

# DRAFT 2020 BUDGET AND FIVE-YEAR FINANCIAL PLAN FOR COUNCIL CONSIDERATION – HIGHLIGHTS

## Aligning investments to priorities

The Draft 2020 Budget and Five-Year Financial Plan has been prepared to provide City Council with context for the opportunities and challenges in our city, and the option to provide further direction to align City activities and spending with Council's priorities.

As the regional centre of a growing metropolitan area, Vancouver is fortunate to have a strong economy and employment, but has also become a nucleus for issues such as housing affordability and homelessness and the opioid crisis. With limited revenue sources, this puts pressure on the City's budget and its ability to respond to all the needs and desires of the public.

### The proposed initiatives in the draft operating budget fall into three categories:

- **Fixed costs** – funding required to maintain City services at present levels e.g. wages (estimates based on pending collective agreements), rent, insurance, etc.
- **Filling service gaps and addressing risks** – including the addition of more police officers and fire fighters, improvements to the building permitting process, and addressing compliance-related items (e.g. WorkSafe, health and safety).
- **Investments to advance Council's priorities** – initiatives such as more affordable and social housing, investments in arts and culture, addressing the climate emergency, and a new city-wide planning process (refer to the Focus on Council Priorities section in the Draft 2020 Budget and Five-Year Financial Plan document for more details).

Council has the opportunity to deliberate on the draft budget and to propose changes in each category, considering the balance of maintaining quality core services while also making advancements on the most important issues in our city.

The draft capital budget includes new 2020 investments in City infrastructure and amenities that were approved as part of the 2019-2022 Capital Plan.

In developing the draft budget, City staff worked to align ongoing activities and new initiatives to Council's priorities—which in some cases involved reallocation of resources. City staff also regularly look for efficiencies in how we deliver service, with the ultimate goal of reducing costs.

Should Council approve all of the items in the draft budget, the total tax increase for 2020 would amount to an additional \$150 for the median residential property

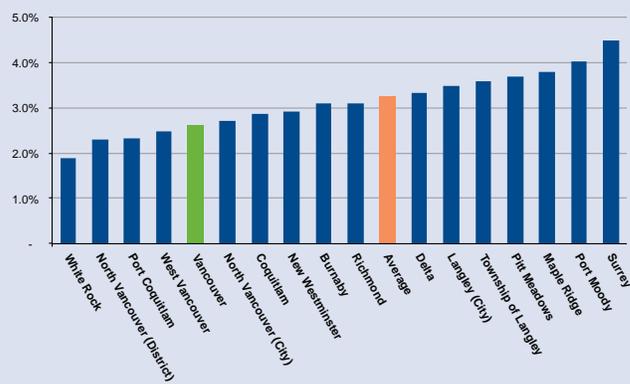
### 2019 Combined Municipal Property Tax and Utility Fees for the Median Single-Family Home (\$)

Comparing the typical single-family home, Vancouver sits below the average of other Metro Vancouver municipalities.



### Vancouver vs Metro Vancouver 10-Year Average Property Tax Increase (2010-2019)

Comparing 10-year average property tax increase, Vancouver has been one of the lowest in the region.



(roughly \$12 per month) and \$270 per year for the median business property.

The City conducted significant public outreach in 2019 on Council's priorities for the 2020 Budget and on how the City manages its finances on behalf of residents and businesses. That input was used to inform the proposed investments for 2020 and future years.

## Summary of Draft 2020 Budget for Council Consideration

To establish the City's tax rates, Vancouver City Council first determines the total property tax levy that is required to support the budget, then divides the property tax levy by the assessment base provided by BC Assessment.

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

### 2020 Increases in City Property Tax, Fees and Charges reflected in Draft 2020 Budget for Council Consideration\*

<b>Property Tax Increase</b>	<b>8.2%</b>
<b>0.5% Tax shift</b>	
Residential properties	1.0%
Non-residential	(1.2%)
<b>Utility Fees (combined)</b>	<b>9.5%</b>
Water	9.7%
Sewer	11.0%
Solid Waste	6.8%
<b>Median single-family home combined municipal property tax and utility fees</b>	<b>9.3%</b>

### 2020 Increases reflected in Draft 2020 Budget for Consideration - All Other Fees

<b>Neighbourhood Energy Utility (NEU)</b>	<b>3.2%</b>
<b>Recreation user fees</b>	<b>2.0%</b>
<b>Most other user fees</b>	<b>2.0%</b>
<b>Permit fees</b>	<b>3.0%</b>

### Indicative City Property Tax Impact of Draft 2020 Budget for Council Consideration\*

Assessed Value of Property (based on 2019 assessment without Land Assessment Averaging)	Estimated 2020 Taxes (CoV Portion)	Change over 2019
Median residential strata unit assessed at \$740,000	\$1,057	\$89
Median overall residential unit assessed at \$1,256,700	\$1,796	\$151
Median single-family home assessed at \$1,755,000	\$2,508	\$211
Median business property assessed at \$976,000	\$4,160	\$271

\* Includes impact of Council-directed 2020 tax shift of 0.5% of property tax share from Non-Residential to Residential Classes

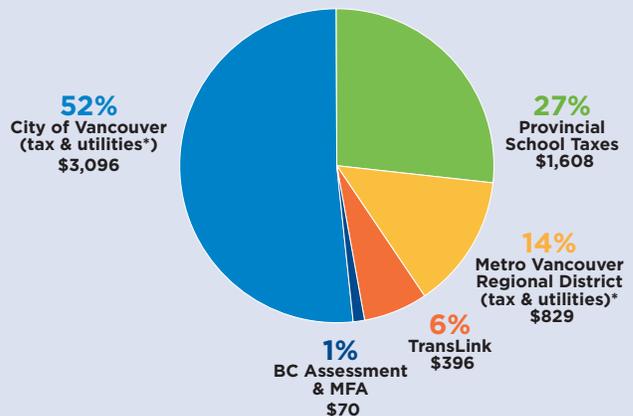
### Indicative City Property Tax and Utility Fee Impact of Draft 2020 Budget for Council Consideration\*

	Median Single-Family Home \$1,755,000		Median Business Property \$976,000	
	ESTIMATED 2020 TAX BILL (CoV PORTION)	CHANGE OVER 2019	ESTIMATED 2020 TAX BILL (CoV PORTION)	CHANGE OVER 2019
<b>Property taxes</b>				
<b>(8.2% increase)</b>		<b>\$188</b>		<b>\$319</b>
<b>(0.5% tax shift)</b>		<b>\$23</b>		<b>\$(48)</b>
	<b>\$2,508</b>	<b>\$211</b>	<b>\$4,160</b>	<b>\$272</b>
Water	\$785	\$69	\$728	\$64
Sewer	\$523	\$52	\$534	\$53
Solid Waste	\$347	\$22	\$260	\$17
<b>Subtotal Utility fees</b>	<b>\$1,655</b>	<b>\$143</b>	<b>\$1,522</b>	<b>\$134</b>
<b>Combined</b>	<b>\$4,163</b>	<b>\$354</b>	<b>\$5,682</b>	<b>\$406</b>

\* Includes impact of Council-directed 2020 tax shift of 0.5% of property tax share from Non-Residential to Residential Classes

About half of property taxes collected funds City services; the other half goes toward funding regional services, schools and transit

### 2019 Distribution of Taxes and Fees for Median Single-Family Home



\* 62% of City water revenue and 52% of City sewer revenue included in Metro Vancouver share to reflect flow through of Metro costs

## 2020 Draft Operating, Capital and Consolidated Budgets

Balanced Operating Budget				
\$ millions	2019 Restated Budget	2020 Draft Budget	Net Change (\$)	Net Change (%)
Revenues	\$1,513	\$1,624	\$111	7.3%
Expenditures and Transfers	\$1,513	\$1,624	\$111	7.3%
Net Operating Budget	-	-	-	-

### Balanced Operating Budget

- The operating budget is described in detail on pages 63 to 101 under the Operating Budget section of the Draft 2020 Budget and Five-Year Financial Plan document.
- In addition to fixed cost and utility cost increases, investments of \$40.0 million to fill service gaps and address risks and \$23.8 million to advance Council priorities are described on pages 73 to 75 in the operating section of the Draft 2020 Budget and Five-Year Financial Plan document. A detailed list of the new investments is provided in Appendices F, G and H of the Draft 2020 Budget.

Capital Budget				
\$ millions	2019 Restated Budget	2020 Draft Budget	Net Change (\$)	Net Change (%)
New Capital Projects Budget	\$491	\$507	\$14	3%
Capital Expenditure Budget	\$575	\$702	\$127	22%

### Capital Budget

- The capital budget, including a description of new projects and related funding sources, is described in detail in Appendix A, B and C of the Draft 2020 Budget and Five-Year Financial Plan document.

Consolidated Budget Summary on a financial statement basis					
\$ millions	2019 Restated Budget	2020 Draft Budget	Net Change (\$)	Net Change (%)	
<b>Revenue</b>					
Operating	\$1,513	\$1,624	\$111	7.3%	
Capital	\$207	\$267	\$60	29.0%	
Property Endowment	\$62	\$61	\$(1)	-0.8%	
Other Funds	\$13	\$14	\$1	5.8%	
All Entities	\$62	\$64	\$2	3.9%	
Consolidation Adjustments (1)	\$(13)	\$(13)	\$0	-0.7%	
<b>Total Revenues</b>	<b>\$1,844</b>	<b>\$2,017</b>	<b>\$173</b>	<b>9.4%</b>	
<b>Total Expenditures and Transfers</b>					
Operating	\$1,513	\$1,624	\$111	7.3%	
Capital	\$207	\$267	\$60	29.0%	
Property Endowment	\$62	\$61	\$(1)	-0.8%	
Other Funds	\$13	\$14	\$1	5.8%	
All Entities	\$61	\$63	\$2	3.9%	
Consolidation Adjustments (1)	\$(13)	\$(13)	\$0	-0.7%	
<b>Total Expenditures and Transfers</b>	<b>\$1,843</b>	<b>\$2,016</b>	<b>\$173</b>	<b>9.4%</b>	
<b>Reconciliation Adjustments to Annual Financial Statements (2):</b>					
Amortization	\$191	\$202	\$11	5.5%	
Capital Additions	\$(414)	\$(546)	\$(132)	31.8%	
Contributions/Transfers (to)/from reserves	\$85	\$67	\$(18)	-21.2%	
Debt	\$23	\$97	\$74	328.9%	
<b>Total Reconciliation Adjustments</b>	<b>\$(115)</b>	<b>\$(180)</b>	<b>\$(65)</b>	<b>56.2%</b>	
<b>Total Expenditures per Financial Statement Basis</b>	<b>\$1,727</b>	<b>\$1,836</b>	<b>\$109</b>	<b>6.3%</b>	
<b>Excess Revenues over Expenditures per Financial Statement Basis</b>	<b>\$116</b>	<b>\$181</b>	<b>\$65</b>	<b>55.8%</b>	

### Consolidated Budget Summary on a financial statement basis

- The consolidated budget, including the budgets for the City's various funds and entities, is included on pages 157 to 168 in the Consolidated Budget section of the Draft 2020 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 2020 Capital Expenditure Budget of \$702 million is provided on pages 158 to 159 in the Consolidated Budget section of the Draft 2020 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 Draft 2020 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 Draft 2020 Budget.

# Draft 2020 Balanced Operating Budget for Council Consideration: \$1,624 million

The operating budget has been developed to help make progress on the issues that are most important to Vancouver’s residents and businesses, as well as to address the areas where service improvements are needed.

## OPERATING REVENUES

7.3% increase in total revenue

- **\$70.9 million** increase in property tax and related revenue
- **\$11.2 million** increase in fees and other revenues
- **\$28.5 million** increase in utility revenue

## OPERATING EXPENDITURES

7.3% increase in total expenditures

- **\$53.6 million** increase in fixed costs both for costs related to maintaining existing City services at current levels (e.g. wages, energy, rent, maintenance, and other third-party costs) and utility cost which are primarily offset by utility fees.
- **\$40.0 million** in new investments required to add resources to fill gaps in service delivery and to address risks.
- **\$23.8 million** in new investments required to enhance core services and to advance projects related to Council priorities.

A portion of these new investments are funded through reprioritization of existing budgets, cost savings that have been generated through efficiencies in existing services, and increases in revenue.

### New investments required to fill service gaps in existing City services and to address risks include:

- **\$2 million** reserve for snow and storm events to address the unpredictability of extreme weather events and their associated costs
- **\$2.7 million** investment to improve permitting and licensing processes to reduce wait times for development permits and improve customer experience.
- **\$8.2 million** to maintain and improve public safety, including the addition of 25 police officers and 30 firefighting staff. A detailed list

of the investments can be found in appendices F and G of the Draft 2020 Budget.

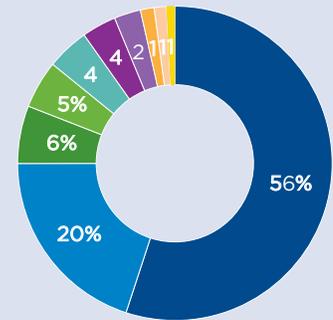
### Investments to advance projects supporting Council priorities include:

- **\$4.1 million** to address affordability and the housing crisis which includes expanding services for renters within the city through the implementation of a new Tenant Relocation and Protection Policy, funding to support the City’s ongoing work on homelessness, and development of a new community housing incentive program.
- **\$7.9 million** to protect and build our economy which includes development of the the Vancouver Plan and increased financial support for special events.
- **\$2.5 million** to increase focus on diversity and critical social issues such as implementation of the equity framework, heritage action plan, and delivery of two projects to support racial redress.
- **\$6.8 million** to accelerate action on climate change which includes funding to support and encourage more zero emission buildings in the city, continue tree planting to improve the forest canopy in an effort to combat climate change, address urban heat islands, and plan for a sea level rise challenge.
- **\$2.5 million** to improve street cleaning services (including streetscape recycling), and improving Park Board services.

Despite fixed costs rising faster than inflation, the City has been able to reduce the impact of the fixed costs increase and support new investments through reprioritization of existing budgets, cost efficiencies, and revenue growth. The proposed property tax increase of 8.2% reflects an increase in fixed cost (3.5%), investments to fill service gaps and address risks (2.4%) and investments to implement Council priorities (2.3%). Council will have the opportunity to deliberate on the budget and determine the tax increases to be approved as part of the final 2020 Budget.

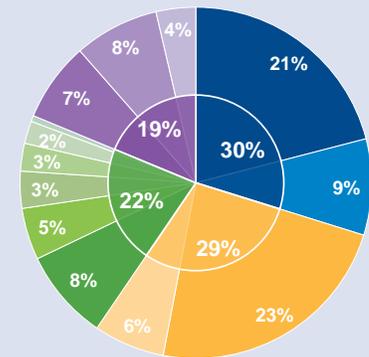
2020 Council Priorities	Investments to advance projects supporting Council Priorities
Address affordability and the housing crisis	\$4.1 million
Protect and build our economy	\$7.9 million
Increase focus on diversity and critical social issues	\$2.5 million
Accelerate action on climate change	\$6.8 million
Deliver quality core services that meet residents’ needs	\$2.5 million

## Draft 2020 Operating Revenues (\$1,624 Million)



- 56% | Property Taxes
- 20% | Utility Fees
- 6% | Licence & Development Fees
- 5% | Parking
- 4% | Program fees
- 4% | Cost Recoveries, Grants & Donations
- 2% | Rental, Lease & Other
- 1% | Bylaw Fines
- 1% | Revenue Sharing
- 1% | Investment Income

## Draft 2020 Operating Expenditures by Service Area (\$1,624 Million)



- PUBLIC SAFETY**
  - 21% | Police
  - 9% | Fire
- ENGINEERING & UTILITIES**
  - 23% | Utilities
  - 6% | Engineering Public Works
- COMMUNITY-RELATED SERVICES**
  - 8% | Parks & Recreation
  - 5% | Arts, Culture and Community Services
  - 3% | Library
  - 3% | Development, Buildings & Licensing
  - 2% | Planning, Urban Design & Sustainability
  - 1% | Other
- CORPORATE SUPPORT**
  - 7% | Corporate Support
  - 8% | Debt & Capital (Non-Utility)
  - 4% | Contingencies & Transfers

## Draft 2020 Capital Budget

The Capital Budget is the primary tool by which the City implements its four-year Capital Plan, and provides the authority to proceed with specific capital programs and projects. It also defines the multi-year capital project budgets and outcomes, plus a corresponding annual expenditure budget to manage the timely delivery of these outcomes.

The Draft 2020 Capital Budget includes investments in City infrastructure and amenities to support delivery of the 2019-2022 Capital Plan. Council approved the \$2.8 billion 2019-2022 Capital Plan in July 2018, including \$2.2 billion in City-led capital programs and \$0.6 billion of in-kind contributions to be delivered through development. The Capital Plan evolves over the course of the four-year period in order to address emerging needs and new priorities such as the climate emergency response, and to incorporate additional funding secured such as additional partnership contributions or Empty Homes Tax revenues, which were not incorporated into the original plan. Since the original plan was approved, \$26.5 million of additional funding has been added to date. The Draft 2020 Capital Budget includes \$70.4 million of additional funding to be added to the 2019-2022 Capital Plan, bringing the total Capital Plan to \$2.9 billion.

## Draft 2020 Capital Budget for Council Consideration – Additions to Multi-Year Capital Project Budgets: \$507 million

The Draft 2020 Capital Budget includes new multi-year capital project budgets and the draft 2020 Annual Capital Expenditure Budget.

This list represents the major projects and does not include all capital investments included in the budget.

In the Draft 2020 Capital Budget, funding of \$507 million is added to the Multi-Year Capital Budget for new capital projects and programs, of which \$306 million is planned to be spent in 2020

### \$72 MILLION IN AFFORDABLE HOUSING

- Acquiring land for affordable housing **\$40 million**
- Community Housing Incentive Program **\$17 million**
- Replacement of City-operated residences **\$7 million**
- Co-op lease grant program supporting minimizing displacement of tenants **\$4 million**
- Temporary modular housing program **\$3 million**

### \$8 MILLION IN CHILDCARE

- Planning for new childcare facility co-located with Marpole Library **\$4 million**
- New childcare spaces at West Fraser Lands **\$3 million**
- Consulting for renewal and expansion of childcare component of community centre at Oak Park **\$1 million**

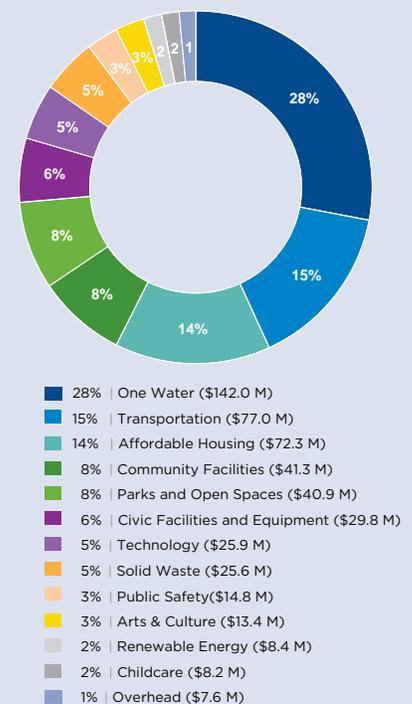
### \$41 MILLION IN PARKS AND OPEN SPACES

- Acquisition of park land **\$20 million**
- New trees in parks and streets **\$3 million**
- Initiate public engagement for expanding park in Burrard Slopes **\$1 million**
- Replacement, upgrade, expansion of marine structures (e.g., piers, docks) **\$1 million**
- Biodiversity projects **\$1 million**

### \$55 MILLION IN ARTS AND CULTURE AND COMMUNITY FACILITIES

- Relocation of the Vancouver Archives from Vanier Park to Central Library **\$16 million**
- Consulting for renewal and expansion of Marpole Branch library **\$7 million**
- Consulting for renewal and expansion of Marpole-Oakridge Community Centre **\$6 million**
- Indigenous Social Enterprise office space **\$2 million**
- Detailed design for construction of an outdoor pool in the Marpole area **\$2 million**

**Draft 2020 New Multi-Year Capital Budget by Service Category (\$507.3 Million)**



- Cultural Infrastructure capital grant program **\$2 million**
- Downtown Eastside capital grant programs **\$1 million**

**\$45 MILLION IN PUBLIC SAFETY, CIVIC FACILITIES, AND EQUIPMENT**

- Vehicles and equipment replacement program **\$21 million**
- Seismic upgrade planning for Fire Hall No. 12 **\$5 million**
- Planning for the renewal of Sunset and Manitoba service yards **\$3 million**
- Master planning for the City Hall Precinct **\$3 million**
- City-wide facilities planning and strategic land/site planning **\$2 million**

**\$77 MILLION IN TRANSPORTATION**

- Active transportation corridors and spot improvements **\$25 million**
- Repaving major arterial streets, including transit routes **\$9 million**

- Street lighting LED upgrades **\$3 million**
- Street lighting pole rehabilitation **\$3 million**
- Curbside Electrical Power Supply **\$2 million**

**\$142 MILLION IN ONE WATER**

- Growth-related sewer, water, and green infrastructure upgrades **\$34 million**
- Sewer main replacement/separation **\$33 million**
- Water transmission/distribution main replacement **\$22 million**
- Upgrade or replace sewer pump stations **\$15 million**
- Design/Construction for the East Fraser Land Shoreline Protection **\$2 million**

**\$26 MILLION IN SOLID WASTE**

- Sanitation/Disposal vehicles and equipment replacement **\$16 million**
- Installation of landfill gas collection infrastructure **\$3 million**

- Litter and streetscape recycling cart enclosures **\$1 million**

**\$8 MILLION IN RENEWABLE ENERGY**

- Deep Emission Building Retrofits Program **\$4 million**
- Electric Vehicle (EV) Infrastructure **\$1 million**
- Neighbourhood Energy Utility (NEU) connections and energy transfer stations **\$1 million**

**\$26 MILLION IN TECHNOLOGY**

- Technology infrastructure maintenance, upgrades, and expansion initiatives **\$8 million**
- Lifecycle replacement of tablet, desktop/laptop computers, and display devices **\$3 million**
- Business intelligence and analytics tools, processes, and practices **\$2 million**
- Data Centre Modernization Initiatives **\$1 million**

## Draft 2020 Capital Budget for Council Consideration – Annual Capital Expenditure Budget: \$702 million

The Annual Capital Expenditure Budget outlined in the Draft 2020 Capital Budget is \$702 million, and is set up to complete or advance progress on a number of ongoing and new multi-year capital projects, including significant investments in key priority areas. The expenditure budget includes \$396 million for previously approved multi-year capital projects with budgeted expenditures in 2020 and \$306 million for 2020 expenditures on new multi-year capital projects outlined in the Draft 2020 Capital Budget.

Affordable housing	\$81 million
Childcare	\$43 million
Parks and open spaces	\$58 million
Arts & culture and Community Facilities	\$73 million
Public safety, Civic Facilities & Equipment	\$73 million
Transportation	\$118 million
One water	\$136 million
Solid waste	\$52 million
Renewable energy	\$29 million
Technology	\$32 million
Overhead	\$8 million

## 2020 Budget Engagement Summary

The City of Vancouver's annual budget process offers multiple opportunities for public input on city-wide priorities and issues. This feedback on City service levels and resident preferences helps develop a picture of the public's preferences for where the City should focus its investments and resources.

Thank you to the thousands of citizens who participated in surveys, filled out comment cards, participated in online and in-person meetings and other face-to-face activities in neighbourhoods across the city.

The following summarizes our approach to the consultation, who participated, and the top-level findings.

### What Did We Hope to Learn?

Through a variety of activities with residents and businesses, we hoped to:

- Understand their priorities and levels of satisfaction with City services
- Gauge the relative importance of City Council's priorities for the budget
- Test knowledge and perceptions of the City's financial planning performance
- Test for tax tolerance
- Validate and seek feedback on the emerging budget

### What Was Our Approach?

The City took a two-phased approach to help inform and then validate the 2020 Budget with input from residents, businesses and stakeholders.

**Phase one** involved a detailed research project with Ipsos Public Affairs to understand resident and business satisfaction with City services among a representative sample of Vancouver residents. This research helped guide the service planning and budget planning process.

**Phase two** involved a range of digital and in-person activities to get feedback on the priorities identified by Council, as well as feedback on how the City manages its finances on behalf of residents.

Finally, City Finance staff will present highlights of the Draft 2020 Budget to the public, in an information webinar on November 28, to help members of the public understand the development and components of the budget and prepare to speak at the December 3 Special Council meeting if they wish.

### Who Was Reached?

The City reached out broadly to residents, business owners and community stakeholders and offered a variety of options for participation. Budget engagement opportunities were promoted broadly using community boards, social media messaging and advertising, a media announcement, the City's website and email.

Summary of Public Engagement for 2020 Budget	
<b>Opinion Research Telephone Survey</b> May 1-22	<b>800 participants</b> (600 residents, 200 businesses)
<b>Talk Vancouver Online Survey</b> August 22-October 7	<b>3,794 participants</b> (3,042 residents, 752 businesses)
<b>Community Outreach</b> September 14-October 7 Education displays at 18 locations in community centres, libraries and neighbourhood houses, as well as 6 pop-ups at local farmer's markets. Displays staffed at peak times to encourage feedback from residents.	<b>1,260 completed comment cards</b>
<b>3-1-1 Telephone Surveys</b> August 26-October 23	<b>1,213 participants</b>
<b>Youth Outreach</b> August 23, October 3	<b>60 attendees</b>
<b>Stakeholder Workshop</b> September 19	<b>21 attendees</b>
<b>Total Touchpoints</b>	<b>7,149</b>

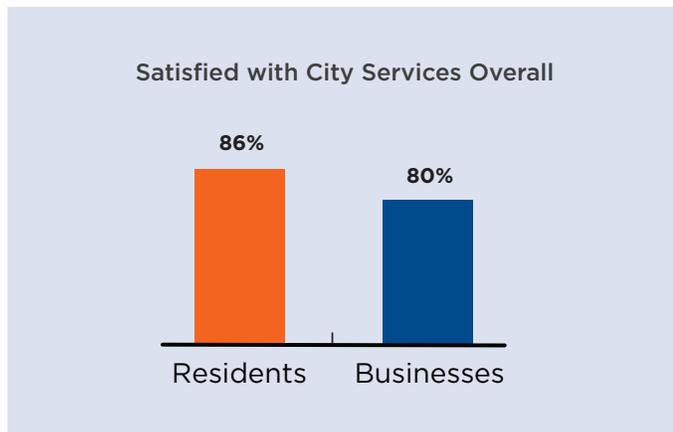
## SUMMARY OF KEY FINDINGS

### Feedback on City Services (across all activities)

Overall, across all public conversations, the City received strong satisfaction ratings among residents and businesses for the provision of specific services. We heard that housing and cost of living continue to be challenging issues for residents and businesses, and have impacted the overall satisfaction with the City of Vancouver’s services.

### Overall Satisfaction with City Services

The majority of respondents (86% of residents and 80% of businesses) are satisfied (combined ‘very/somewhat satisfied’ ratings) with the overall level and quality of services provided by the City of Vancouver.



### Satisfaction with Specific Services

Residents are highly satisfied with many of the tested services, with 14 of the 26 services receiving a satisfaction score of 80% or higher (combined ‘very/somewhat satisfied’ ratings). Of these, the five most satisfactory services (with a rating of 90% or higher) are library services (92%), parks/green spaces (91%), recreation (91%), fire rescue and medical response (90%) and services to enhance parks (90%). Residents are least satisfied with enabling affordable housing (28%), which aligns with their top issue.

More than three-quarters of businesses say they are satisfied (combined ‘very/somewhat satisfied’ ratings) with 10 of the 19 tested services receiving a satisfaction score of 80% or higher. Of these, the four most satisfactory services (with a rating of 90% or higher) are fire rescue and medical response (95%), police services (94%), online payment services (92%), and library services (91%). Businesses are least satisfied with development and building permits (42%).

### Top Issues

When asked which City issues were most important, residents and businesses continue to identify their top three issues as housing/accommodation, infrastructure/transportation and cost of living. The top issues remained for the most part consistent with previous years, with a few exceptions.

### Overall findings – Top Five City Issues

RESIDENTS	BUSINESSES
Housing /Accommodations (48%) [-1%]	Infrastructure/ Transportation (39%) [-5%]
Infrastructure/ Transportation (40%) [-4%]	Cost of living (22%) [-6%]
Cost of living (15%) [-1%]	Housing/ Accommodations (19%) [-9%]
Social Issues (11%) [-2%]	Social Issues (13%) [+5%]
Addiction and Overdoses [+2%] Crime/Criminal Activity [+6%] (9%)	Economy/Economic Issues (12%) [+4%]

### Feedback on City Council’s Priorities

Residents and businesses were asked, across all engagement platforms, to rank in order of relative importance the five priorities identified by Council to guide spending for Budget 2020. Addressing affordability and the housing crisis, and delivering core services were the top two priorities for both residents and businesses. Accelerating action on climate change was third for residents, with protecting and building our economy being the third priority for businesses.

There were, however, some slight variations amongst certain groups—particularly with youth and community service organizations. Accelerating action on climate change was either the top or second priority among half of young people (under 29 years old) across all activities. For community stakeholders, increasing focus on diversity and critical social issues emerged as their second priority, behind delivering core services. The table at right shows how frequently each priority was ranked in the Top 2 for each engagement platform.

**Ranking of Council Priorities Across Platforms**

Budget Priorities	Talk Vancouver Survey		311 Survey	Public Intercepts
	Residents	Business		
Delivery of Core Services	63%	64%	48%	46%
Affordability and Housing	60%	54%	49%	62%
Climate Change	36%	33%	37%	46%
Economy	31%	38%	34%	26%
Diversity and Social Issues	10%	11%	24%	23%

**FEEDBACK ON FINANCIAL MANAGEMENT**

**Perceptions of financial management overall**

Two-thirds (65%) of residents surveyed believe the City’s allocation and use of funds is fair or better (which includes ‘good’/‘excellent’); 60% of businesses believe so.

**Tolerance for Tax Increases**

More than half of resident and business respondents (55% on average) are willing to pay a property tax increase of **up to 2%** to cover the increased cost of maintaining existing programs and services. Additionally, nearly half (49%) of residents and businesses are willing to pay **up to 2%** to cover the costs of improving or adding new services or programs.

**Preferences for balancing the budget**

The public is open to a variety of tools to balance the City’s budget. On average, the measures both resident and business respondents were most likely to support are:

- Introduce new user fees for some City services that currently have no fees (45%)
- Increase user fees for City services that currently have fees (41%)

**Preferences for finding efficiencies**

The majority of resident and business respondents were supportive of the following actions to find more efficiency in how the City provides its services:

- 90% on average support offering **more opportunities to access services online** rather than in person
- 82% on average support the **use of new green techniques** to transform how the City manages its green spaces
- 73% on average support **making more use of online engagement tools** to reduce the time and resources spent on “in-person” consultation, such as open houses

With more than 7,000 total touchpoints, including randomized telephone surveys, online surveys, in-person outreach and small focus groups, the City has used the input from the public engagement to focus investments in the Draft 2020 Budget on the issues that are most important to residents and businesses.

\*For the detailed Engagement Report: please refer to Section III