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To: ["Direct to Mayor and Council - DL"](#)

Date: 12/10/2024 1:06:42 PM

Subject: Upcoming news release: 2025 Budget Passage & Vibrant Vancouver Mid-Term Update (Dec. 10, 2024)

Dear Mayor and Council,

I am writing to inform you that the City will be issuing the below news release following this morning's passage of the 2025 Operating and Capital budget. The news release also provides a mid-term update on [Vibrant Vancouver: City Council's Strategic Priorities](#) which I presented to you in Chambers on December 3, 2024.

The [Vibrant Vancouver Mid-Term Update document](#) is linked should you wish to reference it and share it.

Maria will reply to this email with the relevant vancouver.ca link and social media links for both the 2025 Budget and Vibrant Vancouver Mid-Term Update, once these are live.

Best,
Paul

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

City of Vancouver
News release
December 10, 2024

Vancouver City Council approves 2025 operating and capital budget with 3.9% property tax increase

2/26/2025

Vancouver City Council has approved an operating budget for 2025 totalling \$2.34 billion for an overall property tax increase of 3.9%.

The property tax increase is driven by 1% for additional infrastructure renewal and 2.9% toward funding City services. Utility fees increased by 18.2%, including a 50% increase in sewer charges by Metro Vancouver comprising costs associated with the North Shore Wastewater Treatment facility, and accounting for inflation to cover higher operating costs to keep the same services levels.

The approved 2025 Capital Budget is \$880 million and supports delivery of initiatives outlined in the [2023-2026 Capital Plan](#), which provides a total of \$3.8 billion in infrastructure investments to improve Vancouver's livability, sustainability and resilience.

The 2025 Capital and Operating Budgets include \$79.6 million allocated to climate-supporting initiatives, including active transportation projects, green infrastructure and zero-emission building programs, as part of the [Climate Emergency Action Plan](#) and [Climate Change Adaptation Strategy](#).

The updated final budget documents will be made available at vancouver.ca/budget2025. In the meantime, the [2025 Draft Budget](#) can be viewed online and draft amendments are included below for your reference.

Projected average annual increases

The 3.9% per cent property tax increase and 18.2% increase in utility fees results in the following average annual increases for 2025:

- \$54 for a condo or strata unit (assessed at \$806,000), with an additional \$78 increase in utilities fees.
- \$149 for a single-family home (assessed at \$2,209,000), with an additional \$386 increase in utilities fees.
- \$286 for a business property (assessed at \$1,268,000), with an additional \$377 increase in utilities fees.

Vibrant Vancouver Mid-Term Progress Report

On December 3, 2024, a mid-term update on progress made on [City Council's strategic priorities for 2023-2026](#) was also presented to Council. "These significant advancements show our commitment to making Vancouver a sustainable, vibrant and inclusive city," said Ken Sim, Mayor of Vancouver. "The 2023-2026 strategic priorities will continue to guide our efforts to enhance quality of life, for all residents. We will continue to work towards creating a city where everyone can live, work and thrive."

Notable outcomes include:

- **27 destination events.** Working with Destination Vancouver and Vancouver Hotel Destination Association, supported 14 sport and 13 cultural destination events in 2024 with a \$117 million economic impact.
- **Chinatown revitalization.** \$2 million annual investment, street parking rate adjustments to increase traffic, a new City Hall satellite office, and 45% increase in micro-cleaning services in area.
- **New multiplex program.** Adopted multiplex zoning, resulting in 330 permits in the first year of adoption and paving the way

for over 1,000 new homes.

- **Permitting improvements.** Eliminated permit requirements for low-density housing projects by 65%. Straightforward renovation permits are now processed within three days on average. Eliminated 65% of permit requirements for low-density housing projects.
- **Licensing transformation.** Introduced online business licence applications, resulting in an 85% reduction in average processing time. Modernized liquor policy to lift moratorium on new and expanded liquor establishments and permitted sale of wine and beer in qualifying grocery stores.
- **Water and sewer growth.** Delivered 5.3 km of new water and sewage pipes and 12.5 km of separations for sanitary and storm sewer lines to support population and development growth.
- **Public safety enhancements.** An additional 100 VPD officers, increased walking patrols and more agile response capabilities, as well as additional nurses to support public safety and security. Vancouver Fire Rescue Services became the first fire service in North America to transition to PFAS-free turnout gear, reducing cancer risk for firefighters.

To learn more about progress made on Council's strategic priorities, view [Vibrant Vancouver: City Council's Strategic Priorities mid-term progress report](#).

Background

On December 3, 2024, the 2025 Draft Operating and Capital budgets were presented to City Council for information as a starting point for discussion and engagement with Council to help align the multi-year planning with Council's priorities.

On December 10, 2024, City Council approved the 2025 Operating and Capital budgets.

The actual tax notice for each property owner will differ from the above average amounts and will depend on the assessed value of the property, as well as the change in assessed value of that property relative to the average change in that property class. A property's assessed value is determined by BC Assessment.

These estimates reflect the City portion of taxes only. The amount due on a property owner's tax notice will also include utility fees, Provincial school taxes, and taxes levied by other taxing authorities including TransLink, Metro Vancouver, BC Assessment, and the Municipal Finance Authority.

Note to editors:

Please see amended budget motion. This is provided for your understanding. The published minutes are the official record of the meeting.

1f. 2025 Draft Operating and Capital Budget

November 26, 2024

A. THAT Council approve the following increases to the Vancouver Police Board (VPB) Operating Budget, as outlined in the 2025 Draft Operating Budget section of Appendix 1 of this report and as amended:

- a. \$3.9 million increase for the levy payment to E-Comm 9-1-1 for dispatch and radio services;
- b. \$3.9 million salaries and benefits adjustments and increments per collective agreements expiring in December 2024;
- c. \$1.7 million for fixed cost increases for items such as fleet maintenance, insurance, utilities, and other expenditures;
- d. \$3.0 million in increases for Board-approved Vancouver Police Board Operating budget items including:
 - i. expenses to support the full implementation of Body Worn Cameras (BWC) in the Vancouver Police Department as follows:
 - ii. \$2,377,890 to be added to the VPD budget for ongoing expenses
 - iii. \$1,310,000 in one-time funding to be added to the VPD budget to cover one-time implementation costs, to be funded from reserves,
 - iv. and up to \$2,377,890 to be allocated from within City budget contingency and transferred to the VPD in 2025 as required based on actual Body Worn Camera expenses incurred, and to be incorporated as an ongoing expense into future VPD budgets after full implementation.
 - a. \$184,761 in ongoing expenses for one (1) Position for the Enterprise Risk Management unit,
 - b. \$391,219 in ongoing expenses for Contractual Rapid DNA,
 - c. decrease the budget for the Vancouver Police Board to \$819,000,
 - d. \$74,800 in ongoing expenses for the annual maintenance contract to expand VPD's capacity for data extraction and analytics on smartphones,
 - e. \$40,000 in ongoing expenses for the annual maintenance contract for IBIS.

AND FURTHER THAT the above constitutes Council's approval of the Vancouver Police Board 2025 Draft Operating Budget of \$455,837,414 in expenditures and transfers and \$31,982,020 in revenues as outlined in the operating budget section of Appendix 1 of

this report and as amended.

B. THAT Council approve the Vancouver Board of Parks and Recreation 2025 Draft Operating Budget of \$183,894,419 in expenditures and transfers and \$85,173,300 in fee and program revenues as outlined in the operating budget section of Appendix 1 of this report.

C. THAT Council approve the Vancouver Public Library Board 2025 Operating Budget of \$64,454,081 in expenditures and transfers and \$3,798,200 in fee and program revenues as outlined in the operating budget section of the operating budget section of Appendix 1 of this report.

D. THAT Council approve the 2025 Property Endowment Fund (PEF) Operating Budget of \$62,511,507 in revenues and \$62,511,507 in expenses (including transfers) as outlined in Appendix 1 of this report.

E. THAT Council approve the 2025 Vancouver Affordable Housing Endowment Fund (VAHEF) Operating Budget of \$15,624,304 in revenues and \$15,624,304 in expenses (including transfers) as outlined in Appendix 1 of this report.

F. THAT, subject to approval of recommendations A to G, Council approve the 2025 Draft Operating Budget of \$2,341,943,842 outlined in Appendix 1 and as amended;

i. Increasing the 2025 Operating Budget line item for investment income revenue by \$4.3 million based on updated forecasts;

ii. Decreasing the 2025 Operating Budget line item for general government by \$8.4 million to reallocate PEF dividend funding;

iii. Decreasing the 2025 Operating Budget line item for transfer to capital by \$1.0 million through the identification of capital efficiencies;

iv. Decreasing the 2025 operating budget line item for VFRS E-comm and Prime levies by \$0.7 million to align to the final budget approved by the Board of E-comm.

v. Increasing the 2025 operating budget line item for property tax revenue by \$5.0 million to incorporate the increases in new construction.

vi. Decreasing the 2025 operating budget line item for social policy grants by \$0.6 million to align to the updated estimate of the ongoing funding requirement for the full implementation of urgent mental health services by Vancouver Coastal Health, as previously added to the 2024 Budget

vii. Decreasing the 2025 operating budget line item for general government by \$1.4 million in additional expense reductions.

resulting in an overall property tax increase of 3.9%, and direct staff to bring forward for adoption by Council a resolution consistent with the above approval to authorize the 2025 General Purposes Tax Levy in accordance with the Vancouver Charter.

G. THAT Council approve VPB's draft 2025 Capital Budget as outlined in the Capital Budget section of Appendix 1 of this report with details

in Appendix A & B:

a. Funding for new Multi-Year Capital Projects totalling \$18.5 million, with details in Appendix A and B of Appendix 1 of this report. Funding source for the multi-year requests are:

i. Operating revenue that funds capital projects	\$6.5 million
ii. Plebiscite and Utilities Debenture borrowing	\$0.2 million
iii. Fleet Reserve	\$11.8 million

f. 2025 Capital Expenditure Budget of \$12.1 million, with details in Appendix B of Appendix 1 of this report.

H. THAT Council approve \$629 million for new Multi-year Capital Projects to begin in 2025, as outlined in the capital budget section of Appendix 1 of this report with details in Appendix A and B. Funding sources for total 2025 budget requests as follows:

a. Operating revenue that funds capital projects (Property Tax)	\$96.1 million
b. Operating revenue that funds capital projects (Utility Fees)	\$77.3 million
c. Plebiscite and Utilities Debenture borrowing	\$154.3 million
d. Special purpose reserves	\$146.7 million:
i. Fleet Reserve	\$72.8 million
ii. Empty Home Tax (EHT) Reserve	\$15.0 million
iii. Capital Financing Fund	\$16.0 million
iv. Capital Facilities Reserve	\$36.3 million
v. Hastings Park (HP) Reserve	\$3.6 million
vi. Meter Reserve	\$3.0 million
e. Developer contributions	\$119.6 million:

i. Development Cost Levies	\$80.8 million
ii. Community Amenity Contributions (Cash)	\$38.8 million
f. Other/External	\$35.0 million

I. THAT Council, subject to approval of recommendations G to H, or as amended, approve the 2025 Capital Expenditure Budget in the amount of \$880 million outlined in the capital budget section of Appendix 1 of this report with details in Appendix B.

J. THAT Council amend the Draft 2025 Operating Budget to allocate \$1 million for Mission Possible' s Project HOPE to be funded from within the existing the Arts, Culture and Community Services – Social Policy Grants budget for 2025.

K. THAT Council endorse the Park Board to reallocate \$900,000 of its current operating budget through reducing duplication in areas such as FASE and arts, culture, and social policy by approving integration of these operations with City operations;

FURTHER THAT should the Park Board decide to proceed with the resolution above, that City staff be directed to support this integration as quickly as feasible to enable savings to be directed to enhanced washroom cleanliness.

Media contact:

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