

VANCOUVER BUDGET 2022

HIGHLIGHTS



MESSAGE FROM THE CITY MANAGER



The year 2021 was a difficult one for everyone in Vancouver as we all experienced ongoing impacts from the COVID-19 pandemic.

We know that businesses and community organizations put significant effort into adapting their operations to meet new health and safety requirements. We know that residents faced many challenges including social isolation, safe shelter, health and, for some, financial impacts. We also know that critical issues in our communities such as homelessness, racism and the opioid crisis became more acute this past year.

Throughout the pandemic, we have remained focused on continuing to deliver the core services that support residents and businesses each day.

In 2021, we made some innovations borne out of our initial response to the pandemic. Programs such as more outdoor patio spaces for restaurants, and creative use of public space to allow safe gatherings, continue to be received positively. We also expanded our digital approach to serving the public, with examples including electronic permit processing and inspections and expansion of our libraries' digital collections.

From a financial point of view, we have seen some recovery of our non-tax revenue streams, particularly those tied to public programming, however; the pandemic poses an ongoing risk to these revenues in 2022. In 2020 and 2021, we had to draw down on our stabilization reserves in order to complete each year with a balanced budget, as we are required to do by law. That is not a sustainable approach to finance City services.

At the same time, the cost of delivering City services has continued to grow with inflationary pressures in many areas that are higher than historical patterns. Increases to the City's fixed costs include wages and benefits driven by collective agreements over two years, equipment and fleet costs, some construction materials impacted by global shortages and pricing, and utilities costs charged by Metro Vancouver. We have also taken on extra costs tied to our pandemic response.

APPROACH TO THE 2022 BUDGET

We have taken a cautious approach to building the 2022 Budget. In recognition of the financial challenges faced by local residents and businesses due to the pandemic, City Council had directed staff to prepare options for the 2022 Budget with a property tax increase of up to five per cent.

To deliver a balanced budget in this challenging financial environment, all departments across the City identified work that could be deferred, held vacant positions, and found new efficiencies to reduce 2022 expenses by \$45 million. Without these cost mitigations, a much higher tax increase would have been required in order to balance the budget.

The final approved 2022 Operating Budget is \$1.747 billion, reflecting a 6.35 per cent property tax increase. The budget includes increased funding for public safety (both police and fire), and \$9 million to support new climate-related investments to advance the City's Climate Emergency Action Plan.

Council also approved a capital expenditure budget for 2022 of \$683.4 million (reflecting \$43 million in further reductions to the 2019-2022 Capital Plan). This is in addition to the \$288 million in projects scaled back or deferred in 2020 as part of the Capital Plan recalibration. The four-year capital plan plays a critical role in supporting large-scale projects and infrastructure. Despite reduced spending in this area, the approved capital budget still allows staff to focus on delivering amenities for a growing city and maintaining and renewing assets and infrastructure, to avoid higher costs in the future.

Looking ahead, we will continue to align our work to the priorities set by City Council, with the primary focus being to maintain core services as we have throughout the pandemic, despite challenges with increased work and decreased revenues to fund that work.

As I near the end of my first year as City Manager, I would like to recognize the efforts of all City staff to maintain service levels for the public throughout the pandemic. We have an incredibly dedicated staff base who are very committed to public service. I would also like to thank the members of City Council for their support of staff and our work throughout the year.

- Paul Mochrie, City Manager

VANCOUVER CITY COUNCIL 2018 – 2022



**Mayor
Kennedy Stewart**

All Council meetings are open to the public. For more information, dates and agendas of meetings, visit vancouver.ca/councilmeetings. To learn more about Mayor and Council, and their roles at the City, visit vancouver.ca/mayorcouncil.



**Councillor
Rebecca Bligh**



**Councillor
Christine Boyle**



**Councillor
Adriane Carr**



**Councillor
Melissa De Genova**



**Councillor
Lisa Dominato**



**Councillor
Pete Fry**



**Councillor
Colleen Hardwick**



**Councillor
Sarah Kirby-Yung**



**Councillor
Jean Swanson**



**Councillor
Michael Wiebe**

ORGANIZATIONAL STRUCTURE



CITY LEADERSHIP TEAM



City Manager
Paul Mochrie



Deputy City Manager
Karen Levitt



Deputy City Manager
Armin Armolia



Arts, Culture and
Community Services
Sandra Singh



Civic Engagement
and Communications
Maria Pontikis



Development, Buildings
and Licensing
Andrea Law



Engineering Services
Lon LaClaire



Finance, Risk and Supply
Chain Management
Patrice Impey



Human Resources
Andrew Naklicki



Planning, Urban Design
and Sustainability
Theresa O'Donnell



Real Estate and
Facilities Management
Vacant



Legal Services
and City Solicitor
Francie Connell



Vancouver Fire and
Rescue Services
Karen Fry



Vancouver Board of
Parks and Recreation
Donnie Rosa



Vancouver
Police Board
Adam Palmer



Vancouver
Public Library
Christina de Castell

SERVICES DELIVERED

Engineering – Public Works

Transportation planning, design and management
Parking Policy and management

Street infrastructure and maintenance

Parking Operations and Enforcement

Street cleaning

Street Activities

Film and Special Events

Street Use Management

Utilities Management

Fleet and Manufacturing Services

Kent Yard Services

Operations Support and Safety

Engineering – Utilities

Area or watershed scale planning for integrated water management

Monitoring, modelling and data management

Green rainwater Infrastructure Implementation

Drinking water utility management

Sewer and drainage utility management

False Creek Neighbourhood Energy Utility (NEU)

Zero waste

Collections

Transfer station, recycling centres and landfill

Engineering – Projects and Development Services

Engineering Strategy and Standards

Engineering development services and land survey

Project Delivery

Arts, Culture and Community Services

Social Policy and Projects

Social Operations

Cemetery Services

Cultural Services

Vancouver Civic Theatres

Affordable Housing Programs and Projects

Homelessness Services and Programs

Vancouver Police Department

Police services

Vancouver Board of Parks and Recreation

Decolonization, Arts and Culture

Parks and green spaces

Recreation programming and facilities

Business services

Vancouver Public Library

Collections and resources

Reference and information services

Library public space

Information technology access

Public programming

Vancouver Fire and Rescue Services

Community Safety and Risk Reduction

Fire suppression and special teams

Medical response

Planning, Urban Design and Sustainability

Economic Planning and Development Contributions

Affordable housing

Sustainability

City-wide and community planning

Current Planning and Regulation Policy

Finance, Risk and Supply Chain Management

Financial Services

Corporate Risk Management

Financial Planning and Analysis

Long-term Financial Strategy

Strategic Planning and Program Management

Supply Chain Management

Treasury

City Manager's Office

Business Planning and Project Support

Civic Engagement and Communications

Equity Office

Intergovernmental Relations and Strategic Partnerships

Internal Audit

Sport Hosting Vancouver

Vancouver Emergency Management Agency (VEMA)

Development, Buildings and Licensing

Permit and Plan Reviews;
Compliance and Enforcement
Inspections

Business and Vehicle for Hire
Licensing

Animal Services

Community, Building and Business
Licence Policy, Standards and
Regulation Stewardship

Technology Services

3-1-1 Contact Centre

Digital Strategy and Platforms

Application Development and Support

Enterprise Technology

Client Services

Program and Portfolio
Management

Enterprise Data and Analytics

City Clerk's Office

Access to Information and Privacy

Board of Variance

Business and Election Services

City of Vancouver Archives

External Relations and Protocol

Legislative Operations

Human Resources

Compensation and Benefits

HR Business Partnerships and Labour Relations

Organizational Health and Safety

Talent Management and Organizational Development

Legal Services

Legal Services

Real Estate and Facilities Management

Real Estate Services

Facilities Planning, Development and Management

Environmental Services

City Protective Services



CITY OF VANCOUVER'S MISSION

The City's mission is to create a great city of communities that cares about our people, our environment and our opportunities to live, work and prosper.

CORPORATE VALUES

The City's corporate values describe the way staff collectively conduct themselves in the workplace.

Responsiveness

We are responsive to the needs of our citizens and our colleagues.

Excellence

We strive for the best results.

Fairness

We approach our work with unbiased judgment and sensitivity.

Integrity

We are open and honest, and honour our commitments.

Leadership

We aspire to set examples that others will choose to follow.

Learning

We are a learning workplace that grows through our experiences.

BUSINESS PLANNING PRINCIPLES

The City's business planning principles describe how staff translate the organization's corporate values into behaviours; they are the lens through which staff plan, make decisions and take action.

Accountability

We are committed to transparent decision-making, engaging our stakeholders, and measuring and reporting our performance to the public.

Fiscal responsibility

We serve as responsible stewards of the public's money, ensuring the best value-for-money for the City's taxpayers and ratepayers.

Long-term perspective

We integrate financial, social, environmental and cultural sustainability considerations into our decisions and actions.

Economic perspective

We take into account the impacts on Vancouver's businesses and economy when making decisions and taking actions.

Corporate perspective

We consider the impacts on and implications for the organization as a whole when we make decisions and take actions as individual departments and agencies.

Innovation and improvement

We cultivate a progressive and creative approach to our work, incorporating continuous improvements into what we do and how we do it.

CULTURE GOALS

The City's culture goals direct how staff work together to achieve our goals and get our work done.

Think strategically

We align our decision-making and behaviours with our long-term goals, encourage more innovative thinking and enable measured risks.

Be accountable

We know how our individual role influences the City's long-term goals, are outcome-focused, exercise ethical behaviour and good judgement, and take ownership for our work.

Act as a team

We embrace a one-team mindset, build relationships and access talent across the organization and celebrate together.

BUDGET PROCESS AND TIMELINE

Each year City staff prepare annual operating and capital budgets, and an updated five-year financial plan, for City Council's consideration. The annual budgets are in alignment with and reflect the longer-term vision and mission for the City, Council Priorities, the four-year capital plan, established strategies and plans, and emerging issues.

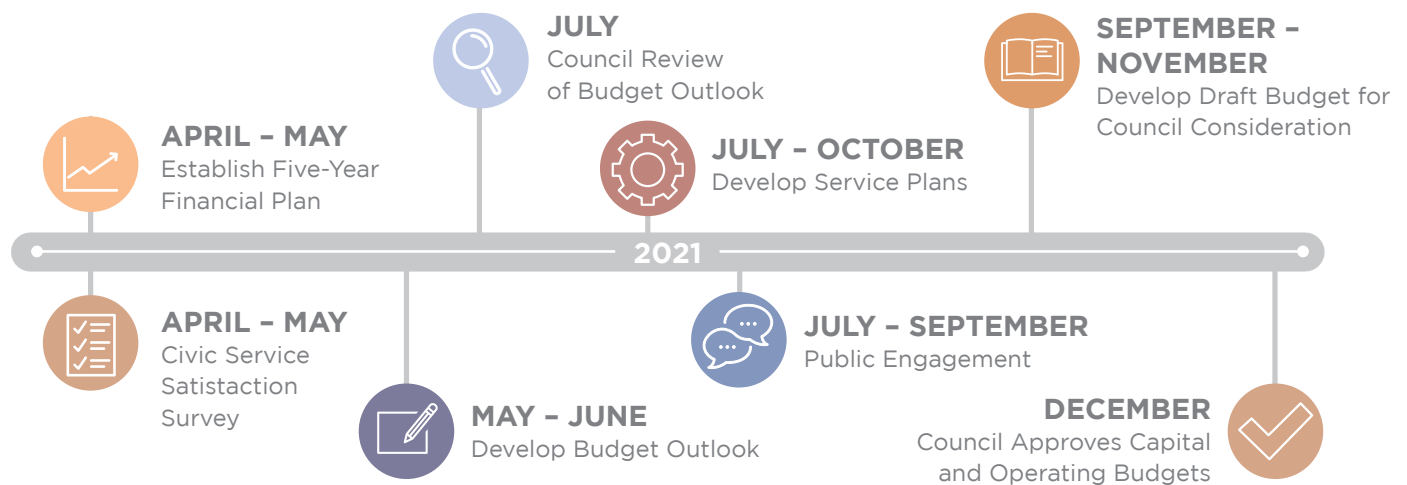


The Budget Outlook for 2022 which includes a financial forecast was presented to Council in July 2021, and at the same time Council reconfirmed their five priorities for staff to use in building the budget.

Over the summer and early fall departmental service plans for the following year were developed, with each area aligning their work and resources to support the Council Priorities. Public engagement to help inform budget development was conducted through August and September.

Annually, the draft budget is presented for Council consideration in late fall and, once Council's deliberations are complete, a final budget is approved.

Timeline for 2022 Budget



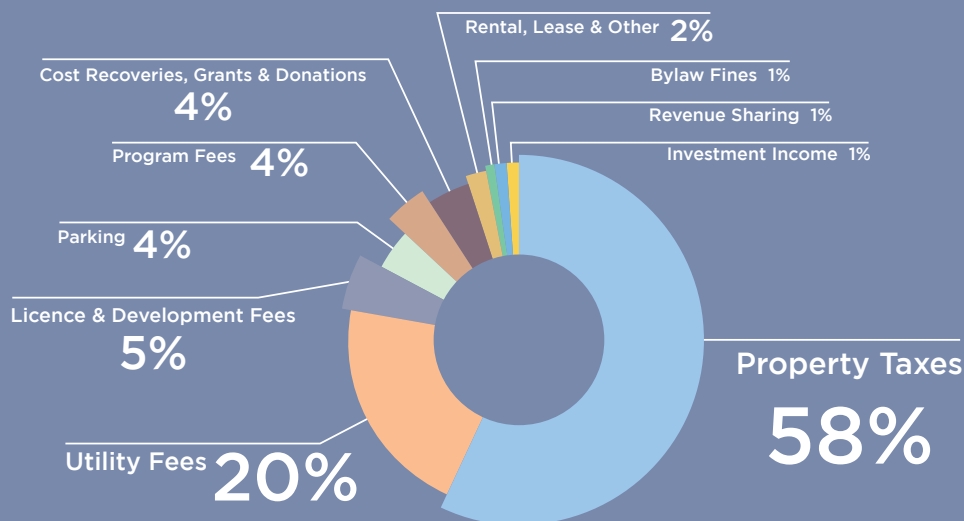
Public engagement for the budget

Due to continued constraints on public gatherings from the pandemic and guidance from public health, engagement for Budget 2022 was primarily conducted online. Information about the budget process and engagement opportunities were posted on the City's digital engagement platform, Shape Your City, and promoted a variety of ways. An online survey tested the public's priorities for spending and their preferences for balancing the budget. This was in addition to the Civic Service Satisfaction Survey conducted by telephone in the spring. Also in 2021, as a starting point for more equity-focused engagement going forward, the City held focus group style workshops with people who typically do not participate in civic processes due to barriers to participation. Overall, there more than 5,500 engagement touchpoints over the six-week course of the budget consultation, not including social media interactions and web page visits. There were also 6,200 visits to the Shape Your City budget pages. The detailed Public Engagement Report is available online.

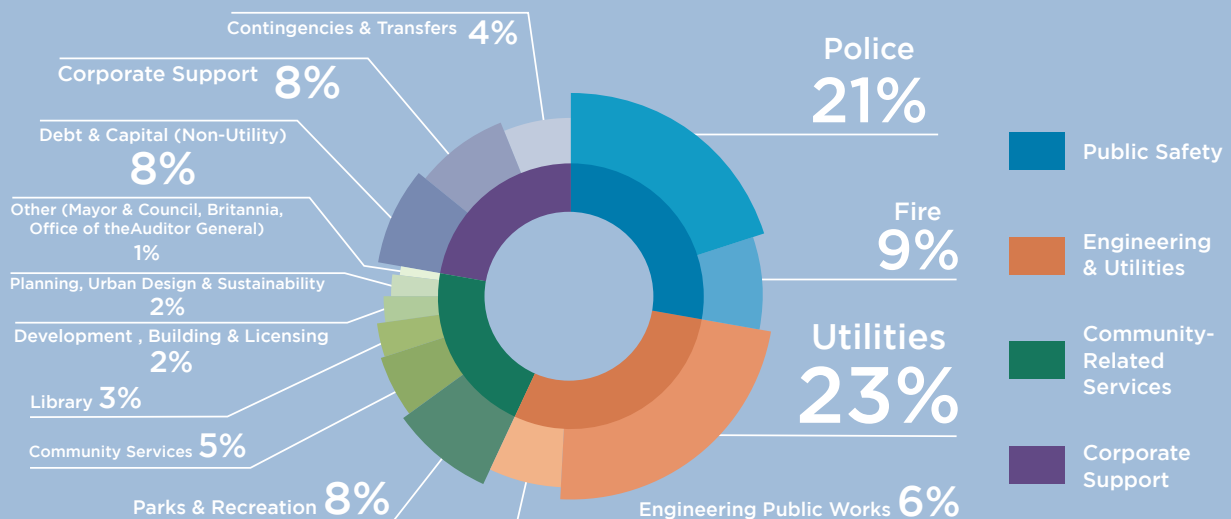
2022 OPERATING BUDGET

Despite financial challenges and uncertainty going into 2022, and the increased effort and costs involved in responding to the pandemic, the City continues to deliver the important services that residents and businesses expect every day. Due to COVID-19, revenues decreased significantly in 2020 and 2021 largely driven by service interruptions, facility closures and event cancellations caused by public health restrictions. The 2022 Revenue Budget reflects changes to property tax and user fee rates, as well as recovery of revenues impacted by the pandemic, including parking and recreation revenues. The 2022 Expenditure Budget reflects the costs to deliver services, including increases in fixed costs, direct costs related to the recovery of revenues, wage increases related to collective bargaining settlements, and additional costs for utilities that reflect regional costs from Metro Vancouver to support ongoing services. The general revenue stabilization reserve was used to offset revenue declines in 2021 and 2020; since the majority of revenues are expected to return to pre-pandemic levels, the reliance on the reserve in 2022 is expected to be reduced.

2022 Operating Revenues (\$1,747 million)



2022 Operating Expenditures, Debt & Transfers By Service Area (\$1,747million)



TAXES AT A GLANCE

BASED ON A 6.35% PROPERTY TAX INCREASE FOR 2022

2022 increases in City property tax, fees and other charges reflected in 2022 Budget

Property Tax Increase	6.35%
Utility Fees (combined)	6.1%
Water	2.0%
Sewer	12.5%
Solid Waste	4.5%
Median single-family home combined municipal property tax and utility fees	6.2%

2022 Increases – All Other Fees

Neighbourhood Energy Utility (NEU)	3.2%
Recreation user fees	5.0%
Most business licence fees	5.0%
Most permit fees	5.0%

Estimated 2022 Annual Tax Bill – Examples



Condo/Strata Unit

Assessed at \$711,000
\$1,209
↑ \$72 over 2021



Single-family Home

Assessed at \$1,717,000
\$2,920
↑ \$174 over 2021



Overall Residential

Assessed at \$1,183,100
\$2,012
↑ \$120 over 2021



Business Property

Assessed at \$1,024,000
\$5,262
↑ \$314 over 2021

These estimates reflect the City of Vancouver portion of taxes only, which generally represents less than half of the overall tax bill. A property owner's tax bill also includes utility fees, Provincial school taxes, and taxes levied by other taxing authorities including Translink, Metro Vancouver, BC Assessment, and the Municipal Finance Authority. See details in the 2022 Operating Budget. Estimates are based on the 2021 median assessed value of properties in each category – your actual tax bill will be different and depends on the assessed value of your property, as well as the relative assessed value of your property to others in your class. Assessed value is determined by BC Assessment.

FOCUS ON COUNCIL PRIORITIES

In 2019, City Council established a set of priorities to focus the City's work on the issues and opportunities most important to the people of Vancouver. The public's priorities are re-evaluated each year as part of the annual public engagement for the budget.

Our primary priority is to maintain and improve the core services that meet the needs of residents every day — a goal Vancouver has in common with other municipalities.

The four additional priorities shown below have helped City staff make decisions about which projects, initiatives and service improvements will best advance our work to address the key issues in our city, and these are reflected in the departmental service plans and budgets approved for 2022. In 2020, Council also added a statement to reflect the importance of economic and community recovery from the COVID-19 pandemic.

On the following pages, we have highlighted only a few examples of the 2022 planned initiatives by priority — which are in addition to our ongoing operational work — along with some measures of our progress. For more examples, please refer to the detailed service plans for each area.



Deliver Quality Core Services that Meet Residents' Needs



**Address
Affordability and
the Housing Crisis**



**Protect and Build
a Resilient
Local Economy**



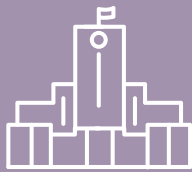
**Increase Focus
on Equity and
Critical Social Issues**



**Accelerate Action
on Climate Change**



**We will be flexible and quickly adjust within each priority
to best support recovery from the COVID-19 pandemic**



DELIVER QUALITY CORE SERVICES THAT MEET RESIDENTS' NEEDS

The City's primary priority is to maintain and improve the core services that meet the needs of our residents. This includes "the basics"—things like picking up your garbage, keeping streets clean and safe, water, sewers and other utilities, community centres, libraries and pools, and public safety including fire and police services. We also know from the public feedback as part of our engagement on the annual budget that maintaining core services is a top priority for Vancouver's residents and businesses. It has been a significant effort for our staff to adapt service delivery and maintain service levels during the pandemic.

Examples of 2022 Budget initiatives that will help us advance our work to address this priority.

Deliver new and renewed parks and amenities

Planning for renewal of West End and Queen Elizabeth parks, and continued work to deliver the new East Fraser Lands Park in the River District along with East Park and Creekside Park South extension. Renewal of neighbourhood parks, with a focus on Equity Initiative Zones. New sports fields in alignment with the Sport Field Strategy and detailed design for a new destination track and field facility at Killarney Park.

Delivery of major infrastructure projects

Continue to pursue the design and construction of major infrastructure projects delivering core services and benefits for all residents. Key transportation initiatives such as the Granville Connector and Broadway Subway establish core pedestrian, cycling and transit connections while improving safety and accessibility. Sewer and water upgrades along key corridors like Renfrew Street and Marine Drive will serve these growing neighbourhoods and protect our waterways from pollution when it rains.

Curb ramp program

As part of a multi-year commitment to make streets more accessible for all ages and abilities, the City is working towards constructing over 600 curb ramps by the end of 2022 at priority locations identified by the public. Curb ramps provide improved access to key services and amenities for people using strollers, wheelchairs, walkers, canes, and other mobility aids.

How we are measuring our progress (selected metrics)



Construction and trades inspections done on time

While our performance exceeds 89%, we have added resources, are making processes more efficient, and are using different technology tools to further improve performance.



Water pipe replacement

Replacement of water pipes has increased steadily year over year with 10.4 kilometres of aging water mains replaced in 2021, including upgrades to support growth and development. More than 12 kilometres are planned for replacement in 2022.



Fire incident response time

Vancouver Fire and Rescue Services continues to work towards improving its response time to fire incidents.



Violent crime rate - VPD

Violent crime in Vancouver (including homicides, serious assaults, domestic violence, and many hate crimes) increased by 4% from 2019 to 2020, and is projected to increase a further 1% in 2021. A task force has been established to investigate the increase in hate crimes.



ADDRESS AFFORDABILITY AND THE HOUSING CRISIS

Overall, our goal is to ensure that housing in Vancouver supports residents of all incomes now and into the future. We have taken significant action in recent years to address the affordability crisis in our city, and to address issues of homelessness. This has included the implementation of the Empty Homes Tax, with all net revenue from the program allocated to affordable housing initiatives. Delivery of more housing, including social and low-income housing, is a collaborative effort across the City's operations and there are also dependencies on financial support from other levels of government. The housing affordability and homelessness crisis has become even more pronounced during the COVID-19 pandemic.

Examples of 2022 Budget initiatives that will help us advance our work to address this priority.

Supporting renters

The City's Renter Office will continue to support Vancouver renters by: triaging renter issues through the Renter Enquiry Line; funding non-profit, community-based programs that empower renters through Renter Services Grants; exploring the feasibility of a proposed Renter Services Centre through engagement with renters, renter-serving non-profits, other City departments and the provincial government; and enhancing internal collaboration on renter issues across City departments through the Renter Advocacy and Services Team (RAST).

Co-op lease renewal implementation

Following Council approval of the new Co-op Lease Renewal Methodology in June 2021, proactively engage with co-ops on City land that have leases expiring to explore lease renewal and, in some cases, redevelopment options.

Non-market and Rapid Housing Initiatives (RHI)

Enhance affordability of community housing projects on non-profit owned land by allocating the remaining funds in the \$25 million 2019-2022 Community Housing Investment Program. Open all 133 supportive homes created with CMHC Rapid Housing Initiative (RHI) funding which enabled the purchase of two properties at 205 Kingsway and 2075 Kingsway. As part of an agreement signed by three levels of government to take collective action to address homelessness, work with BC Housing and partners to progress to public hearing the development of approximately 350 new permanent modular, purpose-built supportive homes. Advance work on an inter-governmental SRO Strategy.

How we are measuring our progress (selected metrics)



Social and supportive housing units completed (cumulative) under the Housing Vancouver strategy (2018-2027)

Number of social and supportive housing units completed is expected to be 2,388, an increase of 21%, in 2021.



New affordable homes completed by VAHEF and community housing partners

Number of new homes forecast to surpass 1,600 units for 2021.



Purpose-built market rental housing units completed (cumulative) under the Housing Vancouver strategy (2018-2027)

Number of units forecast to be 4,340, an increase of 19%, in 2021.



New childcare spaces

A total of 250 new childcare spaces are planned for 2022 through a combination of in-kind projects delivered by developers and projects delivered by the City.



INCREASE FOCUS ON EQUITY AND CRITICAL SOCIAL ISSUES

Situated on the traditional and unceded territories of the Musqueam, Squamish, and Tsleil-Waututh Nations, Vancouver's cultural landscape continues to be enhanced through the rich cultural traditions of these Nations and those of the diversity of people who have made this city their home. While this diversity makes our city both distinct and exciting, the pandemic only served to heighten the impacts from ongoing social issues such as systemic and overt racism, increasing homelessness, a worsening mental health and addictions crisis, and persistent and deepening poverty. While the City has limited influence on the underlying systems that create and could alleviate many of these situations, partnerships, advocacy with senior government, and targeted municipal investments remain our key tools to trying to make a difference.

Examples of 2022 Budget initiatives that will help us advance our work to address this priority.

Reconciliation and decolonization

Liaise with the Host Nations and Urban Indigenous communities to support community priorities and advocacy efforts. This includes: investing in MVAEC's leadership; supporting an Urban Indigenous Healing and Wellness strategy; advancing healing and wellness spaces; identifying City actions and recommendations that respond to the final report of the National Inquiry into MMIWG and the Red Women Rising report; and implementing the Culture Plan for 2020-2029 Culture|Shift, to enhance visibility of local Nations' cultural knowledge and presence across the city.

Equity, anti-racism and cultural redress

Continue supporting implementation of the Equity Framework. Develop recommendations to address anti-Black racism and historic discrimination towards South Asian and Italian communities. Finalize an anti-racism/hate action plan that addresses racism and hate. Continue advancing work on the UN Safe Spaces for Women and Girls Scoping Study.

Indigenous inclusion in libraries

Strengthen relationships with Musqueam, Squamish and Tsleil-Waututh Nations and Urban Indigenous communities in Vancouver to offer programs and services that enhance understanding and appreciation of Indigenous ways of knowing, being and doing. Longer term, integrate Indigenous history, language and culture into the Marpole branch development by working with Musqueam Nation.

How we are measuring our progress (selected metrics)



Meals served at Carnegie, Evelyne Saller and Gathering Place

Actual daily individual meals served has steadily increased partially because of food insecurity experienced during the pandemic, which increased demand for low-cost nutritious meals.



Sheltering service stays at Carnegie, Evelyne Saller and Gathering Place

In 2021, the Gathering Place experienced a reduced capacity of 20 people per night due to public health capacity thresholds. Capacity at Evelyne Saller extreme weather response shelter was 40 to 50 people per night.



People experiencing homelessness

The Metro Vancouver 2020 point-in-time homeless count found 2,095 people experiencing homelessness in Vancouver on March 4th, 2020 – 128 individuals less than in the 2019 count.



PROTECT AND BUILD A RESILIENT LOCAL ECONOMY

Vancouver has a diverse and thriving local economy, and we are working to provide the services, land-use plans and regulatory environment that will promote and strengthen local businesses while also making the city an attractive destination for new businesses to consider. In response to the significant impacts to local businesses which had to suspend or modify their operations due to the pandemic, the City established dedicated support and liaison resources for businesses and will continue to support business recovery.

Examples of 2022 Budget initiatives that will help us advance our work to address this priority.

Supporting small businesses through post-pandemic recovery

Continue to improve licence and permit application processing and wait times, expand electronic permit plan so most permits can be applied for online, increase flexibility for commercial spaces, simplify enquiries with online forms, streamline development permits for some projects, and evolve temporary patios into a permanent program set to launch in spring 2022. To add to Vancouver's economic vibrancy and community connections, staff will continue to expand and enhance new public spaces within commercial corridors.

Chinatown Transformation Program

The Chinatown Transformation Program is working with the community on a plan and actions that support Chinatown's cultural heritage and a UNESCO World Heritage Site nomination. The program's work includes cultural heritage and economic development, addressing social and housing issues for low-income seniors, community safety, and place-making initiatives. Keeping Chinatown's living heritage vibrant supports the local economy, and advances our equity and cultural redress goals by honouring the community's legacy.

Vancouver Plan

Vancouver Plan will be a strategic, land-use plan and include policy directions to guide growth for the entire city to 2050. In 2022, we will engage with the public on the draft plan, leading to the delivery of a final plan to Council in June 2022. The intensely engaging process aims to reflect the diversity of our population and ensure the three foundational principles are at the heart of Vancouver Plan: Reconciliation, equity and resilience.

How we are measuring our progress (selected metrics)



Business licence renewals initiated online

We continue to encourage customers to do business with the City online; the percentage initiating business licences online continues to increase year over year.



Cultural grants awarded to non-profit organizations

Grants awarded in 2021 will be \$2.28 million or 16% higher than in 2020.



BIA budgets for business promotion and support services

In 2021-22 Vancouver's 22 BIAs will collectively expend over \$15 million on programs to promote business vibrancy and COVID-19 recovery. Funding from dedicated commercial property levies enables promotion, beautification, safety, street festivals, placemaking, and business attraction and more.



Gross square feet approved

Continued approval of employment space to meet identified needs and provide space for job growth in Vancouver over the long term.



ACCELERATE ACTION ON CLIMATE CHANGE

City Council, along with more than 2,000 jurisdictions around the globe, have declared a climate emergency signalling an urgent need to act on the climate crisis by accelerating action. Vancouver is building on a strong foundation of environmental action from the Greenest City Action Plan, which advanced contributions to climate solutions locally. Now, to align with international recommendations, we need to reduce carbon pollution annually by five-fold the amount achieved previously to meet the City's 2030 targets and tackle climate change.

Examples of 2022 Budget initiatives that will help us advance our work to address this priority.

Climate Emergency Action Plan (CEAP)

Our CEAP is an ambitious five-year plan to reduce city-wide carbon pollution by 50% by 2030. In 2022, this will include decisions on parking in new developments, more EV charging, zero-emission buildings, and large area planning initiatives (e.g. Broadway Plan and Jericho Lands) which can support complete, compact neighbourhoods. These projects will help reduce costs, improve health and reduce Vancouver's carbon pollution.

New energy standards

A change to the Vancouver Building By-law in January 2022 will mean that new low-rise homes of up to three storeys will need to: use zero-emission space and water heating; improve building envelopes so less energy is wasted for space heating; and streamline regulations by aligning with provincial and federal policies and programs, such as Step 4 of the BC Energy Step Code and Passive House standards to support low-carbon, energy-efficient, comfortable and healthy homes.

Broadway Subway

Progress continues to be made on the Broadway Subway project as the City works closely with the Province throughout construction and to finalize the future Broadway streetscape design. Once completed, SkyTrain along Broadway to UBC will add critical transit capacity, reduce greenhouse gas emissions and unlock economic potential. This project is vital to meeting our municipal and provincial targets to shift towards more sustainable modes of travel.

How we are measuring our progress (selected metrics)



Greenhouse gas emissions from Vancouver community

Community-wide carbon pollution is projected to moderately decrease year over year by the end of 2021, and to decrease more rapidly in future with the implementation of the Climate Emergency Action Plan.



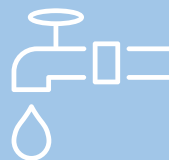
Fleet greenhouse gas emissions

The second phase of the first renewable fuel contracts has significantly reduced the emissions per litre for the City's fuel use – projected to be 16% lower year over year.



Average vehicle kilometres travelled per resident

Between 2016 and 2020, the average trip distance traveled to work decreased by 11%, indicating that Vancouver residents are driving less.



Water consumed per capita

Record-breaking high temperatures in Vancouver in 2021 resulted in unusually high water use trends across the region. Collective efforts to manage drinking water usage — including enforcement, metering, and promoting water conservation — resulted in the City performing within historical water consumption trends in 2021.

2022 CAPITAL BUDGET

The capital budget is one of the primary tools to implement the four-year capital plan. The capital budget consists of detailed project information and provides the authority to proceed with specific capital programs and projects. It defines both the Multi-Year Capital Project Budget and the Annual Capital Expenditure Budget for all approved work. As part of the 2022 Capital Budget, changes to the 2019-2022 Capital Plan are included for a decrease of approximately \$43 million in City-led funding. Irrespective of the funding pressures, the 2022 Capital Budget includes a series of major projects under Climate Emergency Response initiatives, and the Equity Related Initiatives Program, as well as fire halls, washrooms, and sidewalks, traffic signals and street lighting. Details of the capital projects are outlined in the Capital Budget Section and in Capital Appendix A, B and C.

Climate Emergency Response initiatives

Transportation

- Transport pricing consultation
- Transit priority improvements
- Active Transportation promotion and enabling initiatives
- Eliminating parking minimums
- Curbside electrical program

Building retrofits

- Condominium and non market housing residential retrofits
- EV charging retrofits for rental housing
- Deep emission building retrofits program

Renewable energy

- False Creek Energy Centre low carbon expansion
- Converting landfill gas to renewable natural gas

Equity Related Initiatives program

- The Saa'ust Centre
- Kingsway Community Resource Centre

Fire halls

- Grandview Fire Hall project consisting of fire hall and fire and rescue services
- Fire hall No. 17 renewal

New and renewed washrooms

Park washrooms – New park washrooms include those in Coopers' Park, Crab Park, Tisdall Park, and the grass field near West Fraser Lands Childcare. Renewals include Collingwood Park, Oak Park and Vancouver Technical Secondary School.

Downtown Eastside comfort station/public washroom

Sidewalks, traffic signals and street lighting

Programs for sidewalks, traffic signals and street lighting – New sidewalks and sidewalk rehabilitation, traffic signal rehabilitation and replacement, new and replacement street lighting, underground street light conduit, street light pole rehabilitation.

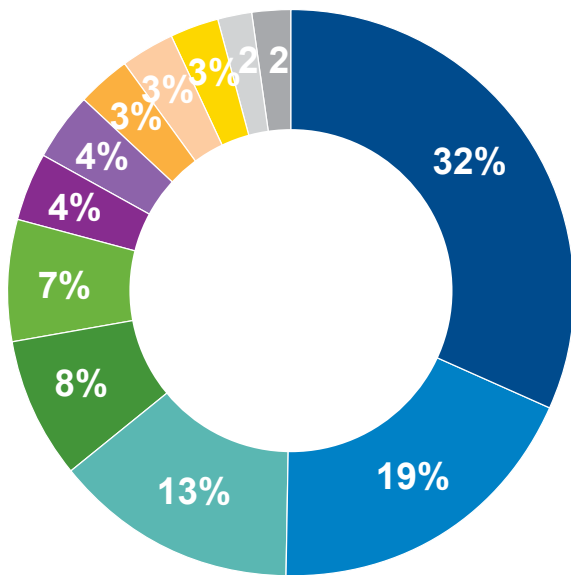
In addition to City-funded and budgeted programs and projects, there are also in-kind projects delivered by developers in the areas of community facilities, childcare, affordable housing, and arts and culture. Examples include:

- South Vancouver Neighbourhood House annex space
- Oakridge Community Centre and Library, Little Mountain Neighbourhood House
- Arbutus Neighbourhood House and adult day centre, the **xw'Ápícən** located at 4105 Arbutus Street on Vancouver's west side including 125 new units of affordable homes for residents on low and moderate incomes
- Main Street and Second Avenue arts production space
- Culture hub facility at 801 Pacific Street
- Oakridge Centre theatre and studio spaces
- Fir Street and Seventh Avenue music production space

2022 CAPITAL BUDGET

The capital budget consists of detailed project information and defines both the Multi-Year Capital Project Budget and the Annual Capital Expenditure Budget for all approved work. Details of the 2022 new Multi-Year Capital Project Budget and the 2022 Capital Expenditure Budget are outlined in the Capital Budget Section and in Capital Appendix B.

Additions to Multi-Year Capital Project Budget: \$285 million



One Water	\$92.3M	32%
Transportation & Street Use	\$53.4M	19%
Public Safety	\$38.5M	13%
Technology	\$22.5M	8%
Parks & Open Spaces	\$19.9M	7%
Renewable Energy	\$12.0M	4%
Childcare	\$11.0M	4%
Affordable Housing	\$8.0M	3%
Arts & Culture	\$7.9M	3%
Civic Facilities & Equipment	\$7.2M	3%
Solid Waste	\$6.4M	2%
Community Facilities	\$6.1M	2%

2022 Capital Expenditure Budget by Category

\$683 million, including \$493 million for previously approved multi-year capital projects with budgeted expenditures in 2022 and \$190 million for 2022 expenditures on additions to the Multi-Year Capital Project Budget (\$285 million).

Affordable Housing	\$134.7
Arts & Culture	\$23.2
Childcare	\$26.8
Civic Facilities & Equipment	\$31.7
Community Facilities	\$35.7
One Water	\$140.0
Overhead	\$5.3
Parks & Open Spaces	\$54.3
Public Safety	\$21.3
Renewable Energy	\$18.0
Solid Waste	\$28.0
Technology	\$31.2
Transportation & Street Use	\$133.2
Total	\$683.4

2022 OPERATING, CAPITAL AND CONSOLIDATED BUDGETS

BALANCED OPERATING BUDGET

\$ millions	2021 Restated Budget	2022 Budget	Net Change (\$)	Net Change (%)
Revenues	\$1,592	\$1,747	\$156	9.8%
Expenditures and Transfers	\$1,592	\$1,747	\$156	9.8%
Net Operating Budget	–	–	–	–

Balanced Operating Budget

- The operating budget is described in detail in the Operating Budget section of the 2022 Budget and Five-Year Financial Plan document.

CAPITAL BUDGET

\$ millions	2021 Budget	2022 Budget	Net Change (\$)	Net Change (%)
New Capital Projects Budget	\$392	\$285	(\$107)	-27%
Capital Expenditure Budget	\$771	\$683	(\$88)	-11%

Capital Budget

- The capital budget, four-year capital plan and related funding sources, are outlined in Appendix A, B and C of the 2022 Budget and Five-Year Financial Plan document.

CONSOLIDATED BUDGET SUMMARY ON A FINANCIAL STATEMENT BASIS

\$ millions	2021 Restated Budget	2022 Budget	Net Change (\$)	Net Change (%)
Revenue				
Operating	\$1,592	\$1,747	\$156	9.8%
Capital	\$353	\$285	(\$68)	-19.2%
Property Endowment	\$52	\$52	\$0	0.6%
Other Funds	\$13	\$24	\$11	82.8%
All Entities	\$38	\$43	\$5	12.7%
Consolidation Adjustments	(\$13)	(\$16)	(\$3)	23.5%
Total Revenues	\$2,035	\$2,135	\$101	5.0%
Expenditures and transfers				
Operating	\$1,592	\$1,747	\$156	9.8%
Capital	\$353	\$277	(\$76)	-21.5%
Property Endowment	\$52	\$52	\$0	0.6%
Other Funds	\$13	\$24	\$11	82.8%
All Entities	\$38	\$43	\$5	12.1%
Consolidation Adjustments	(\$13)	(\$16)	(\$3)	23.5%
Total Expenditures and transfers	\$2,035	\$2,127	\$92	4.5%
Reconciliation Adjustments to Annual Financial Statements:				
Amortization	\$206	\$207	\$1	0.5%
Capital Additions	(\$575)	(\$518)	\$57	-9.9%
Contributions/Transfers (to)/from reserves	\$155	(\$28)	(\$183)	-118.1%
Debt	\$54	\$157	\$103	190.6%
Total Reconciliation Adjustments	(\$160)	(\$187)	(\$27)	14%
Total Expenditures per Financial Statement Basis	\$1,875	\$1,937	\$62	3.7%
Excess Revenues over Expenditures per Financial Statement Basis	\$159.8	\$190.5	\$30.7	19.2%

Consolidated Budget Summary on a financial statement basis

- The consolidated budget, including the budgets for the City's various funds and entities, is included in the Consolidated Budget section of the 2022 Budget and Five-Year Financial Plan document.
- Within the consolidated budget, the capital budget is presented on a financial statement basis. A description of how this links to the total 2022 Capital Expenditure Budget of \$683 million is provided in the Consolidated Budget section of the 2022 Budget and Five-Year Financial Plan document. Year-over-year changes in capital budget revenues and expenditures are based on the mix of funding sources for projects being brought forward in the 2022 Budget.
- Contributions/transfers to/from reserves, and debt change year to year due to timing of debt issuance, repayment, and capital project funding are also included in the 2022 Budget.

2022 OPERATING BUDGET BY DEPARTMENT

2022 OPERATING BUDGET	2021 RESTATED BUDGET	2022 BUDGET	\$ CHANGE	% CHANGE
Revenues				
Property tax revenue	942,198	1,008,085	65,887	7.0%
Utility revenue	339,922	356,522	16,601	4.9%
Program revenue	39,982	67,996	28,014	70.1%
Licence & Development fees	78,531	91,461	12,930	16.5%
Parking revenue	63,949	75,355	11,406	17.8%
Cost recoveries, grants & donations	56,459	61,377	4,918	8.7%
Provincial revenue sharing	7,300	14,644	7,344	100.6%
Investment income	12,087	13,830	1,743	14.4%
Other revenue	33,754	36,571	2,817	8.3%
Bylaw fine revenue	17,521	21,577	4,056	23.1%
Revenues Total	1,591,701	1,747,418	155,716	9.8%
Expenditures and Transfers				
Utilities				
Water	148,786	150,840	2,054	1.4%
Sewer	153,825	168,537	14,712	9.6%
Solid Waste	77,901	80,049	2,148	2.8%
Neighbourhood Energy	7,313	7,620	308	4.2%
Department				
Engineering	102,948	110,895	7,947	7.7%
Police Services	348,119	366,938	18,820	5.4%
Fire and Rescue Services	147,342	153,511	6,169	4.2%
Parks & Recreation	135,598	143,612	8,014	5.9%
Library	55,193	57,806	2,613	4.7%
Britannia Community Services Centre	6,207	6,019	(188)	-3.0%
Civic Theatres	11,040	14,874	3,834	34.7%
Community Services	40,313	43,101	2,788	6.9%
Grants	23,474	23,501	27	0.1%
Planning, Urban Design & Sustainability	28,935	32,767	3,832	13.2%
Development, Buildings & Licensing (DBL)	40,514	43,236	2,722	6.7%
Mayor & Council	3,412	3,568	156	4.6%
Office of the Auditor General	400	1,600	1,200	300.0%
Corporate Services				
Real Estate & Facilities Management	34,733	38,352	3,619	10.4%
Finance, Risk & Supply Chain Management	19,647	20,594	946	4.8%
Technology Services	39,372	42,096	2,724	6.9%
Equity and Diversity Office	485	718	233	48.0%
Human Resources	12,083	12,871	788	6.5%
City Manager's Office	2,527	2,759	232	9.2%
Legal Services	6,668	6,806	138	2.1%
City Clerk	5,641	6,068	427	7.6%
Communications & Engagement	3,191	3,396	206	6.4%
Sport Hosting	896	502	(394)	-44.0%
VEMA	1,926	1,964	38	2.0%
Internal Audit	816	814	(2)	-0.2%
Shared support services	(4,903)	(5,856)	(953)	19.4%
General Government	2,699	68,383	65,685	2434.0%
General debt & Transfers to Capital Fund	134,602	139,478	4,876	3.6%
Expenditures & Transfers Total	1,591,701	1,747,418	155,716	9.8%
Grand Total	-	-	-	

WHERE TO FIND MORE INFORMATION ABOUT THE 2022 BUDGET AND FIVE-YEAR FINANCIAL PLAN

This Highlights document is an overview of how the City is organized and operates, services we deliver, our key challenges and opportunities, and where we plan to focus our financial and other resources in 2022.

More information is available in the additional budget materials on our web site at: vancouver.ca/2022-budget

Building the Budget

Full details of the 2022 operating, capital and consolidated budgets and five-year financial plan.

Service Plans

Our progress in 2021 and key projects for 2022 and beyond, by department.

Public Engagement Report

Thank you to everyone who provided feedback for the 2022 Budget. Whether you participated or not, you can see the summary of feedback from Vancouver residents and businesses in this detailed report.

Supporting Information

Documents providing detailed information on the Capital Budget, the City-wide list of priority plans for 2022 and beyond, and service metrics by service and department.