.2	-	-
Renewal of vehicles & equipment - Police	15.5	-	15.5	-	15.5	2.8	4.0	5.4	3.4	16.1	18.8
Renovations - Police	1.9	-	1.9	-	1.9	0.9	0.4	0.4	0.4	1.1	1.9
Projects											
Vancouver Police Department Headquarters - planning & scoping	1.0	-	1.0	-	1.0	0.1	0.9	-	-	0.2	0.3
Subtotal Police	27.4	-	27.4	-	27.4	5.1	9.5	8.9	3.9	19.6	24.7
Animal control											
Projects											
Animal Control Centre renewal & expansion	22.0	-	22.0	-	22.0	-	22.0	-	-	2.6	2.6
Subtotal Animal control	22.0	-	22.0	-	22.0	-	22.0	-	-	2.6	2.6
Total Public Safety	105.0	-	105.0	-	105.0	17.1	34.1	49.8	4.0	156.9	174.0
<i>City contributions</i>	99.0	-	99.0	-	99.0	16.6	34.1	44.3	4.0	133.7	150.3
<i>Development contributions</i>	6.0	-	6.0	-	6.0	0.5	-	5.5	-	13.9	14.4
<i>Partner contributions</i>	-	-	-	-	-	-	-	-	-	9.3	9.3

* The previously approved column includes \$72M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for Public Safety for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
	A	B	C=A+B	D	E = C-D E=Σ F→J	F	G	H	I	J
Public safety										
Fire & rescue	134.7	12.0	146.7	56.4	90.3	18.8	52.3	18.1	1.0	-
Police	19.6	5.1	24.7	15.2	9.5	5.3	3.8	0.4	-	-
Animal control	2.6	-	2.6	0.1	2.5	0.9	0.8	0.8	-	-
Total Public safety	156.9	17.1	174.0	71.7	102.3	25.0	57.0	19.3	1.0	-

Notable capital projects and programs

One-time projects

Project Name	Scope and Planned Outcomes	Total Available Funding (\$M)		Capital Plan Delivery/ Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
Renewal and expansion of Downtown South Firehall No. 8	<ul style="list-style-type: none"> Renew and expand from a two-bay to a four-bay firehall. 7,700 square feet (renewal). 10,300 square feet (new). 	-	\$35.6	<ul style="list-style-type: none"> Design phase expected to start in 2023, with construction in mid-2025.
Renewal, expansion and relocation of Vancouver Animal Control Centre	<ul style="list-style-type: none"> Renew 16,000 square feet and expand by 8,000 square feet. Facility planned to be relocated with SPCA facility. 	\$2.4	\$22.0	<ul style="list-style-type: none"> Currently in detailed design phase, which is expected to finish in first half of 2025. Construction work expected to start in mid-2025. Project delivery will be led by BC SPCA. Although construction work to be initiated in 2025, construction budget to be allocated in 2024 as part of delivery contract/agreement with BC SPCA.

Ongoing programs

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/Implementation Strategy
		2023-2026 Capital Plan	
Vehicles and equipment for VFRS	<ul style="list-style-type: none"> 15 fleet vehicles to be replaced. 10 replaced fleet vehicles to be electrified. 10 new fleet vehicles. 	\$16.1	<ul style="list-style-type: none"> Higher allocation in 2023 because of long lead team required for procurement of fleet. Scope of work planned for 2023: six fleet vehicles to be replaced and seven new fleet vehicles purchased.
Vehicles and equipment for VPD	<ul style="list-style-type: none"> 170 fleet vehicles to be replaced. 45 replaced fleet vehicles to be electrified. 	\$15.5	<ul style="list-style-type: none"> Scope of work planned for 2023: 30 fleet vehicles to be replaced.

Civic facilities and equipment

Civic facilities include municipal administrative buildings (e.g., City Hall campus and Park Board administration building) and service yards (e.g., industrial-type municipal facilities where trucks and equipment are stored and serviced). Civic facilities serve a city-wide area and are concentrated in a handful of locations within Vancouver. Civic facilities and equipment provide continuous essential services to the public and also provide emergency and disaster response as required.

Inventory of assets

	Details
Civic facilities and equipment	<ul style="list-style-type: none"> 13 administration buildings 21 service yards 72 buildings ~90 vehicles and equipment

Implementing the 2023-2026 Capital Plan

Current open unspent multi-year project budget from previous Capital Plan(s)

There are several City-led civic facilities and equipment projects that were approved before the 2023-2026 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$26 million of the previously approved budget of \$85 million will be spent on these projects in the upcoming years. Key projects include:

- First phase of renewal of Sunset Service Yard at Main Street and East 51st Avenue (see additional details and funding provided in the 2023-2026 Capital Plan).
- Energy retrofit program for civic and community facilities to reduce greenhouse gas emissions.
- Long-term plans for the City Hall precinct and Manitoba Works Yard.

2023-2026 Capital Plan and planned allocations over the four-year period

The 2023-2026 Capital Plan includes \$57 million to maintain, renew and expand civic facilities and equipment. Investments can be divided between one-time projects and ongoing programs:

- **One-time projects** — The original 2023-2026 Capital Plan included \$2.0 million to complete the detailed design work for the second phase of renewal at Sunset Yard. However, because of significant cost escalation, the cost estimates for the renewal of the first phase increased from \$9.0 million to \$19.4 million, with the additional \$10.4 million to be funded from the 2023-2026 Capital Plan. The \$2.0 million allocated to the second phase will be reallocated to the first phase of work, with the remaining to be reallocated from the Archives Renovation Program (\$2 million) and from various facility maintenance and planning programs (\$6.4 million).
- **Ongoing programs for City-owned assets** — These programs include capital maintenance, renovations, renewal of existing facilities and replacement of existing vehicles, and they account for approximately 88% of the investments in civic facilities and equipment.

The following table presents a summary of civic facilities and equipment projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Devt. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Civic facilities & equipment											
Administrative facilities											
Programs											
Capital maintenance - Administrative facilities	5.1	-	5.1	-	5.1	1.3	2.1	1.7	-	11.7	13.0
Renovations - Administrative facilities	5.6	(1.8)	3.8	-	3.8	2.1	0.9	0.9	-	0.7	2.8
Office expansion program	-	-	-	-	-	-	-	-	-	10.4	10.4
Projects											
City Hall Campus Renewal - Planning	-	-	-	-	-	-	-	-	-	-	-
Subtotal Administrative facilities	10.7	(1.8)	8.9	-	8.9	3.4	3.0	2.6	-	25.5	28.9
Service yards											
Programs											
Capital maintenance - Service yards	4.2	(1.1)	3.2	-	3.2	1.1	1.2	0.9	-	7.3	8.4
Renovations - Service yards	1.6	(0.2)	1.4	-	1.4	0.4	0.4	0.4	0.2	6.4	6.8
Manitoba Yard renewal	-	-	-	-	-	-	-	-	-	2.7	2.7
Projects											
Sunset Yard renewal, phase one	-	10.4	10.4	-	10.4	10.4	-	-	-	9.0	19.4
Sunset Yard renewal, phase two detailed design	2.0	(2.0)	-	-	-	-	-	-	-	-	-
Subtotal Service yards	7.8	7.2	15.0	-	15.0	11.9	1.6	1.3	0.2	25.3	37.2
Vehicles & equipment											
Programs											
Electrification of vehicles & equipment - Other	0.8	-	0.8	-	0.8	0.7	-	-	0.2	-	0.7
New vehicles & equipment - Other	0.5	-	0.5	-	0.5	0.5	-	-	-	-	0.5
Renewal of vehicles & equipment - Other	1.0	-	1.0	-	1.0	0.9	-	-	0.1	2.5	3.5
Subtotal Vehicles & equipment	2.3	-	2.3	-	2.3	2.1	-	-	0.2	2.5	4.6
All City facilities											
Programs											
Energy optimization program	8.0	(2.0)	6.0	-	6.0	6.0	-	-	-	12.0	18.0
Facility resilience & improvement programs	10.0	(0.7)	9.3	-	9.3	2.3	2.5	2.6	1.9	6.7	9.0
Planning, studies, project management & other support - All city facilities	18.0	(0.1)	17.9	-	17.9	4.5	4.5	4.5	4.4	13.3	17.8
Subtotal All City facilities	36.0	(2.8)	33.2	-	33.2	12.8	7.0	7.1	6.3	32.0	44.8
Total Civic facilities & equipment	56.8	2.6	59.4	-	59.4	30.2	11.6	10.9	6.7	85.3	115.5
<i>City contributions</i>	56.8	2.6	59.4	-	59.4	30.2	11.6	10.9	6.7	81.5	111.6
<i>Development contributions</i>	-	-	-	-	-	-	-	-	-	2.7	2.7
<i>Partner contributions</i>	-	-	-	-	-	-	-	-	-	1.2	1.2

* The previously approved column includes \$60M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for Civic Facilities and Equipment for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
	A	B	C=A+B	D	E = C-D E=Σ F → J	F	G	H	I	J
Civic facilities & equipment										
Administrative facilities	25.5	3.4	28.9	19.6	9.4	3.8	4.5	1.1	-	-
Service yards	25.3	11.9	37.2	14.0	23.2	2.7	8.9	7.1	4.5	-
Vehicles & equipment	2.5	2.1	4.6	1.9	2.7	0.6	2.1	-	-	-
All City facilities	32.0	12.6	44.6	24.0	20.6	11.3	6.4	2.9	-	-
Total Civic facilities & equipment	85.3	30.0	115.3	59.5	55.8	18.4	21.9	11.0	4.5	-

Notable capital projects and programs

One-time projects

Project Name	Scope and Planned Outcomes	Total Available Funding (\$M)		Capital Plan Delivery/Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
Sunset Service Yard renewal — Phase 1	<ul style="list-style-type: none"> Construction of the operations building (~14,200 square feet) 	\$7.4	\$10.4	<ul style="list-style-type: none"> Currently in detailed design phase, which started in the 2019-2022 Capital Plan. Construction is expected to start in 2023. The cost estimate is higher than originally anticipated. Funds from the 2023-2026 Capital Plan are recommended to be reallocated from other civic projects and programs as follows: <ul style="list-style-type: none"> Cancelling the Phase 2 design work at Sunset Service Yard (\$2.0M). Deferring some renovations at the Vancouver Archives (\$2.0M). Deferring some renovation, maintenance and planning at a wide range of facilities (\$6.4M).

Ongoing programs

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/Implementation Strategy
		2023-2026 Capital Plan	
Energy Optimization Program	<ul style="list-style-type: none"> Reduction of 1,400 tonnes of annual greenhouse gas emissions 	\$6.0	<ul style="list-style-type: none"> Higher allocation in 2023. Scope of work includes energy optimization projects at Kerrisdale Community Centre (\$3.0M), Queen Elizabeth Theatre (\$1.6M), non-market housing cooling systems (\$325,000) and \$1.0M for other capital maintenance projects that have an energy contribution to the reduction of greenhouse gases. Allocations in the rest of the Capital Plan are evenly split.
Electrification of vehicles and equipment	<ul style="list-style-type: none"> Integrate the Climate Emergency Response within the fleet asset management program by replacing gas/diesel assets with electric: <ul style="list-style-type: none"> Civic facilities: ~15 fleet Other: ~225 fleet 	\$0.8 (City-wide program total is \$14.4)	<ul style="list-style-type: none"> Scope of work planned for 2023: <ul style="list-style-type: none"> Civic facilities: 12 fleet Other: 20 fleet

Streets

Livable cities are built upon an integrated transportation network, walkable lands and public spaces that support all residents to access jobs, services and amenities across all modes of travel. As the number of people living and working in Vancouver grows, the City needs to accommodate more trips within the same amount of space. By providing better access to transit, as well as walking and cycling facilities that are comfortable and convenient for people of all ages and abilities, the City increases the opportunity for people to get around without driving or owning a car. This strengthens the City's resilience and supports more affordable, healthy and sustainable movement. Vancouver's economy also depends on a reliable and well-maintained transportation network to provide emergency response and deliver goods and services.

Inventory of assets

	City Assets	Partner Assets (TransLink, Provincial)
Walking and cycling	<ul style="list-style-type: none"> • 2,165 kilometres of sidewalks • 333 kilometres of bikeways • 394 pedestrian/bike signals • 40 flashing beacons/special crosswalks • 15 pedestrian bridges and tunnels 	<ul style="list-style-type: none"> • Sidewalks and paths at Granville Island, Canada Place and Vancouver Convention Centre • Two bridges
Transit	<ul style="list-style-type: none"> • 66 kilometres of bus lanes • 1,800 bus stops 	<ul style="list-style-type: none"> • Three rapid transit lines with 25 kilometres
Major roads	<ul style="list-style-type: none"> • 360 kilometres of Major Road Network and arterial roads • 509 traffic signals • 8,000 major street light poles • 400 kilometres of major street conduits 	<ul style="list-style-type: none"> • 6 kilometres of highways • 4 kilometres within the Port of Vancouver
	<ul style="list-style-type: none"> • 6 major vehicular bridges • 24 other vehicular bridges 	<ul style="list-style-type: none"> • Four major vehicular bridges • Seven other vehicular bridges
Local roads	<ul style="list-style-type: none"> • 1,054 kilometres of local roads • 774 kilometres of lanes • 24,000 street light poles • 1,200 kilometres of local street conduits 	<ul style="list-style-type: none"> • Local roads at Granville Island and within the Port of Vancouver
Parking	<ul style="list-style-type: none"> • 12,000 parking meters 	-
Public gathering spaces	<ul style="list-style-type: none"> • 20 plazas • 30 parklets 	-
Street furniture	<ul style="list-style-type: none"> • 2,700 units (bus shelters, benches, bike racks) • 2 comfort stations 	<ul style="list-style-type: none"> • Over 3,500 units managed through street furniture contract
Horticulture	<ul style="list-style-type: none"> • 25 hectares of street horticulture 	-
Vehicles and equipment	<ul style="list-style-type: none"> • ~470 vehicles and equipment 	<ul style="list-style-type: none"> • Three rapid transit lines with 25 kilometres

Implementing the 2023-2026 Capital Plan

Current open unspent multi-year project budget from previous Capital Plan(s)

There are several City-led streets projects that were approved before the 2023-2026 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$117 million of the previously approved project budget of \$413 million will be spent on these projects in the upcoming years. Key projects and programs include:

- Approximately \$6.7 million for the Granville Bridge steel structure rehabilitation (Phase 1): completion of repairs to the steel structure and recoating of steel truss.
- Approximately \$16.0 million for construction of the Granville Bridge Connector.
- Approximately \$29.0 million for reconstruction of the north end of Granville Bridge, including reconfiguration of roads connecting to Pacific Street.
- Approximately \$8.0 million to replace traditional street lighting with energy-saving LED fixtures.

2023-2026 Capital Plan and planned allocations over the four-year period

The Capital Plan includes \$471 million to maintain, renew and expand transportation and street use. Investments can be divided between one-time projects delivered by the City, projects delivered by developers, and ongoing programs:

- **Development-led (in-kind) projects** — Three types of assets to be delivered by developers in the 2023-2026 Capital Plan for an estimated total amount of \$101 million, which includes:
 - Upgraded and new streets and sidewalks (16 kilometres upgraded and 4 kilometres new)
 - Upgraded and new traffic signals (4 upgraded signals and 32 new signals)
 - Upgraded and new street lighting (160 upgraded lights and 1,440 new lights)
- **One-time projects** — Projects in the 2023-2026 Capital Plan that account for \$95 million worth of the investments in streets include:
 - Phase 2 of Granville Bridge rehabilitation and seismic upgrades (\$45 million)
 - Phase 2 of Cambie Bridge rehabilitation and seismic upgrades (\$30 million)
 - Gastown/Water Street public space and transportation improvements (\$10 million)
 - West End public space and transportation improvements (\$10 million)
- **Ongoing programs** — These programs include maintenance and rehabilitation of existing assets and provision of new or enhanced assets, and they account for \$275 million worth of the investments in streets.

The following table presents a summary of streets projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Dev. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Streets											
Building a resilient network											
Bridges & structures											
Cambie bridge seismic upgrades	27.0	-	27.0	-	27.0	27.0	-	-	-	6.8	33.8
Cambie bridge rehabilitation	3.0	-	3.0	-	3.0	3.0	-	-	-	-	3.0
General bridge rehabilitation program	3.8	-	3.8	-	3.8	2.5	0.3	0.5	0.5	3.4	5.9
Granville Bridge rehabilitation and seismic program	45.0	-	45.0	-	45.0	34.5	10.5	-	-	52.7	87.2
Retaining wall & slope rehabilitation	1.0	-	1.0	-	1.0	0.9	0.1	0.1	0.1	1.7	2.5
Granville North Loops deconstruction	-	-	-	-	-	-	-	-	-	31.0	31.0
Viaducts Removal planning	-	-	-	-	-	-	-	-	-	37.0	37.0
Pavement rehabilitation											
Arterial road rehabilitation	19.0	-	19.0	-	19.0	4.8	4.8	4.8	4.8	3.5	8.3
Design investigation - streets & structures	1.4	-	1.4	-	1.4	0.7	0.2	0.2	0.2	-	0.7
Local roads rehabilitation	10.0	-	10.0	-	10.0	2.5	2.5	2.5	2.5	6.8	9.3
Major road network rehabilitation	22.5	-	22.5	-	22.5	5.6	5.6	5.6	5.6	16.6	22.2
Programs											
Engineering PMO Implementation	-	-	-	-	-	-	-	-	-	2.4	2.4
Sidewalks & pathways											
Sidewalks rehabilitation	5.0	-	5.0	-	5.0	1.5	1.2	1.2	1.1	2.8	4.3
Street lighting											
H-frame replacement	6.0	-	6.0	-	6.0	1.5	1.5	1.5	1.5	5.0	6.5
New & upgraded street lighting delivered through development (in-kind)	16.0	-	16.0	16.0	-	-	-	-	-	-	-
New street lighting	1.0	-	1.0	-	1.0	0.3	0.3	0.3	0.3	1.6	1.9
Street lighting rehabilitation	27.3	-	27.3	-	27.3	7.6	6.8	6.8	6.3	20.1	27.7
Trolley pole replacement	5.5	-	5.5	-	5.5	1.4	1.4	1.4	1.4	9.6	11.0
Street lighting upgrades	-	-	-	-	-	-	-	-	-	13.0	13.0
Traffic signals											
New & upgraded signals delivered through development (in-kind)	17.0	-	17.0	17.0	-	-	-	-	-	-	-
New signals	8.4	-	8.4	-	8.4	2.1	2.1	2.1	2.1	4.9	7.0
Signal rehabilitation	26.0	-	26.0	-	26.0	6.5	6.5	6.5	6.5	19.4	25.9
Vehicles & equipment											
Electrification of vehicles & equipment - Streets	4.6	-	4.6	-	4.6	0.4	1.2	1.4	1.6	-	0.4
New vehicles & equipment - Streets	1.0	-	1.0	-	1.0	1.0	-	-	-	-	1.0
Renewal of vehicles & equipment - Streets	20.6	-	20.6	-	20.6	3.2	6.6	7.9	2.9	-	3.2
Subtotal Building a resilient network	271.0	-	271.0	33.0	238.0	106.9	51.3	42.6	37.2	238.3	345.2

\$ millions	2023-2026 Capital Plan			Dev. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=I+ii+iii+iv	i	ii	iii	iv	J	K=J+I
Streets											
Improving mobility											
Active transportation corridors & complete streets											
Active transportation & complete streets	38.4	-	38.4	-	38.4	4.9	5.9	14.3	13.3	52.8	57.7
New sidewalks	4.9	-	4.9	-	4.9	-	1.7	1.6	1.6	5.8	5.8
Street improvements delivered through development (in-kind)	70.0	-	70.0	70.0	-	-	-	-	-	-	-
Transportation planning & monitoring	12.0	-	12.0	-	12.0	3.0	3.0	3.0	3.0	7.7	10.7
Arbutus Greenway	-	-	-	-	-	-	-	-	-	8.5	8.5
Neighbourhood transportation											
Neighbourhood traffic management & spot improvements	2.0	-	2.0	-	2.0	0.5	0.5	0.5	0.5	1.4	1.9
Pedestrian curb ramps	4.0	-	4.0	-	4.0	1.0	1.0	1.0	1.0	5.3	6.3
Transit integration & reliability											
Bus transit improvements	5.0	-	5.0	-	5.0	1.9	1.4	1.4	0.4	7.5	9.4
Rapid transit office	6.9	-	6.9	-	6.9	1.7	1.7	1.7	1.7	7.8	9.5
Transportation safety & accessibility											
Arterial & construction management	2.0	-	2.0	-	2.0	0.5	0.5	0.5	0.5	-	0.5
At-grade rail crossings	5.0	-	5.0	-	5.0	1.3	1.3	1.3	1.3	3.0	4.2
School program	3.0	-	3.0	-	3.0	0.8	0.8	0.8	0.8	3.0	3.8
Transportation safety	2.0	-	2.0	-	2.0	0.5	0.5	0.5	0.5	6.4	6.9
Subtotal Improving mobility	155.2	-	155.2	70.0	85.2	16.0	18.2	26.5	24.5	109.2	125.2
Supporting public life											
Commercial high street corridors											
Gastown/ Water St. public space and transportation improvements	10.0	-	10.0	-	10.0	5.8	3.6	0.6	-	2.8	8.6
West End public space and transportation improvement	10.0	-	10.0	-	10.0	0.1	2.5	7.0	0.4	12.5	12.6
Curbside vehicle management											
Metered & pay parking	7.0	-	7.0	-	7.0	-	1.8	2.6	2.6	16.9	16.9
Public gathering & place making											
Equity & Cultural Redress public space projects	2.0	-	2.0	-	2.0	0.5	0.5	0.5	0.5	3.0	3.5
Public gathering / plazas	5.8	-	5.8	-	5.8	1.5	1.5	1.5	1.5	12.7	14.2
Robson Square & ʘxʘʘʘʘ Xwtʘe7ʘnʘ Square	-	-	-	-	-	-	-	-	-	0.5	0.5
Streetscape amenities											
Horticulture	1.0	-	1.0	-	1.0	0.3	0.3	0.3	0.3	-	0.3
Public realm electrification	4.3	-	4.3	-	4.3	1.1	1.1	1.0	1.1	9.9	11.0
Public realm EV charging infrastructure	4.3	-	4.3	-	4.3	0.9	1.0	1.1	1.3	7.0	7.8
Street furniture & bike racks	0.5	-	0.5	-	0.5	0.2	0.2	0.1	0.1	-	0.2
Washrooms											
New washrooms	-	-	-	-	-	-	-	-	-	0.3	0.3
Subtotal Supporting public life	44.8	-	44.8	-	44.8	10.3	12.4	14.6	7.6	65.6	75.8
Total Streets	471.0	-	471.0	103.0	368.0	133.1	81.9	83.7	69.3	413.1	546.2
<i>City contributions</i>	196.1	-	196.1	-	196.1	83.4	41.7	38.5	32.5	203.3	286.7
<i>Development contributions</i>	193.4	-	193.4	103.0	90.4	16.6	20.2	30.6	23.0	126.4	143.0
<i>Partner contributions</i>	81.5	-	81.5	-	81.5	33.1	20.0	14.6	13.8	83.4	116.4

* The previously approved column includes \$296M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for Streets for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
Streets	A	B	C=A+B	D	E = C-D E=Σ F → J	F	G	H	I	J
Building a resilient network	238.3	106.9	345.2	173.7	171.4	96.9	57.1	5.9	5.9	5.6
Improving mobility	109.1	16.0	125.1	88.3	36.9	30.7	6.2	-	-	-
Supporting public life	65.6	10.3	75.8	33.6	42.2	28.5	10.3	1.0	1.7	0.6
Total Streets	413.0	133.1	546.1	295.6	250.5	156.1	73.6	6.9	7.7	6.2

Notable capital projects and programs

One-time projects

Project Name	Scope and Planned Outcomes	Total Available Funding (\$M)		Capital Plan Delivery/Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
Granville Bridge rehabilitation and seismic upgrades	<ul style="list-style-type: none"> Steel repairs and renewal of steel protective coating to maintain the integrity of the steel structure (Phase 2 of 5). 	\$10.2	\$34.0	<ul style="list-style-type: none"> Currently in Phase 1 for structural repairs and recoating work. Budget required in 2023 to allow for procurement for design and construction work (start Q1 2024).
	<ul style="list-style-type: none"> South approach rehabilitation: Concrete repairs and other rehabilitation work on the main Granville Street south approach and the ramps to/from Fourth Avenue, Fir Street and Hemlock Street. 	-	\$11.0	<ul style="list-style-type: none"> Procurement for design consultant to start design in 2023 and start construction in 2024 (Phase 1 of 2).
Cambie Bridge rehabilitation and seismic upgrades	<ul style="list-style-type: none"> Rehabilitation of the south end of the bridge and seismic upgrades to the downtown segment of the bridge (Phase 2 of 5). 	-	\$30.0	<ul style="list-style-type: none"> Planning and scoping work has been completed. Currently in detailed design phase. Construction to start by end of 2023.

Project Name	Scope and Planned Outcomes	Total Available Funding (\$M)		Capital Plan Delivery/Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
West End public space and transportation improvements	<ul style="list-style-type: none"> Commercial loops: Enhance public space and improve walkability at Davie and Robson streets. 	\$7.4	\$8.0	<ul style="list-style-type: none"> Scope in 2023 includes project selection and planning/scoping work. Design and construction work to start in 2024 and 2025, respectively.
	<ul style="list-style-type: none"> Bute Greenway (Phase 2). 	\$2.9	\$1.0	<ul style="list-style-type: none"> Currently working on Phase 1 of Bute Greenway. Phase 2 work to start in 2025.
	<ul style="list-style-type: none"> Neighbourhood spot improvements. 	-	\$1.0	<ul style="list-style-type: none"> Ongoing spot improvement work.
Gastown/ Water Street public space and transportation improvements	<ul style="list-style-type: none"> Near-term repairs and construction in: <ul style="list-style-type: none"> Targeted sidewalk repairs Interim repairs to Maple Tree Square Refresh of public space in Maple Tree Square Restoration of Trounce Alley 	-	\$4.5	<ul style="list-style-type: none"> Design and construction phase expected to start in 2023.
	<ul style="list-style-type: none"> Projects to increase host Nation(s) visibility in the public realm. 	-	\$1.5	<ul style="list-style-type: none"> Funding for staff and consultant costs for discussions with First Nation(s) and subsequent construction work to implement initiatives. Request in 2023 Budget is to hire consultants to assist with design work.
	<ul style="list-style-type: none"> Design update and plan for rehabilitation of Water Street and Maple Tree Square. 	-	\$4.0	<ul style="list-style-type: none"> 2023 Budget request is to initiate planning/scoping, with design phase scheduled to start in 2024. Opportunities to advance to construction phase will be explored as part of Capital Plan Mid-term Update in 2024.

Ongoing programs

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/Implementation Strategy
		2023-2026 Capital Plan	
Active transportation and Complete Streets	<ul style="list-style-type: none"> Planned scope: 20 kilometres 	\$38.4	<ul style="list-style-type: none"> Portside Greenway: Total project anticipated cost \$10M with 3 kilometres scope delivered. Budget request in 2023 includes planning and scoping work with design and construction scheduled for 2024-2025. Spot improvements to new and existing bikeways: Total anticipated cost \$14M to work on small- and medium-sized projects. Budget to be allocated evenly across four years. Staffing costs: Include staff time working on planning and design for the projects. Budget allocated evenly across four years. Other projects: Projects still to be identified for the remaining scope.
Pavement rehabilitation	<ul style="list-style-type: none"> Major Road Network: 15 centreline-kilometre (cen-km) 	\$22.5	<ul style="list-style-type: none"> Even allocation across four years. Planned scope for 2023 budget request: 3.75 cen-km.
	<ul style="list-style-type: none"> Arterial road: 10 cen-km 	\$19.0	<ul style="list-style-type: none"> Even allocation across four years. Planned scope for 2023 budget request: 2.5 cen-km.
	<ul style="list-style-type: none"> Local road: 22 cen-km 	\$10.0	<ul style="list-style-type: none"> Even allocation across four years. Planned scope for 2023 budget request: 5.5 cen-km.
Street lighting rehabilitation	<ul style="list-style-type: none"> Planned scope: 3,000 light poles 	\$27.3	<ul style="list-style-type: none"> Even allocation across four years. Planned scope for 2023 budget request: 750 light poles.
Traffic signal rehabilitation	<ul style="list-style-type: none"> Planned scope: 50 signals 	\$26.0	<ul style="list-style-type: none"> Even allocation across four years. Planned scope for 2023 budget request: 12 signals.

One Water – potable water, rainwater and sanitary water

One Water refers to all water-related services and utilities. Along with the essential services of providing potable water, collecting and conveying sanitary water (often referred to as sewage), and collecting and conveying rainwater (often referred to as drainage), One Water services also include groundwater and flood management.

One Water services are delivered by the City in collaboration with Metro Vancouver, which operates the regional systems. Vancouver’s potable water originates from the Capilano, Seymour and Coquitlam reservoirs. On an average day, the water system delivers 300 million litres of high-quality drinking water throughout the city.

Vancouver’s rainwater is collected through a combination of drainage pipes and green rainwater infrastructure (GRI). GRI systems divert rainwater from the pipe systems using engineered nature-based assets and capture rainwater run-off pollutants that would otherwise end up in our waterways.

Most of the sanitary water is processed at the Iona Island Wastewater Treatment Plant in Richmond before being discharged into the Strait of Georgia. However, Vancouver’s network also comprises sections of combined pipes, where sanitary and rainwater flows are combined in a single pipe. When the flow reaches or exceeds the capacity of these combined pipes, they overflow into Burrard Inlet, English Bay, False Creek and the Fraser River.

Inventory of assets

	City Assets	Partner Assets
Potable water	<ul style="list-style-type: none"> • 1,475 kilometres of water mains • 12 kilometres of Dedicated Fire Protection System (DFPS) water mains • 2 DFPS pump stations • 28 pressure-reducing valve stations • ~100,000 water connections • ~24,000 water meters • ~6,500 fire hydrants • ~80 vehicles and equipment 	<ul style="list-style-type: none"> • Metro Vancouver: <ul style="list-style-type: none"> – Three supply reservoirs and a filtration/ultraviolet disinfection plant on the North Shore – 103 kilometres of water mains and two reservoirs within Vancouver
Rainwater and sanitary water	<ul style="list-style-type: none"> • ~850 kilometres of storm mains • ~720 kilometres of sanitary mains • ~560 kilometres of combined mains • 24 pump stations • ~93,000 sewer connections • ~42,000 catch basins • ~300 GRI features • ~115 vehicles and equipment 	<ul style="list-style-type: none"> • Metro Vancouver: <ul style="list-style-type: none"> – 125 kilometres of sewer pipes within Vancouver – Two wastewater treatment plants: one in Richmond (serving 97% of Vancouver) and one in Delta (serving 3% of Vancouver)

Implementing the 2023-2026 Capital Plan

Current open unspent multi-year project budget from previous Capital Plan(s)

There are several City-led One Water projects and programs that were approved before the 2023-2026 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$133 million of the previously approved budget of \$502 million will be spent on these projects in the upcoming years. Key projects and programs include:

- Approximately \$12 million to continue replacing and upgrading the sewer pump stations.
- Approximately \$23 million toward renewal of the sewer infrastructure from a combined system (single pipes that carry stormwater and sewage mixed together) to a separated system (separate storm pipes and sanitary pipes) in the Hastings and Renfrew area.
- Approximately \$17 million to deliver growth-triggered new and upgraded sewer infrastructure.
- Approximately \$23 million to deliver new and upgraded sewer and water connections.

2023-2026 Capital Plan and planned allocations over the four-year period

The 2023-2026 Capital Plan includes \$875 million to maintain, renew and expand One Water infrastructure. The investments include ongoing programs and upgrades to the infrastructure to support growth delivered by developers. The investments can be grouped as follows:

- **Development-led (in-kind) projects** — A total of \$35 million worth of investments have been included involving upgrades to potable water, rainwater and sanitary water infrastructure to support population growth.
- **Potable water programs** — A total of \$184 million has been included to support maintenance, renewal and expansion of the potable water network, with major programs including:
 - **Renewal of infrastructure** — These programs include \$123 million worth of investments, including renewal of water mains (transmission and distribution) and renewal of other water infrastructure, such as meters and connections.
 - **Supporting growth and development** — These programs include \$21 million worth of investments, including new meters and upgrades to water pipes and connections.
 - **Other ongoing programs** — These programs include \$40 million worth of investments, including accelerated meter deployment program, other planning programs to improve water quality and make infrastructure more seismic-resilient and accessible, and fleet renewal.

- **Rainwater and sanitary water programs** — A total of \$656 million has been included to support maintenance, renewal and expansion of the rainwater and sanitary water systems, with major programs including:
 - **Renewal and upgrades of core infrastructure** — These programs include \$457 million worth of investments to renew aging and deteriorating infrastructure and to perform upgrades that support growth and development. The major programs that the City will work on include renewal and upgrades of sewer mains, pump stations and green infrastructure assets.
 - **Connections** — These programs include \$120 million worth of investments to renew existing sewer connections as well as upgrade and install new connections to support growth and development.
 - **Other ongoing programs** — These programs include \$79 million worth of investments, including planning and studies programs, investigating and monitoring the sewer assets, completing the development of the Healthy Waters Plan, and continuing fleet renewal.

The following table presents a summary of projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Dev. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Water, sewers & drainage											
Potable water											
Infrastructure renewal / Asset management											
Connection renewal program	6.7	-	6.7	-	6.7	-	1.6	1.7	3.3	8.3	8.3
Distribution mains renewal program	83.0	-	83.0	-	83.0	20.0	18.0	21.0	24.0	47.0	67.0
Meter renewal program	4.0	-	4.0	-	4.0	0.8	1.1	1.1	1.1	2.8	3.6
Transmission main renewal - Pender Street	12.0	-	12.0	-	12.0	0.3	8.7	3.0	-	-	-
Transmission main renewal - Other projects	8.4	-	8.4	-	8.4	-	-	4.1	4.3	17.2	17.5
Water planning & site investigations	5.2	-	5.2	-	5.2	1.3	1.3	1.3	1.3	7.9	9.2
Water system components	3.6	-	3.6	-	3.6	0.4	0.5	1.1	1.6	3.7	4.1
Resilience & climate adaptation											
Accelerated water meter deployment program	23.0	-	23.0	-	23.0	3.0	2.0	8.0	10.0	6.1	9.1
Water access programs supporting emergency preparedness	1.4	-	1.4	-	1.4	0.2	0.4	0.4	0.5	0.4	0.6
Water conservation programs	1.1	-	1.1	-	1.1	0.2	0.3	0.3	0.3	1.0	1.2
Water quality programs	0.4	-	0.4	-	0.4	-	-	0.1	0.3	1.4	1.4
Water seismic resilience upgrade program	10.5	-	10.5	-	10.5	0.2	3.2	3.1	4.0	2.8	3.0
Supporting growth & development											
Connection upgrades to support growth	14.0	-	14.0	-	14.0	3.5	3.5	3.5	3.5	-	3.5
New meters to support growth	2.0	-	2.0	-	2.0	0.5	0.5	0.5	0.5	0.9	1.4
Water upgrades to support growth (City-led)	5.0	-	5.0	-	5.0	0.2	1.7	1.6	1.6	7.8	8.0
Water upgrades to support growth (development-led, in-kind)	7.0	-	7.0	7.0	-	-	-	-	-	-	-
Vehicles & equipment											
Electrification of vehicles & equipment - Water	0.2	-	0.2	-	0.2	-	0.1	0.1	-	-	-
New vehicles & equipment - Water	0.5	-	0.5	-	0.5	0.3	-	-	0.2	-	0.3
Renewal of vehicles & equipment - Water	3.0	-	3.0	-	3.0	2.1	0.6	0.2	0.1	-	2.1
Subtotal Potable Water	191.0	-	191.0	7.0	184.0	33.0	43.4	50.9	56.6	107.3	140.3
Rainwater & sanitary water											
Asset management & planning											
Asset inspections, investigations & monitoring	35.0	-	35.0	-	35.0	6.6	8.0	9.7	10.7	5.4	12.0
System strategy, policy & planning	29.2	-	29.2	-	29.2	6.5	7.4	7.8	7.5	14.0	20.5
Connections											
Connections renewal program	10.0	-	10.0	-	10.0	1.2	3.0	3.0	2.9	7.6	8.8
New & upgraded connections	110.0	-	110.0	-	110.0	11.0	33.0	33.0	33.0	126.3	137.3
Core network											
Flood protection & drainage	10.0	-	10.0	-	10.0	1.7	3.6	2.6	2.2	11.1	12.8
Green infrastructure renewal & upgrades	41.0	-	41.0	-	41.0	19.4	7.6	7.0	7.0	20.9	40.2
Sewer main renewal program	226.0	-	226.0	-	226.0	57.3	80.9	40.6	47.3	89.3	146.6
Maintenance & replacement of other components	20.0	-	20.0	-	20.0	4.3	4.8	5.3	5.8	13.4	17.6
Pump station renewals & upgrades	31.0	-	31.0	-	31.0	1.7	14.4	8.8	6.1	27.4	29.1
Sewer upgrades to support growth (city-led)	102.7	-	102.7	-	102.7	25.5	19.3	34.4	23.5	49.2	74.7
Sewer upgrades to support growth (development-led, in-kind)	27.5	-	27.5	27.5	-	-	-	-	-	-	-
Targeted separation program (strategic CSO & flood mitigation)	26.0	-	26.0	-	26.0	2.8	5.3	5.7	12.2	-	2.8
Vehicles & equipment											
Electrification of vehicle & equipment - Sewers	0.5	-	0.5	-	0.5	-	0.2	0.3	-	-	-
New vehicles & equipment - Sewers	0.5	-	0.5	-	0.5	0.5	-	-	0.1	-	0.5
Renewal of vehicles & equipment - Sewers	14.1	-	14.1	-	14.1	6.2	4.4	2.7	0.8	30.0	36.3
Subtotal Rainwater & sanitary water	683.5	-	683.5	27.5	656.0	144.6	191.7	160.7	159.0	394.6	539.1
Total Water, sewers & drainage	874.5	-	874.5	34.5	840.0	177.6	235.1	211.7	215.6	501.9	679.4
City contributions	537.1	-	537.1	-	537.1	117.7	159.4	122.7	137.2	284.7	402.5
Development contributions	337.4	-	337.4	34.5	302.9	59.8	75.7	89.0	78.4	200.9	260.7
Partner contributions	-	-	-	-	-	-	-	-	-	16.2	16.2

* The previously approved column includes \$369M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for One Water for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
	A	B	C=A+B	D	E = C-D E=Σ F → J	F	G	H	I	J
Water, sewers & drainage										
Potable water*	107.3	33.0	140.3	94.7	45.6	37.7	7.9	-	-	-
Rainwater & sanitary water *	394.6	144.6	539.1	274.4	264.8	134.7	117.4	8.6	4.1	-
Total Water, sewers & drainage	501.9	177.6	679.4	369.1	310.3	172.4	125.3	8.6	4.1	-

*2023 multi-year capital budget for Connections reflects revenues received to date for 2023 work requests; as further revenues are received, this budget will be adjusted through the quarterly capital budget adjustment process

Notable capital programs

Ongoing programs

Potable water

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/Implementation Strategy
		2023-2026 Capital Plan	
Distribution main renewal	<ul style="list-style-type: none"> Planned scope: 55-60 kilometres 	\$83.0	<ul style="list-style-type: none"> Budget allocation per the individual projects identified for replacement. Scope for 2023 Budget: 15 kilometres of main renewal.
Transmission main renewal	<ul style="list-style-type: none"> Planned scope: 2 kilometres 	\$20.4	<ul style="list-style-type: none"> Major projects identified: <ul style="list-style-type: none"> Pender Street main renewal: Total project anticipated cost \$12.0M, with 1.03 kilometres of main to be delivered. Budget request for 2023 includes planning work with design and construction scheduled for 2024-2025. Other projects: Projects still to be selected.

Rainwater and sanitary water

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/Implementation Strategy
		2023-2026 Capital Plan	
Sewer main renewal (includes both larger and smaller main renewal programs)	<ul style="list-style-type: none"> Replacement of 37.6 kilometres 	\$226.0	<ul style="list-style-type: none"> Catchment areas identified for 2023-2026: <ul style="list-style-type: none"> Dunbar area Angus Balacava Cambie-Heather Grandview-Woodland Other projects Scope of 2023 Budget: <ul style="list-style-type: none"> Dunbar area (2.0 kilometres) Angus (n/a) Balacava (2.2 kilometres) Cambie-Heather (start work on 1.5 kilometres) Grandview-Woodland (1.0 kilometre) Other projects (0.6 kilometre)
Sewer upgrades to support growth (City-led)	<ul style="list-style-type: none"> Scope planned for 2023-2026 Capital Plan: 5 kilometres 	\$102.7	<ul style="list-style-type: none"> Major projects identified for 2023-2026: <ul style="list-style-type: none"> Alberta Trunk: Scope 2.0 kilometres. East Park Tight Pipe: Scope 1.05 kilometres. Other projects: Includes Oak Street, Burrard-Georgia and other future projects to be planned, as well as staff costs related to planning and design work.
Pump station renewals and upgrades	<ul style="list-style-type: none"> Scope planned for 2023-2026 Capital Plan: eight pump stations 	\$31.0	<ul style="list-style-type: none"> Major projects identified for 2023-2026: <ul style="list-style-type: none"> Thornton pump station Other pump stations: Terminal and Locarno pump stations

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/Implementation Strategy
		2023-2026 Capital Plan	
Green infrastructure renewal and upgrades	<ul style="list-style-type: none"> Scope planned for 2023-2026 Capital Plan: 25 hectares (drainage areas) 	\$41.0	<ul style="list-style-type: none"> Major projects identified: <ul style="list-style-type: none"> Growth-related projects: Projects for scope of 18.5 hectares to be delivered. Non-growth-related projects: Projects for scope of 3.5 hectares to be delivered. Other projects, including planning and design (staffing costs) and asset renewal work (3.0 hectares of work to be delivered).

Waste collection, diversion and disposal

Solid waste management is vital to maintaining the health and well-being of our residents, supporting the local economy, and improving the city’s sustainability and resilience. The City’s Solid Waste Management group provides the following services:

- Collection of garbage and organic materials from single-family and duplex homes
- Collection of waste and litter from the public realm as well as street cleaning operations
- Processing of compostable organics through contracts with the private sector
- Provision of recycling services through Zero Waste centres: one at the Vancouver South Transfer Station and one at the Vancouver Landfill
- Operation of the City’s transfer station and the Vancouver Landfill, both of which receive waste from across the region

Inventory of assets

	City Assets	Partner Assets
Waste collection, diversion and disposal	<ul style="list-style-type: none"> Vancouver Landfill in Delta (includes gas collection infrastructure) (~225 hectares) One transfer station in Vancouver Two recycling centres ~180 vehicles and equipment 	<ul style="list-style-type: none"> Village Farms landfill gas beneficial use facility

Implementing the 2023-2026 Capital Plan

Current open multi-year project budget from previous Capital Plan(s)

There are several City-led waste collection, diversion and disposal projects and programs that were included in the 2019-2022 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$24 million of the previously approved project budget of \$125 million will be spent on these projects in upcoming years. Key projects and programs include:

- Approximately \$3.0 million for the closure of the western 40-hectare section¹ of the Vancouver Landfill.
- Approximately \$2.5 million for ongoing maintenance and renovations at the Vancouver Landfill.
- Approximately \$12.0 million for fleet replacement for the Disposal and Sanitation branch.

2023-2026 Capital Plan and planned allocations over the four-year period

The 2023-2026 Capital Plan includes \$141 million worth of investments for waste collection, diversion and disposal services, including these major initiatives:

- **Collections and cleaning** — A total of \$33 million has been included and is grouped as follows:
 - **Litter and recycling bins** — These programs include maintenance and renewal as well as procurement of new litter and recycling bins. These investments account for \$4.4 million worth of the investments in solid waste.
 - **Vehicles and equipment** — This program includes replacement of existing trucks and equipment as well as expansion of fleet electrification, and it accounts for \$27 million worth of the investments in solid waste.

¹ Details on the Vancouver Landfill operations can be found in:
<https://vancouver.ca/files/cov/2021-vancouver-landfill-annual-report.pdf>

- **Disposal** — A total of \$107 million has been included and is grouped as follows:
 - **Landfill** — These programs include closure of areas that have been filled (Phase 5 North and South), installation of gas collection infrastructure, and other maintenance and/or improvement initiatives, and they account for \$90 million worth of the investments in solid waste.
 - **Transfer station** — These programs include capital maintenance and renovations of the transfer station, and they account for \$7 million worth of the investments in solid waste.
 - **Vehicles and equipment** — This program includes replacement of existing trucks and equipment as well as expansion of fleet electrification, and it accounts for \$11 million worth of the investments in solid waste.

The following table presents a summary of waste collection, diversion and disposal projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Dev. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B	C=A+B C=D+E	D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Waste collection, diversion & disposal											
Diversion											
Zero waste initiatives											
Zero Waste Demonstration Centre Pilot	-	-	-	-	-	-	-	-	-	0.3	0.3
Zero waste programs	-	-	-	-	-	-	-	-	-	0.4	0.4
Zero Waste Strategy	-	-	-	-	-	-	-	-	-	0.5	0.5
Subtotal Diversion	-	-	-	-	-	-	-	-	-	1.1	1.1
Collection & cleaning											
Collection & public realm cleaning programs											
Electrification of vehicles & equipment - Sanitation	1.1	-	1.1	-	1.1	0.1	0.5	0.6	-	-	0.1
New vehicles & equipment - Sanitation	1.6	-	1.6	-	1.6	0.2	1.0	-	0.4	-	0.2
Renewal of vehicles & equipment - Sanitation	24.3	-	24.3	-	24.3	6.4	6.6	11.3	-	12.6	19.0
Technological enhancements	2.0	-	2.0	-	2.0	0.5	0.5	0.5	0.5	2.5	3.0
Public realm infrastructure											
Maintenance & renewal of litter & recycling cans/bins	2.0	-	2.0	-	2.0	0.5	0.5	0.5	0.5	0.6	1.1
New litter & recycling cans/bins	2.4	-	2.4	-	2.4	0.5	0.7	0.7	0.7	3.0	3.5
Subtotal Collection & cleaning	33.4	-	33.4	-	33.4	8.1	9.7	13.5	2.1	18.7	26.7
Disposal											
Landfill closure											
Closure maintenance	4.0	-	4.0	-	4.0	-	1.0	1.5	1.5	5.8	5.8
Landfill stormwater management	10.0	-	10.0	-	10.0	2.5	2.5	2.5	2.5	1.5	4.0
Phase 5 - design	3.5	(1.5)	2.0	-	2.0	2.0	-	-	-	54.2	56.2
Phase 5 North - closure implementation	18.5	-	18.5	-	18.5	-	-	-	18.5	-	-
Phase 5 South - closure implementation	20.5	-	20.5	-	20.5	20.5	-	-	-	-	20.5
Landfill non-closure											
Gas collection infrastructure	20.0	-	20.0	-	20.0	5.8	4.3	5.0	5.0	15.8	21.6
Maintenance / renovations / upgrades	13.0	-	13.0	-	13.0	2.5	3.2	3.7	3.6	10.1	12.6
Transfer station											
Maintenance & renewal of transfer station	7.0	-	7.0	-	7.0	1.8	1.8	1.8	1.8	2.9	4.7
Vehicles & equipment											
Electrification of vehicles & equipment - Disposal	0.2	-	0.2	-	0.2	0.2	-	-	0.0	-	0.2
New vehicles & equipment - Disposal	0.2	-	0.2	-	0.2	0.1	-	-	0.1	-	0.1
Renewal of vehicles & equipment - Disposal	10.5	-	10.5	-	10.5	7.3	1.9	1.2	0.0	14.5	21.8
Subtotal Disposal	107.4	(1.5)	105.9	-	105.9	42.6	14.6	15.7	33.1	104.8	147.3
Total Housing	140.8	(1.5)	139.3	-	139.3	50.6	24.4	29.2	35.1	124.6	175.2
<i>City contributions</i>	128.3	(1.1)	127.2	-	127.2	44.0	24.4	29.2	29.6	98.1	142.2
<i>Development contributions</i>	-	-	-	-	-	-	-	-	-	-	-
<i>Partner contributions</i>	12.5	(0.4)	12.1	-	12.1	6.6	-	-	5.5	26.4	33.0

* The previously approved column includes \$100M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for Waste Collection, Diversion and Disposal for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023 E = C-D E ≥ F → J	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
Waste collection, diversion & disposal	A	B	C=A+B	D		F	G	H	I	J
Diversion	1.1	-	1.1	0.9	0.2	0.2	-	-	-	-
Collection & cleaning	18.7	8.1	26.7	9.4	17.3	7.7	9.5	-	-	-
Disposal	104.8	42.6	147.3	90.1	57.2	23.8	21.6	11.5	0.4	-
Total Waste collection, diversion & disposal	124.6	50.6	175.2	100.5	74.7	31.7	31.1	11.5	0.4	-

Notable capital projects and programs

One-time projects

Project Name	Scope and Planned Outcomes	Total Available Funding (\$M)		Capital Plan Delivery/ Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
Phase 5 South — closure implementation	<ul style="list-style-type: none"> Closure of Vancouver Landfill Phase 5 South (14 hectares) 	-	\$20.5	<ul style="list-style-type: none"> Starting design phase for closure for Phase 5, which is expected to finish in 2023. Although construction is expected to start in 2024, budget allocation is placed in 2023 to allow for procurement.
Phase 5 North — closure implementation	<ul style="list-style-type: none"> Closure of Vancouver Landfill Phase 5 North (13 hectares) 	-	\$18.5	<ul style="list-style-type: none"> Starting design phase for closure for Phase 5, which is expected to finish in 2023. Construction to start in 2027 after filling is completed, but procurement is needed in 2026.

Ongoing programs

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/Implementation Strategy
		2023-2026 Capital Plan	
Vancouver Landfill gas collection infrastructure	<ul style="list-style-type: none"> Routine gasworks on Phase 5 to cover gas collection over 27 hectares. The proposed Vancouver Landfill gas collection infrastructure will aim to maintain and exceed 75% landfill gas collection efficiency. 	\$22.5	<ul style="list-style-type: none"> Budget allocation reflective of work planned. Scope of work planned in 2023: <ul style="list-style-type: none"> Phase 5 South: Lift six horizontal gas collectors. Phase 5 North: Lift two horizontal gas collectors and lift three leachate collectors. Temporary vertical gas wells on Phase 5. Renewable natural gas equipment upgrades and new heating system. Flare station capital upgrades.
Litter and recycling bins	<ul style="list-style-type: none"> Renewal: 1,200 bins New: 350 bins 	\$4.4	<ul style="list-style-type: none"> Even allocation across four years. Scope of work planned in 2023: <ul style="list-style-type: none"> Renewal: 300 bins New: ~70 bins
Vehicles and equipment – disposal	<ul style="list-style-type: none"> No. of fleet replaced: 10 No. of fleet replaced to be electrified: 5 No. of new fleet: 5 	\$10.9	<ul style="list-style-type: none"> Higher allocation in 2023 due to long lead team required for procurement of fleet. Scope of work planned for 2023: <ul style="list-style-type: none"> Replacement: 7 fleet New: 2 fleet
Vehicles and equipment – collections	<ul style="list-style-type: none"> No. of fleet replaced: 45 No. of fleet replaced to be electrified: 15 No. of new fleet: 15 	\$27.0	<ul style="list-style-type: none"> Allocations reflective of conditions of vehicles and equipment. Scope of work planned for 2023: <ul style="list-style-type: none"> Replacement: 12 fleet New: 1 fleet

Renewable energy

The City has set a bold target to cut carbon pollution in half by 2030 and to be carbon neutral before 2050. Renewable energy is associated with heating private buildings, including but not limited to buildings serviced from the City’s Neighbourhood Energy Utility (NEU), and with off-street electric vehicle charging.

Over half of Vancouver’s carbon pollution comes from burning natural gas to heat space and water in City buildings. Reducing emissions from buildings is critical to achieving climate targets. This requires actions to improve energy efficiency and reduce energy consumption, along with actions to increase the supply and use of renewable energy to transition away from burning fossil fuels.

Shifting from burning fossil fuels in buildings to relying on low-carbon energy for space heat and hot water is key. Renewable energy technologies (e.g., electric heat pumps, geo-exchange systems, waste heat recovery, biofuels and solar energy) provide a means to supplement or replace conventional energy sources, thereby reducing carbon pollution. Renewable energy technologies can be implemented in individual homes and buildings, in clusters of buildings, or at the larger district or neighbourhood scale.

On the transportation side, which accounts for roughly 40% of carbon pollution in the city, the transition to renewable energy means shifting to more walking, cycling and transit use, and replacing combustion engine vehicles with electric vehicles. The City is advancing the adoption of electric vehicles (EVs) through the provision of and support for charging infrastructure. While public EV charging infrastructure investments are present as part of the streets service category, support for off-street EV charging infrastructure is outlined here.

Inventory of assets

	City Assets	Partner Assets
Neighbourhood Energy Utility	<ul style="list-style-type: none"> • 2 energy centres • 12 kilometres of pipes • 44 energy transfer stations 	<ul style="list-style-type: none"> • Two systems owned by other governments • Two systems owned by private utility providers

Implementing the 2023-2026 Capital Plan

Current open unspent multi-year project budget from previous Capital Plan(s)

There are several City-led renewable energy projects and programs that were included in the 2019-2022 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$27 million of the previously approved budget of \$53 million will be spent on these projects and programs in the upcoming years. Key projects and programs include:

- Approximately \$7 million toward ongoing extension of the NEU distribution system to serve new customers in and around the False Creek area.
- A 6.6-megawatt expansion of sewage heat recovery capacity at the existing False Creek Energy Centre to achieve renewable energy performance targets while serving the system's growing customer base.
- Approximately \$2 million for design and construction of connections and energy transfer stations to serve new buildings.
- Approximately \$12 million for the City's Deep Emission Building Retrofits Program intended to catalyze deep carbon reductions in non-City buildings.

2023-2026 Capital Plan and planned allocations over the four-year period

The 2023-2026 Capital Plan includes \$73 million for renewable energy programs. Investments can be grouped into the following ongoing programs:

- **Neighbourhood energy** — This program includes maintenance and expansion of the City's low-carbon energy utility and investment in a new peaking capacity at a satellite energy centre. The investments in neighbourhood energy total \$43 million.
- **Energy retrofits for non-City buildings** — The \$24 million worth of planned investments over four years seeks to enable and incentivize deep carbon reductions in non-City buildings.
- **Off-street EV charging infrastructure for non-City buildings** — This \$6-million program seeks to secure installation of EV chargers in 150-200 multi-family rental parking stalls per year through provision of funding and technical support in partnership with BC Hydro.

The following table presents a summary of renewable energy projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Dev. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Renewable energy											
Neighbourhood Energy Utility											
Distribution											
Expansion of existing distribution network	11.7	-	11.7	-	11.7	0.5	0.5	5.5	5.2	12.6	13.1
New distribution network for NEFC expansion	2.0	-	2.0	-	2.0	-	-	1.0	1.0	-	-
New service connections & ETSS for NEFC expansion	2.2	-	2.2	-	2.2	-	-	-	2.2	-	-
New service connections, including energy transfer stations	7.0	-	7.0	-	7.0	-	0.5	2.0	4.5	7.9	7.9
Generation											
New capacity for NEFC expansion	1.8	-	1.8	-	1.8	-	-	1.8	-	-	-
New low carbon base load capacity for existing network (land)	3.5	-	3.5	-	3.5	-	-	3.5	-	-	-
New low carbon base load capacity for existing network (planning & design)	2.5	-	2.5	-	2.5	0.2	0.2	0.5	1.6	-	0.2
Other Projects	4.0	-	4.0	-	4.0	3.0	0.2	0.8	-	-	3.0
Programs											
Maintenance & renewal of NEU assets	4.6	-	4.6	-	4.6	2.3	0.3	1.8	0.3	14.9	17.2
System planning & overhead	3.8	-	3.8	-	3.8	1.0	1.0	1.0	1.0	2.2	3.2
Subtotal Neighbourhood Energy Utility	43.1	-	43.1	-	43.1	6.9	2.6	17.8	15.7	37.6	44.5
Community electrification											
Green buildings											
Energy retrofits for non-City buildings	24.0	-	24.0	-	24.0	4.1	4.1	6.0	9.8	15.3	19.3
Zero emission vehicles											
Off-street EV charging infrastructure for non-City buildings	6.0	-	6.0	-	6.0	0.9	1.8	1.8	1.5	0.2	1.1
Subtotal Community electrification	30.0	-	30.0	-	30.0	5.0	5.9	7.8	11.3	15.4	20.4
Total Renewable Energy	73.1	-	73.1	-	73.1	11.9	8.5	25.6	27.1	53.0	64.9
<i>City contributions</i>	68.4	-	68.4	-	68.4	11.9	8.3	24.7	23.5	42.8	54.7
<i>Development contributions</i>	4.7	-	4.7	-	4.7	-	0.2	0.9	3.6	-	-
<i>Partner contributions</i>	-	-	-	-	-	-	-	-	-	10.2	10.2

* The previously approved column includes \$26M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for Renewable Energy for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
	A	B	C=A+B	D	E = C-D E=Σ F → J	F	G	H	I	J
Renewable energy										
Neighbourhood Energy Utility	37.6	6.9	44.5	22.7	21.9	10.7	7.1	2.6	1.5	-
Community electrification	15.4	5.0	20.4	3.6	16.8	12.0	4.7	-	-	-
Total Renewable energy	53.0	11.9	64.9	26.3	38.6	22.8	11.8	2.6	1.5	-

Notable capital projects and programs

One-time projects

Project Name	Scope and Planned Outcomes	Total Available Funding (\$M)		Capital Plan Delivery/ Implementation Strategy
		From Prior Capital Plans	2023-2026 Capital Plan	
New low-carbon base load capacity for existing network	<ul style="list-style-type: none"> Includes securing land and planning and design for the facility. 	-	\$6.0	<ul style="list-style-type: none"> Timing to secure the land estimated by 2025-2026. Schedule for planning and design: <ul style="list-style-type: none"> Concept design: 2023-2024 Preliminary design: 2025 Detailed design: 2026

Ongoing programs

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/Implementation Strategy
		2023-2026 Capital Plan	
Expansion of existing distribution network	<ul style="list-style-type: none"> Expand the NEU distribution network by up to 1.7 kilometres. 	\$11.7	<ul style="list-style-type: none"> Lower allocation in 2023-2024 as aligned with the work plan. Scope of 2023 Budget includes expansion of the network by 100 metres.
New service connections, including energy transfer stations	<ul style="list-style-type: none"> Connect up to 20 buildings to the NEU system. 	\$7.0	<ul style="list-style-type: none"> Allocation profile aligned with the work plan with no allocations in 2023.

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/Implementation Strategy
		2023-2026 Capital Plan	
Energy retrofits for non-City buildings	<ul style="list-style-type: none"> Deep carbon reductions: 265,000 tCO₂e. 	\$24.0	<ul style="list-style-type: none"> Allocation profile aligned with the work plan. Outcome planned for 2023 Budget: ~15%-20% of Capital Plan.
Off-street EV charging infrastructure for non-City buildings	<ul style="list-style-type: none"> No. of stalls: 700. 	\$6.0	<ul style="list-style-type: none"> Allocation profile aligned with the work plan. Outcome planned for 2023 Budget: ~15%-20% of Capital Plan.

Technology

As cities continue to face increasing demands, technology has become a critical enabling component in the planning, design, implementation and delivery of City services. Technology can provide support to growth by digitizing services on scalable technology platforms that provide stability, security, resilience and cost optimization. Delivering products and services on these platforms enables the City to better serve the public, businesses and partners. In addition, technology advancements in enterprise data allow for enhanced decision-making.

Inventory of assets

	City Assets	Partner Assets
Technology	<ul style="list-style-type: none"> ~9,900 computers and laptops ~850 infrastructure components 400+ software applications 300+ kilometres of fibre optic cable 	<ul style="list-style-type: none"> #VanWiFi, a free public Wi-Fi network at 590 locations throughout the city, is composed of assets deployed by our partners, Telus and Shaw.

Implementing the 2023-2026 Capital Plan

Current open multi-year project budget from previous Capital Plan(s)

There are several City-led technology projects and programs that were included in the 2019-2022 Capital Plan, and they will continue in the 2023-2026 Capital Plan period. It is estimated that approximately \$5 million of the approved project budget of \$69 million will be spent on projects and programs in 2023.

2023-2026 Capital Plan and planned allocations over the four-year period

The 2023-2026 Capital Plan includes \$110 million worth of investments divided in two main categories:

- **Maintenance/upgrades of IT systems and infrastructure** — This program includes the maintenance, renewal, upgrade and expansion of existing technology hardware and applications, and it accounts for \$80 million worth of the investments in technology.
- **Technology transformation** — This program includes initiatives to adapt to and incorporate emerging technologies, and it accounts for \$30 million worth of the investments in technology.

The following table presents a summary of technology projects and programs included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Dev. led	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan	Revised Plan	Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B	C=A+B C=D+E	D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Technology											
Technology											
Technology programs											
Technology maintenance, upgrades and expansion	80.0	-	80.0	-	80.0	23.7	21.6	18.3	16.5	42.4	66.1
Technology transformation	30.0	-	30.0	-	30.0	5.8	7.8	8.1	8.3	26.6	32.4
Subtotal Technology	110.0	-	110.0	-	110.0	29.4	29.4	26.4	24.8	69.0	98.4
Total Public Safety	110.0	-	110.0	-	110.0	29.4	29.4	26.4	24.8	69.0	98.4
City contributions	110.0	-	110.0	-	110.0	29.4	29.4	26.4	24.8	69.0	98.4
Development contributions	-	-	-	-	-	-	-	-	-	-	-
Partner contributions	-	-	-	-	-	-	-	-	-	-	-

* The previously approved column includes \$64M forecasted expenditure till end of 2022

2023 Capital Budget

The following table summarizes the Multi-Year Capital Budget and Annual Capital Expenditure Budget for Technology Services for 2023 (columns highlighted in orange). Please refer to Appendix B for details of the expenditure timelines by project and program.

\$ millions	Multi-year Capital Project Budgets			Spending through 2022 (Forecast)	Available Project Budget in 2023 E = C-D E=Σ F → J	Capital Project Expenditures				
	Previously approved	2023 Budget	Total			2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
Technology	A	B	C=A+B	D		F	G	H	I	J
Technology	69.0	29.4	98.4	63.6	34.8	34.8	-	-	-	-
Total Technology	69.0	29.4	98.4	63.6	34.8	34.8	-	-	-	-

Notable capital projects and programs

Ongoing programs

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/ Implementation Strategy
		2023-2026 Capital Plan	
Technology maintenance, upgrades and expansion	<ul style="list-style-type: none"> Major projects and programs include: <ul style="list-style-type: none"> Implementation of Microsoft 365 platform. Hybrid data centre program: Establish a co-location facility outside the seismic zone to provide resilience for the City's digital services and protect the City's data assets. Work on cybersecurity practices to protect City data and services. End-of-life infrastructure replacement for City of Vancouver, Vancouver Public Library and Vancouver Police Department. Upgrades to key support systems, such as Amanda, Tempest, Hansen, VanDocs and POSSE. 	\$80.0	<ul style="list-style-type: none"> In 2023, \$24M is being allocated with a planned scope to implement various technology, infrastructure, maintenance, upgrade and expansion initiatives, including infrastructure growth, end-of-life equipment replacements and cybersecurity initiatives.

Program Name	Scope and Planned Outcomes (2023-2026)	Available Funding (\$M)	Capital Plan Delivery/ Implementation Strategy
		2023-2026 Capital Plan	
Technology transformation	<ul style="list-style-type: none"> • Major projects and programs include: <ul style="list-style-type: none"> - SAP — Leverage new SAP platform to increase efficiency. - Improve City’s asset management using digital technology (e.g., green infrastructure). - Business improvements — Range of improvements in technology solutions to support the City’s business units (e.g., Council meeting management, FOI case management, audit management). - Permits and licensing — Continue to evolve and enhance self-service options for the public and digital tools for staff. 	\$30.0	<ul style="list-style-type: none"> • In 2023, \$6M is being allocated with a planned scope to deliver various business project requests, prioritized via a rolling intake.

Emerging priorities, contingency and project delivery

While the City prepares multi-year work programs for various service categories (e.g., affordable housing, community facilities, transportation), it is impossible to foresee all eventualities that will happen over the term of the Capital Plan. As part of the City’s prudent financial management strategy, \$116 million has been set aside to address tax-funded emerging priorities over the term of the Capital Plan.

The following are some situations where emerging priorities funding may need to be allocated:

- Funding to match senior government contributions for projects and programs that are at varying stages of planning and require further work to develop a business case and funding strategy.
- Supporting the next phase of coastal adaptation work, environmental planning and collaborations with the host Nations to leverage senior government and partner funding opportunities.
- The 2023-2026 Capital Plan was developed based on 2022 scope and cost estimates. Given the rapidly evolving economic landscape with persistently high inflation and rising interest rates, projects that receive approval to proceed in later stages of the Capital Plan could experience additional cost escalation or unforeseen scope changes.

Another \$39 million has been included in this category to support the implementation of the \$3.5-billion Capital Plan, including overhead for planning, supply chain management, legal services staff, and costs associated with debenture issuance. Considering the ongoing requirement for this work, the budget will be allocated evenly across the next four years toward these programs.

The following table presents a summary of the allocation of emerging priorities funding included in the 2023-2026 Capital Plan and approved along with the proposed 2023 annual budget allocation.

\$ millions	2023-2026 Capital Plan			Devt. led Revised Plan	City led Plan & 4-Year Funding Allocation					Multi-year Project Budgets	
	Original	2023 budget changes	Revised Plan C=A+B C=D+E		Revised Plan	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	Previously approved*	Total Project Budget in 2023
	A	B		D	E=i+ii+iii+iv	i	ii	iii	iv	J	K=J+i
Emerging priorities, contingency & project delivery											
Senior government partnership and/or other emerging priorities	70.5	-	70.5	-	70.5	-	-	35.2	35.2	-	-
Climate adaptation	20.0	-	20.0	-	20.0	-	-	10.0	10.0	-	-
Contingency	25.0	-	25.0	-	25.0	-	-	12.5	12.5	-	-
Delivery	39.4	-	39.4	-	39.4	8.6	8.8	10.9	11.1	28.5	37.2
Overhead											
Debt issuance costs	4.0	-	4.0	-	4.0	-	-	2.0	2.0	-	-
Indirect corporate overhead supporting capital	35.4	-	35.4	-	35.4	8.6	8.8	8.9	9.1	28.5	37.2
Total Emerging priorities, contingency & project delivery	154.9	-	154.9	-	154.9	8.6	8.8	68.7	68.8	28.5	37.2
City contributions	151.7	-	151.7	-	151.7	7.8	8.0	67.9	68.0	28.5	36.4
Development contributions	3.2	-	3.2	-	3.2	0.8	0.8	0.8	0.8	-	0.8
Partner contributions	-	-	-	-	-	-	-	-	-	-	-

* The previously approved column includes \$28M forecasted expenditure till end of 2022



DRAFT CONSOLIDATED BUDGET

In accordance with Canadian public sector accounting standards, the City reports its annual financial statements on a consolidated basis for the six funds and eight City entities listed below that make up the City's financial reporting entity.

Consolidated financial information increases the accountability, transparency and overall usefulness of information. The Draft Consolidated Budget includes information for all City funds and entities, including the Property Endowment Fund (PEF) operating budget, and is presented on a financial statement basis in accordance with Public Sector Accounting Board (PSAB) standards to include amortization (depreciation) and to exclude debt transactions and reserve transfers.

City funds

City funds include the Revenue Fund, Capital Fund, PEF, Capital Financing Fund, Sinking Fund and Vancouver Affordable Housing Endowment Fund (VAHEF).

Other entities

Other entities include the Pacific National Exhibition (PNE), City of Vancouver Public Housing Corporation (VPHC), Vancouver Affordable Housing Agency (VAHA), Harbour Park Developments Ltd., Hastings Institute Inc., Parking Corporation of Vancouver (EasyPark), Vancouver Civic Development Corporation and Vancouver Economic Commission (VEC).

City funds background and budget discussion

Introduction

Council approves the City's Operating Budget, Capital Budget and PEF budget.

These approved budgets establish the budget for the City's financial reporting funds. The Revenue Fund accounts for the Operating Budget, the Capital Fund accounts for the Capital Budget, and the PEF accounts for the PEF budget.

The City prepares budgets for its funds, including its funding sources, based on a cash basis to include capital additions, debt transactions and transfers and to exclude depreciation. The funds are adjusted to an accrual basis when consolidated to remain consistent with the year-end financial statement presentation, which includes amortization, net of debt transactions and reserve transfers.

Separate Council approval is not required for the budgets of the City's three other funds, the Capital Financing Fund, Sinking Fund and VAHEF, as they are composed solely of inter-fund transfers approved by Council in the Operating and Capital budgets and an estimate of interest revenue earned on cash balances.

Revenue Fund

The Revenue Fund accounts for revenues and expenditures for the City's general operations as well as its sewer, solid waste, water and neighbourhood energy utilities. Council approves the Operating Budget annually. A detailed description of this fund's 2023 budget is available in the Operating Budget section of this document.

Total operating expenditures included in the 2023 Draft Operating Budget increased by 9% (\$166 million) over 2022. More details are available in the Draft Operating Budget section of this document.

Capital Fund

The Capital Fund accounts for capital expenditures supporting civic assets and infrastructure. It also holds all properties required for civic use and related long-term debt. Council approves the Capital Budget annually. A detailed description of this fund's 2023 budget is available in the Capital Budget section of this document.

Capital Fund expenditures are authorized through Council-approved funding allocations from the Capital Plan to capital project budgets and are described in the Capital Budget section of this document, which includes a breakdown of proposed 2023 Capital Plan funding allocations by Capital Plan service category. The budget report appendixes include specific projects and programs and funding sources for new capital projects in the 2023 Capital Budget, and forecasted expenditure timelines for all new and previously approved continuing projects. Departmental expenses shown in the consolidated operating budget include spending on operating activities that support the Capital Plan — including funding for planning, research, capital maintenance and grants to external organizations — and they will vary from year to year based on the timing of projects funded from the Capital Plan and execution of the project deliverables. Spending on new or replacement of City facilities and infrastructure is shown as capital additions, for which additional detail on the breakdown of spending by department is shown in the Capital Budget section. This presentation of the Draft Consolidated Budget is in alignment with the City's year-end financial statement presentation for comparability.

For 2023 the Capital Fund includes balanced draft operating revenues and expenditures of \$220 million, an increase of \$57 million as compared with the 2022 budget.

Property Endowment Fund

The Property Endowment Fund (PEF) accounts for properties leased to third parties and those being developed or held to support the City's public objectives. The PEF also includes parkades managed by EasyPark. In the annual financial statements, actual PEF results include operating and capital activity. A detailed description of the fund's 2023 PEF draft operating budget is available in the PEF section of this document.

The 2023 PEF operating budget includes balanced operating revenues and expenditures of \$57.5 million, an increase of \$5.2 million as compared with the 2022 PEF operating budget.

Additional details are available in the 2023 PEF draft budget section.

Capital Financing Fund

Established by Council in 1979, the Capital Financing Fund provides funds for the internal financing of capital works, allowing the City to build its infrastructure without incurring external financing costs. To ensure the fund is available on an ongoing basis, projects drawing on this fund repay the original amount with interest. Repayments are made possible through increased revenues or operating savings identified in the funded project's business case.

The Solid Waste Capital Reserve was subsequently established within the Capital Financing Fund to accumulate funds for future closure costs of the City's landfill.

The Capital Financing Fund is not used to fund operating expenditures. Separate Council approval is not required for this fund's budget as it consists solely of an estimate of interest revenue earned on cash balances and inter-fund transfers approved by Council in the Operating and Capital budgets.

For 2023, estimated revenues are \$6.3 million. This revenue is interest earned on the \$70.0-million cash balance in the Solid Waste Capital Reserve and the \$180.0-million cash balance that is not used for internal loans or solid waste closure costs during the year.

Sinking Fund

The City's Sinking Fund is a statutory requirement of the Vancouver Charter. It accounts for amounts reserved for repayment of the principal portion of the City's Sinking Fund debt issues at maturity. Depending on the timing of debt issues and maturities, the balance in the fund fluctuates. Funds in the Sinking Fund are invested to earn interest, and the budget reflects interest revenue from investments of the fund balance. The Sinking Fund is not used to fund operating expenditures. Separate Council approval is not required for its budget, as the fund consists solely of inter-fund transfers approved by Council in the Operating and Capital budgets and an estimate of interest revenue earned on cash balances.

In 2023, the Sinking Fund budget includes investment income of \$7.3 million on the fund balance. The 2023 budgeted investment income is \$0.6 million lower than the 2022 budgeted investment income because of the timing of debt retirement.

Vancouver Affordable Housing Endowment Fund

The Vancouver Affordable Housing Endowment Fund (VAHEF) holds non-market housing properties that are City-owned and -operated, are leased to third parties for operations of non-market housing, or are being developed or held for the development of non-market housing. The VAHEF budget includes the budgeted amounts for both VAHA and VPHC non-market housing properties.

In July 2014, Council created the Vancouver Affordable Housing Agency (VAHA) with the mandate to enable the creation of new affordable housing for a variety of housing types through innovative partnerships with developers, charitable organizations, non-profit organizations, philanthropists and senior levels of government.

In 2021, all the City's non-market housing assets, including those enabled by VAHA, were consolidated into one portfolio to form the Vancouver Affordable Housing Endowment Fund (VAHEF). As this consolidation occurred in 2021, the function and staff of VAHA and associated funding were transitioned to VAHEF to continue the delivery of social housing on City land along with other key functions for managing the portfolio.

Other entities background and budget discussion

Parking Corporation of Vancouver (EasyPark)

Founded in 1948, the corporation — which operates as a non-profit public authority — manages and operates parkades and properties owned or leased by the City, or joint ventures between the City and third parties.

The Parking Corporation of Vancouver operates as EasyPark. The share structure gives the City sole title to corporation assets and revenues. EasyPark is governed by a nine-member board of directors, with one director being a councillor and two directors being City staff appointed by City Council. With a proud service history in parking management for 70 years, EasyPark manages more than 125 facilities totalling more than 19,500 parking spaces, and facility sizes range from four spaces to 1,400 spaces.

EasyPark's operating budget is approved by its board. EasyPark's net revenues are distributed to the respective owners of the parking facilities (in most cases, the City). In turn, these funds are reinvested in developing public transit and maintaining parking facilities. EasyPark's revenues and expenses are included in the City's 2023 PEF budget, detailed in the PEF section of this document. All EasyPark capital investment is approved by Council as part of the PEF capital budget.

Pacific National Exhibition

In 2004, the City assumed ownership of PNE assets and operations from the Government of British Columbia. The PNE grounds are located in Hastings Park, which also includes the Pacific Coliseum, the Forum, Rollerland and the Garden Auditorium.

In 2013, Council approved a renewed governance model for the PNE and Hastings Park with ongoing governance by the PNE Board. The board of directors is appointed by Council and currently consists of one councillor as Chair; the Vancouver Park Board General Manager, who serves as Vice-Chair; three other City staff members and four outside directors.

The City has continued the long-standing tradition of providing a destination site for festivals, culture, sport and recreation, including Playland and the annual PNE Fair. In 2010, Council adopted the Hastings Park/PNE Master Plan, which lays out a plan to transform the park and PNE into a greener, year-round destination site.

The PNE's fiscal year is April to March. Therefore, amounts in the Draft Consolidated Budget reflect the PNE 2022-2023 budget. For 2023, estimated revenues are \$67 million from all major programs, including the Fair, Playland, Fright Nights, and facility rentals and events.

Expenses for 2023 are budgeted at \$64.7 million. This budget comprises \$35.2 million for direct program costs, \$5.5 million for facility maintenance and \$24.0 million for administration costs, resulting in a budgeted surplus of \$2.4 million. The increase in revenues and expenses is a result of the reactivation of the business once COVID-19 restrictions were removed.

The PNE Board approves the budget. Capital expenditures on facilities and park structures are included in the City's Capital Budget.

Vancouver Economic Commission

The Vancouver Economic Commission (VEC) works to build a prosperous, inclusive, low-carbon and resilient economy for all in Vancouver.

As the economic development agency for the City of Vancouver, the VEC works to strengthen Vancouver's evolving economy by conducting and consolidating economic research, promoting and advocating Vancouver's economy, delivering programs to support local business growth and partnering on targeted high-impact investment. The VEC works closely with the City of Vancouver and collaborates with business, academic and government organizations to position Vancouver as a global destination for innovative, creative and sustainable business.

The VEC has a strong team of 20 professionals and receives additional support from various contractors and student co-ops and interns to work across the following areas:

- Supporting local growth and resilience
 - Entrepreneurship and industry support, including business programs, advocacy, and targeted high-impact investment and capital attraction.
 - Navigating and branding Vancouver.

- Research as an engine
 - Research and analysis.
 - Advocating to and supporting economy policy-makers through conducting and promoting thoughtful and thought-provoking research and analysis.

The VEC's key sectors are the green economy, creative economy and digital economy. The VEC provides a variety of services to these industries, provides advocacy on behalf of businesses to all levels of government, and is working to help build a prosperous, resilient, low-carbon economy in Vancouver. Visit www.vancouvereconomic.com for comprehensive information on services delivered.

The VEC's board of directors is appointed by the VEC Honorary Board, which consists of Council with the Mayor serving as board Chair. The VEC leverages contributions from other organizations to fund its key research and investment-related initiatives. The City's contribution is approved by Council as part of the annual Operating Budget.

The VEC's revenue budget is driven mainly by core funding from the City of \$3.2 million, budgeted in the City's Revenue Fund. This funding from the City of Vancouver primarily covers overhead, salaries, rent and other office costs and represents core funding not available through other sources. On occasion, the VEC receives additional funding for specific programs. To supplement the core funding received, the VEC also relies on external funding sources through federal, provincial, industry and private partnerships to support the external programs that the VEC delivers.

Vancouver Public Housing Corporation

The City of Vancouver, with oversight by the General Manager of Arts, Culture and Community Services, operates 816 units of social housing across 11 properties. Of these 816 units, 223 units in four of the properties (Central Residence, Alexander Residence, Barclay Heritage Square and the New Continental Apartments) are accounted for in the Vancouver Public Housing Corporation (VPHC). In late 2017, another VPHC property, Roddan Lodge, was decommissioned to allow for the redevelopment of the new Roddan Lodge site, which includes 213 units. This site was completed in Q3 2021.

The VPHC was incorporated in 1975 as a wholly owned not-for-profit subsidiary of the City to facilitate the financing structure for the five properties, which included operating funding from other levels of government. In 2021, the corporation received approximately 23% of its operating revenues as contributions from the provincial government. The VPHC board of directors is appointed by Council and consists of the Mayor, four City councillors, the City Manager, City Solicitor and Director of Finance. Council has delegated authority to the City Solicitor for all routine corporate matters.

The VPHC's 2023 draft budget is included with the Vancouver Affordable Housing Endowment Fund (VAHEF) 2023 Draft Consolidated Budget schedule and reflects ongoing operations costs for the five properties. City funding is approved annually through the City's Operating and Capital budgets, along with the budget for all social housing units managed by Arts, Culture and Community Services.

Other entities

Amounts included in the Draft Consolidated Budget for other entities are for Harbour Park Developments Ltd., The Hastings Institute Inc. and the Vancouver Civic Development Corporation. These entities have no operational activities, though they are available for use if needed.

- **Harbour Park Developments Ltd.** — This entity was purchased by the City in 1974 to acquire interests in land and water lots adjoining Stanley Park. Its board of directors is appointed by Council and consists of the Mayor, City Solicitor and Director of Finance. Council has delegated authority to the City Solicitor for all routine corporate matters. Currently, this entity has no significant ongoing operations, revenues or expenses.
- **The Hastings Institute Inc.** — Incorporated in 1989 by the City as a wholly owned not-for-profit organization, the institute provides employee training and organizational development services to further effective service delivery in a multicultural community. As this expertise has become widely available through other community-based service providers, the institute became an inactive entity effective January 2015, and the City Manager is the sole appointee to the board of directors. The institute will remain available should its services require delivery again at a later date. Council has delegated authority to the City Solicitor for all routine corporate matters. Currently, this entity has no significant ongoing operations, revenues or expenses.
- **Vancouver Civic Development Corporation** — Incorporated in 1978 by the City to sell taxi licences, this entity has been used to facilitate property acquisition in subsequent years. A small amount of revenue is generated from financial investments held in this entity. Its board of directors is appointed by Council and consists of the Mayor, two councillors, City Manager, City Solicitor and Director of Finance. Council has delegated authority to the City Solicitor for all routine corporate matters. In 2023, anticipated revenues are \$0.239 million worth of interest on outstanding cash balances. Currently, this entity has no significant ongoing operations.

Consolidation adjustments

To present the City's budget and annual financial statements as a consolidated entity, with the funds and City entities grouped together, transactions between funds and entities have been removed as shown in the Consolidation Adjustments column of the 2023 Draft Consolidated Budget Summary table that follows.

Budget basis of presentation

The City prepares budgets for its funds, including all funding sources, based on a cash basis to include capital additions, debt transactions and transfers and to exclude depreciation. Once the budget is consolidated, adjustments are made to present the City's budget on an accrual basis consistent with the presentation of the annual financial statements.

Since 2016, the City's Consolidated Budget has been presented in the format of its annual financial statements. Public Sector Accounting Board (PSAB) standards have been followed to include depreciation and to exclude debt transactions and reserve transfers, as shown in the 2023 PSAB Adjustments column of the 2023 Draft Consolidated Budget Summary table. The 2022 Restated Consolidated Budget, 2021 Consolidated Actuals, and projected ending fund balances have been included in the table.

Draft consolidated gross revenues and expenditures for 2023, before PSAB adjustments, are \$2.3 billion, \$136.0 million higher than in 2022, primarily because of increases in Revenue Fund revenues and expenditures.

After 2023 PSAB adjustments, the 2023 Draft Consolidated Net Budget is \$208 million. Compared with the 2022 Restated Consolidated Net Budget of \$190 million, there is a year-over-year increase of \$18 million.

Within the Draft Consolidated Budget, the Capital Budget is presented on a financial statement basis and includes \$220 million in revenues that fund capital, such as developer contributions and external funding. The remaining \$510 million of the total 2023 Capital Budget of \$730 million is funded from other sources, including \$364 million in transfers from other funds or reserves and \$146 million worth of debt issuance.

A detailed reconciliation of amounts presented in the following 2023 Draft Consolidated Budget, with amounts presented in the annual Consolidated Financial Statements, will be disclosed in a note in the annual Consolidated Financial Statements.

The 2022 Restated Consolidated Budget table and the 2021 Consolidated Actuals table, both with beginning and ending fund balances, have been included for reference.

Draft 2023 Consolidated Budget Summary

Draft 2023 Consolidated Budget (\$000)	Revenue Fund (1)	Capital Fund (2)	Property Endowment Fund (3)	Capital Financing Fund	Sinking Fund	Vancouver Affordable Housing Endowment Fund (4)	PNE (5)	Vancouver Economic Comm.	Other Entities (6)	Consolidation Adjustments (7)	2023 Draft Consolidated Budget	2023 PSAB Adjustments (8)	2023 Draft Consolidated Budget (Financial Statement basis)	2022 Draft Restated Consolidated Budget (Financial Statement basis)	Net Change \$	Net Change %	2021 Draft Actuals (Financial Statement basis)
Revenues																	
Property taxes	1,107,622	-	-	-	-	-	-	-	-	-	1,107,622	-	1,107,622	1,008,086	99,536	10%	982,108
Utility fees	391,133	-	-	-	-	-	-	-	-	(303)	390,831	-	390,831	356,385	34,446	10%	338,501
Program fees	67,599	-	1,399	-	-	21	65,000	-	-	(0)	134,018	-	134,018	105,017	29,002	28%	80,359
Licence and development fees	100,380	-	20	-	-	-	-	-	-	-	100,401	-	100,401	91,704	8,697	9%	110,806
Parking	75,558	-	25,471	-	-	25	2,000	-	-	(134)	102,920	-	102,920	95,860	7,060	7%	80,383
Cost Recoveries, grants and donations	66,868	52,476	1,366	-	-	706	-	3,208	-	(5,644)	118,980	-	118,980	113,865	5,114	4%	229,349
Revenue sharing	18,744	-	-	-	-	-	-	-	-	-	18,744	-	18,744	16,571	2,173	13%	18,088
Investment income	26,309	-	3,000	6,296	7,283	-	-	-	239	(69)	43,065	-	43,065	16,542	26,523	160%	31,454
Rental, lease and other	38,079	-	26,216	-	-	12,069	-	-	7	(9,474)	66,890	-	66,890	71,049	(4,159)	-6%	66,561
Bylaw fines	21,401	-	-	-	-	-	-	-	-	-	21,401	-	21,401	21,577	(176)	-1%	25,427
Developer Contributions	-	167,423	-	-	-	-	-	-	-	-	167,423	-	167,423	239,451	(72,028)	-30%	384,949
Gain (loss) on sale of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,239
Total Revenues	1,913,692	219,898	57,472	6,296	7,283	12,821	67,000	3,208	246	(15,624)	2,272,293	-	2,272,293	2,136,105	136,188	6%	2,350,223
Expenditures & Transfers																	
Utilities	442,563	31,935	-	-	-	-	-	-	-	(258)	474,241	(107,365)	366,876	353,425	13,451	4%	334,774
Engineering	115,493	36,096	16,829	-	-	-	-	-	-	(2,649)	165,769	83,316	249,085	232,283	16,802	7%	218,158
Police Services	390,053	-	-	-	-	-	-	-	-	(187)	389,866	9,143	399,009	385,545	13,464	3%	377,197
Fire & Rescue Services	160,470	154	-	-	-	-	-	-	-	-	160,623	167	160,790	157,066	3,725	2%	155,439
Parks & Recreation	152,052	37,496	690	-	-	-	64,650	-	-	(2,733)	252,155	27,907	280,062	217,409	62,654	29%	195,790
Library	58,656	-	-	-	-	-	-	-	-	(2,687)	55,969	4,510	60,479	61,457	(979)	-2%	59,438
Community & Cultural Services (9)	88,526	26,262	-	-	-	15,461	-	-	-	(3,173)	127,077	30,725	157,802	143,279	14,523	10%	143,070
Planning & Development	76,839	-	-	-	-	-	-	-	-	-	76,839	921	77,760	74,224	3,536	5%	78,909
General Government & Transfers (10)	429,041	(306,624)	39,953	6,296	(102,717)	(2,640)	-	3,207	246	(3,144)	63,619	248,431	312,049	320,948	(8,899)	-3%	204,038
Capital Additions	-	540,565	-	-	-	-	2,000	-	-	(794)	541,771	(541,771)	-	0	(0)	-	-
Debt Payment/(Issue)	-	(145,987)	-	-	110,000	-	(2,000)	-	-	-	(37,987)	37,987	-	(0)	0	-	-
Total Expenditures & Transfers	1,913,692	219,898	57,472	6,296	7,283	12,821	64,650	3,207	246	(15,624)	2,269,942	(206,030)	2,063,912	1,945,634	118,278	6%	1,766,815
Net Budget	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,350	\$ 1	\$ -	\$ -	\$ 2,351	\$ 206,030	\$ 208,381	\$ 190,471	\$ 17,910	9%	\$ 583,409

Notes:

- (1) Revenue Fund includes the Operating Budget and the Utility Budget.
- (2) Capital Fund includes Capital Budget of \$730 million, which comprises \$220 million worth of developer contributions and cost recoveries, \$364 million of transfers from reserves and other funds, and \$146 million of debt issue.
- (3) Amounts shown are for the Property Endowment Fund (PEF) operating budget only. This schedule categorizes PEF operating expenses as follows: parking operation (EasyPark) expenses are included in Engineering Services, marina operation expenses are included in the Park Board, and property operation expenses are included in General Government. General Government also includes reserve and inter-fund transfers. The PEF capital budget for major capital maintenance and property acquisitions or disposals is approved by Council in camera.
- (4) Vancouver Public Housing Corporation is included in VAHEF.
- (5) PNE fiscal year ends March 31. The PNE budget shown above is the PNE 2022-2023 budget.
- (6) Other Entities includes Vancouver Civic Development Corporation and The Hastings Institute Inc.
- (7) To present financial information on a consolidated basis, financial transactions between funds or entities have been removed.
- (8) Public Sector Accounting Board (PSAB) adjustments include amortization of tangible capital assets, net of debt payments/issues and reserve transfers, as reported in the annual financial statements.
- (9) Community & Cultural Services includes Britannia Community Services Centre, Vancouver Civic Theatres, Community Services and Grants.
- (10) General Government includes Mayor and Council, Corporate Support Services, General Government, and General debt and capital from revenue.

2022 Restated Consolidated Budget Summary

2022 Restated Consolidated Budget (\$000)	Revenue Fund (1)	Capital Fund (2)	Property Endowment Fund (3)	Capital Financing Fund	Sinking Fund	Vancouver Affordable Housing Endowment Fund (4)	PNE (5)	Vancouver Economic Comm.	Other Entities (6)	Consolidation Adjustments (7)	2022 Restated Consolidated Budget	2022 PSAB Adjustments (8)	2022 Restated Consolidated Budget
Revenues													
Property taxes	1,008,085	-	0	-	-	-	-	-	-	-	1,008,086	-	1,008,086
Utility fees	356,522	-	-	-	-	-	-	-	-	(138)	356,385	-	356,385
Program fees	65,234	-	1,399	-	-	21	38,367	-	-	(5)	105,017	-	105,017
Licence and development fees	91,685	-	19	-	-	-	-	-	-	-	91,704	-	91,704
Parking	75,132	-	24,553	-	-	22	1,336	-	-	(5,183)	95,860	-	95,860
Cost Recoveries, grants and donations	63,020	45,724	1,305	-	-	706	-	3,110	-	-	113,865	-	113,865
Revenue sharing	16,644	-	-	-	-	-	-	-	-	(73)	16,571	-	16,571
Investment income	13,830	-	1,730	3,670	7,881	-	-	-	15	(10,584)	16,542	-	16,542
Rental, lease and other	36,262	-	23,394	-	-	11,465	-	-	-	(72)	71,049	-	71,049
Bylaw fines	21,577	-	-	-	-	-	-	-	-	-	21,577	-	21,577
Developer Contributions	-	239,451	-	-	-	-	-	-	-	-	239,451	-	239,451
Gain (loss) on sale of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	1,747,990	285,175	52,401	3,670	7,881	12,214	39,703	3,110	15	(16,055)	2,136,105	-	2,136,105
Expenditures & Transfers													
Utilities	407,046	28,845	-	-	-	-	-	-	-	-	435,891	(82,466)	353,425
Engineering	110,756	25,522	15,990	-	-	-	-	-	-	(2,424)	149,844	82,438	232,283
Police Services	370,069	-	-	-	-	-	-	-	-	(89)	369,980	15,565	385,545
Fire & Rescue Services	153,916	317	-	-	-	-	-	-	-	(225)	154,008	3,058	157,066
Parks & Recreation	143,840	9,167	678	-	-	-	39,455	-	-	(2,481)	190,658	26,750	217,409
Library	57,576	-	-	-	-	-	-	-	-	(148)	57,428	4,030	61,457
Community & Cultural Services (9)	86,325	24,292	-	-	-	14,483	-	-	-	(5,871)	119,228	24,051	143,279
Planning & Development	72,702	75	-	-	-	-	-	-	-	(15)	72,762	1,461	74,224
General Government & Transfers (10)	345,760	(167,571)	35,733	3,670	7,881	(2,269)	-	3,104	15	(3,707)	222,616	98,332	320,948
Capital Additions	-	512,416	-	-	-	-	-	-	-	(1,093)	511,323	(511,323)	0
Debt Payment/(Issue)	-	(156,087)	-	-	-	-	-	-	-	-	(156,087)	156,087	(0)
Total Expenditures & Transfers	1,747,990	276,975	52,401	3,670	7,881	12,214	39,455	3,104	15	(16,055)	2,127,651	(182,017)	1,945,634
Net Budget	\$ -	\$ 8,200	\$ -	\$ -	\$ -	\$ -	\$ 248	\$ 6	\$ -	\$ -	\$ 8,454	\$ 182,017	\$ 190,471

Note: totals may not add due to rounding

Starting Fund balance	26,239	(146,870)	(40,850)	311,177	-	(542)	(10,711)	1,110	12,533	16,428	168,514		
Change during year	-	8,200	-	-	-	-	248	6	-	-	8,454		
Ending Fund balance	26,239	(138,670)	(40,850)	311,177	-	(542)	(10,463)	1,116	12,533	16,428	176,968		

Notes:

- (1) Revenue Fund includes the Operating Budget and the Utility Budget.
 - (2) Capital Fund includes the Capital Budget.
 - (3) Amounts shown are for the Property Endowment Fund (PEF) operating budget only. This schedule categorizes PEF operating expenses as follows: parking operation (EasyPark) expenses are included in Engineering Services, marina operation expenses are included in the Park Board, and property operation expenses are included in General Government. General Government also includes reserve and inter-fund transfers. The PEF capital budget for major capital maintenance and property acquisitions or disposals is approved by Council in camera.
 - (4) Vancouver Public Housing Corporation is included in VAHEF.
 - (5) PNE fiscal year ends March 31. The PNE budget shown above is the PNE 2021-2022 budget.
 - (6) Other Entities includes Vancouver Civic Development Corporation and The Hastings Institute Inc.
 - (7) To present financial information on a consolidated basis, financial transactions between funds or entities have been removed.
 - (8) Public Sector Accounting Board (PSAB) adjustments include amortization of tangible capital assets, net of debt payments/issues and reserve transfers, as reported in the annual financial statements.
 - (9) Community & Cultural Services includes Britannia Community Services Centre, Vancouver Civic Theatres, Community Services and Grants.
 - (10) General Government includes Mayor and Council, Corporate Support Services, General Government, and General debt and capital from revenue.
- Budgeted changes to individual fund balances are based on the cash basis of budgeting before consolidation.

2021 Consolidated Actuals Summary

2021 Consolidated Actuals per Financial Statements (\$000)	Revenue Fund (1)	Capital Fund (2)	Property Endowment Fund (3)	Capital Financing Fund	Sinking Fund	PNE (4)	Vancouver Economic Comm.	Vancouver Public Housing Corp.	Vancouver Affordable Housing Endowment Fund	Other Entities (5)	Consolidation Adjustments (6)	2021 Consolidated Actuals
Revenues												
Property taxes	982,108	-	0	-	-	-	-	-	-	-	-	982,108
Utility fees	338,803	-	-	-	-	-	-	-	-	-	(303)	338,501
Program fees	45,536	-	8	-	-	35,152	-	5	-	-	(343)	80,359
Licence and development fees	110,787	-	19	-	-	-	-	-	-	-	-	110,806
Parking	59,928	-	19,542	-	-	1,040	-	8	-	-	(134)	80,383
Cost Recoveries, grants and donations	93,077	122,733	1,758	-	-	1,500	3,294	2,190	10,516	-	(5,720)	229,349
Revenue sharing	18,088	-	-	-	-	-	-	-	-	-	-	18,088
Investment income	14,240	4,891	1,518	2,395	8,132	-	8	-	-	23	246	31,454
Rental, lease and other	44,098	442	23,335	-	-	-	-	1,262	6,261	-	(8,837)	66,561
Bylaw fines	25,427	-	-	-	-	-	-	-	-	-	-	25,427
Developer contributions	-	235,711	-	-	-	-	-	-	149,238	-	-	384,949
Gain (loss) on sale of tangible capital assets	-	2,239	35,391	-	-	-	-	-	-	-	(35,391)	2,239
Total Revenues	1,732,092	366,015	81,572	2,395	8,132	37,692	3,302	3,466	166,015	23	(50,481)	2,350,223
Expenditures (9)												
Utilities	274,114	60,660	-	-	-	-	-	-	-	-	-	334,774
Engineering	107,687	96,387	16,748	-	-	-	-	-	-	20	(2,684)	218,158
Police Services	365,534	11,753	-	-	-	-	-	-	-	-	(89)	377,197
Fire & Rescue Services	150,014	5,561	-	-	-	-	-	-	-	-	(136)	155,439
Parks & Recreation	132,538	66,951	743	-	-	33,731	-	-	-	-	(38,172)	195,790
Library	52,221	7,371	-	-	-	-	-	-	-	-	(154)	59,438
Community & Cultural Services (7)	112,374	26,963	-	-	-	-	-	3,219	6,802	-	(6,287)	143,070
Planning & Development	75,638	3,286	-	-	-	-	-	-	-	-	(15)	78,909
General Government (8)	144,760	39,630	20,064	-	-	-	2,943	-	-	4	(3,363)	204,038
Total Expenditures	1,414,880	318,561	37,556	-	-	33,731	2,943	3,219	6,802	24	(50,900)	1,766,815
Annual Surplus (Deficit)	\$ 317,213	\$ 47,454	\$ 44,016	\$ 2,395	\$ 8,132	\$ 3,962	\$ 359	\$ 247	\$ 159,213	\$ (1)	\$ 419	\$ 583,409
Note: Totals may not add due to rounding												
Starting Fund balance	26,239	(146,870)	(40,850)	311,177	0	(10,903)	1,110	(542)	0	12,534	16,428	180,856
Annual Surplus (Deficit)	317,213	47,454	44,016	2,395	8,132	3,962	359	247	159,213	(1)	419	583,407
Transfers during the year	(317,213)	(151,467)	94,031	3,015	(8,132)	(333)	(47)	25	(265,537)	-	1,646	(644,012)
Ending Fund balance	26,239	(250,883)	97,197	316,587	-	(7,274)	1,422	(271)	(106,323)	12,532	18,494	120,252

Notes:

- Revenue Fund includes the Operating Budget and the Utility Budget.
- Capital Fund includes the Capital Budget.
- Amounts shown are for the Property Endowment Fund (PEF) operating budget only. This schedule categorizes PEF operating expenses as follows: parking operation (EasyPark) expenses are included in Engineering Services, marina operation expenses are included in the Park Board, and property operation expenses are included in General Government. General Government also includes reserve and inter-fund transfers. The PEF capital budget for major capital maintenance and property acquisitions or disposals is approved by Council in camera.
- PNE fiscal year ends March 31. Actuals for PNE are shown for January to December, consistent with the City's fiscal year.
- Other Entities includes Harbour Park Developments Ltd., The Hastings Institute Inc. and the Vancouver Civic Development Corporation.
- To present financial information on a consolidated basis, financial transactions between funds or entities have been removed. This includes removal of internal street degradation fees from revenue that has been capitalized as sewer and water assets.
- Community & Cultural Services includes Britannia Community Services Centre, Vancouver Civic Theatres, Community Services and Grants.
- General Government includes Mayor and Council, Corporate Support Services, General Government, and General debt and capital from revenue.
- Expenditures exclude transfers to/from other funds and reserves, as transfers are not categorized as expenses under PSAB accounting standards.



PROPERTY ENDOWMENT FUND BUDGET

The Property Endowment Fund (PEF) accounts for properties leased to third parties and those being developed or held to support the City’s public objectives. The PEF also includes parkades managed by EasyPark. In the annual financial statements, actual PEF results include operating and capital activity. A detailed description of the fund’s 2023 PEF operating budget is available in the PEF section of this document.

The 2023 PEF operating budget includes balanced operating revenues and expenditures of \$25.6 million, an increase of \$2.3 million as compared with the 2022 PEF operating budget.

Additional details are available in the 2023 PEF budget section.

The Property Endowment Fund

The PEF operating budget is included in this budget document and approved in conjunction with the City’s Operating and Capital budgets. Because of the confidential nature of PEF property transactions, the PEF capital budget is approved by Council in camera (in a closed, private session). Actual results for the fund included in the annual financial statements include operating and capital activity.

The PEF was created by Council as a separate City fund in 1975 to hold strategic land purchases separate from the ongoing City operations. At the time, it was agreed by Council that the PEF “should be regarded as a legacy or an endowment that belongs to all the taxpayers and should be managed for the benefit of future generations.”

In 1981, Council provided further guidance on the PEF’s purpose, goals and objectives, priorities and strategic sites:

Purpose

- To preserve and increase the real value of the PEF assets and to increase the fund’s ownership of strategic sites.

Goals

- To manage the PEF assets in such a way as to preserve their real value and generate a reasonable economic return.
- To support the City’s public objectives, where possible, without jeopardizing either the real value of the fund or the reasonable return on its assets.

Objectives

The operations of the PEF shall generally be:

- To manage and develop the fund's holdings to generate a reasonable economic return.
- To buy and sell lands to assemble a land inventory that offers the best opportunity to preserve and, where possible, increase the real value of the PEF's assets.
- To support the City's public objectives.
- To develop a program to accomplish the conversion of non-strategic holdings to strategic holdings.

Priorities

- In making operating decisions, financial criteria must be met. However, where possible, preference will be given to development, acquisition or disposal opportunities that also meet public criteria.

Strategic sites

- In the context of the PEF, strategic sites shall be defined as sites that possess the best opportunity to achieve either the fund's financial objectives or both its financial and public objectives.

Since 1981, the PEF has remained a separate City fund. All transactions have been brought forward to Council for approval. Financial operations have been reported publicly as a supplementary schedule to the annual financial statements, but until 2013, no annual budget had been reported.

In February 2013, the first annual PEF operating and capital budgets were brought to Council for approval. Council also approved the establishment of a third party expert advisory panel to advise staff and Council on all aspects of the PEF's management. The first panel convened in 2014 and signalled an important milestone toward optimizing the fund's management and oversight. Increased management oversight of the PEF has continued in subsequent years.

Recent improvements include new management metrics (vacancy rate and revenue lost to vacancy) and the establishment of new management practices for core commercial properties within the portfolio. Significant effort has been made to prepare for the long-term recapitalization requirements of the property portfolio. Furthermore, it has been recognized there is a need to measure the social benefit that the fund is creating as a result of operations. Additional management rigour has also resulted in the completion of a property-by-property strategic review and the commencement of a process to update operational policies and management structure. Modernization of the management of fund operations is well underway, with an increasing focus on cost recovery and modernizing lease agreements to better capture and recover tenants' true costs of occupancy.

In 2018, Council directed staff to advance the consolidation of the City’s non-market housing assets into a single portfolio in the form of the Vancouver Affordable Housing Endowment Fund (VAHEF) with a clear mandate to preserve and grow the City’s non-market housing portfolio in a sustainable way, and report back on the implementation strategy. This fund would be created from a portion of the PEF holdings, and in 2019, staff examined the PEF properties with the intention of determining their suitability for transfer to the new fund.

To preserve the PEF and ensure it continues to benefit future generations, staff have developed a long-term strategy for the fund. This strategy is focused on generating sustainable income to support fund operations in perpetuity, continuing to assemble large strategic sites and continuing to support ongoing civic objectives. With the transfer of all non-market housing assets to VAHEF completed in 2021, the PEF will be more focused with greater long-term financial stability that will enable the fund to perpetually provide a robust monetary and in-kind dividend to the City.

Property Endowment Fund budget summary

The 2023 PEF operating budget includes balanced operating revenues and expenditures of \$25.6 million, an increase of \$2.3 million as compared with the 2022 PEF operating budget.

The summary table and narrative that follows presents highlights of the 2023 PEF operating budget. The detailed budget table shows the year-over-year impact of changes by revenue and expenditure type.

**City of Vancouver Property Endowment fund
Operating Budget (\$ millions)**

	2022 Budget	2023 Budget	Net Change (\$)	Net Change (%)
Revenue from Operations	52.4	57.5	5.1	9.7%
Expenses from Operations	29.2	31.9	2.7	9.3%
Net Revenue before Transfers	23.2	25.6	2.3	10.1%
Transfers	(23.2)	(25.6)	(2.3)	10.1%
Net Position	\$ -	\$ -	\$ -	0%

Property Endowment Fund – revenue

The 2023 revenue budget is increasing by \$5.1 million over the 2022 budget primarily because of changes in the following areas:

- Rental and lease income
 - The budget for rental and lease income has increased by \$2.9 million to reflect rent rate escalation, higher lease renewal rates and anticipated new leasing activity in 2023.
- Parking (EasyPark)
 - The budget for parking revenues has increased by \$0.9 million to reflect anticipated higher utilization rates and economic recovery post-pandemic in 2023.
- Investment income
 - The budget for investment income has increased by \$1.3 million to reflect higher investment rates of return on the fund's cash balance as estimated by the City's Treasury Services department.

Property Endowment Fund – expenditures

The 2023 expense budget has increased by \$2.7 million from the 2022 budget. Adjustments are in the following key areas:

- Parking (EasyPark)
 - The \$1.0-million increase to parking expenses reflects higher EasyPark operating costs that include enhanced janitorial and security services in challenging neighbourhoods, higher staffing costs to resume corporate and parking site staffing levels, higher software subscription fees, and higher consulting fees for collective bargaining for unionized staff.
- Rental and lease expenses
 - There is a \$0.5-million net increase: an \$0.8-million decrease in operating expenses (decreased real estate commission expenses and bad debt provision), net of a \$0.3-million increase in lease expenses (lease program administration and staff overhead costs).
- Other expenses
 - The \$2.2-million increase in other expenses captures a \$2.0-million increase in operating impact of capital expenditures (higher strategic development, consulting and planning costs) and a \$0.2-million increase in overhead allocation (to reflect wage increases and adjustments and new positions).

Property Endowment Fund – transfers

- Transfers
 - The PEF budgets for a limited number of recurring annual transfers. These include a transfer to the Revenue Fund (City Operating Budget) to support City operations. This transfer reduces the burden of property taxation on the citizens of Vancouver. The dividend is a significant annual benefit to the City of the PEF (\$13 million for 2023).
 - Transfer to the PEF capital budget is \$12.1 million, which is \$0.1 million less than the \$12.2 million in the 2022 budget, to support capital projects for PEF properties that include capital maintenance, environmental site assessments and remediation work, as well as strategic site development costs and asset acquisitions.
 - Transfers to other funds and reserves total \$0.5 million, which is \$1.5 million less than the \$2.0 million in the 2022 budget. This is because of higher capital expenditures planned in 2023 that are funded by the parking site reserve (PSR), net of a lower net surplus transfer from Parking Operations to the PSR due to the anticipated disposition of a parking lot (150 West Pender Street) in early 2023.

**City of Vancouver Property Endowment fund
Operating Budget (\$ millions)**

	2022 Budget	2023 Budget	Net Change (\$)	Net Change (%)
REVENUES				
Leases	3.1	3.4	0.3	10.7%
Rentals	21.1	23.7	2.6	12.2%
Parking	25.1	26.0	0.9	3.6%
Water Moorage	1.4	1.4	0.0	0.0%
Other Income	1.7	3.0	1.3	73.4%
Revenues	52.4	57.5	5.1	9.7%
EXPENDITURES				
Leases	0.0	0.3	0.3	0.0%
Rentals	5.7	4.9	(0.8)	-13.4%
Parking	16.7	17.6	1.0	5.8%
Water Moorage	0.7	0.7	0.0	1.4%
Other Expenses	6.1	8.4	2.2	36.0%
Expenditures	29.2	31.9	2.7	9.3%
Net Revenue before Transfers	23.2	25.6	2.3	10.1%
Transfer to Revenue Fund	(9.0)	(13.0)	(4.0)	44.4%
Transfer to PEF Capital Budget	(12.2)	(12.1)	0.1	-1.1%
Transfers (to)/from Other Funds	(0.4)	(0.2)	0.2	-58.1%
Transfers (to)/from Reserves	(1.6)	(0.3)	1.3	-81.7%
Net Position	\$ -	\$ -	\$ -	-

Note: totals may not add due to rounding

VANCOUVER **2023**
BUDGET

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