

Council Approved 2018 Budget and Five-Year Financial Plan

At the December 12, 2017 Council Meeting, Vancouver City Council approved an amended 2018 Operating Budget which includes \$2.45 million additional funding for implementation of the Council-approved Housing Vancouver strategy; support for priority actions regarding Historical Discrimination Against Chinese People in Vancouver, including the Chinatown UNESCO Bid; additional social grants; and an added investment to help reduce development permit wait times. This has resulted in a change to the original proposed property tax increase from 3.9% to 4.24%, raising the 2018 Operating Budget to \$1,407 million.

Updated 2018 Budget Summary

Balanced Operating Budget: \$1,407 million (amended for +0.34% tax increase)

\$ millions	2017 Restated Budget	2018 Approved Budget	Net Change (\$)	Net Change (%)
Revenues	\$ 1,323	\$ 1,407	\$ 84	6.4%
Expenditures & Transfers	\$ 1,323	\$ 1,407	\$ 84	6.4%
Net Operating Budget	-	-	-	-

Capital Budget: \$426.4 million (no change)

2018 Increases - City Property Tax, Fees and Charges

Property Tax	4.24%
Utility Fees (combined)	7.9%
Water	6.0%
Sewer	10.4%
Solid Waste	8.5%
Median single-family home combined municipal property tax and utility fees	5.5%

2018 Increases - All other Fees

Recreation user fees	2.0%
Most other user fees	2.0%
Permit fees*	9.0%

* some permit fees increased at rates higher than 9%

Indicative City Property Tax Impact

Assessed Value of Property (without Land)	Estimated 2018 Tax Bill (CoV Portion)	Change over 2017
Median strata unit assessed at \$609,000	\$775	\$32
Median residential unit assessed at \$1,207,000	\$1,536	\$62
Median single-family unit assessed at \$1,823,000	\$2,320	\$94
Median commercial property assessed at \$704,650	\$3,899	\$159

Indicative City Property Tax and Utility Fee Impact

	Median Single-Family \$1,823,000		Median Business Property \$704,650	
	ESTIMATED 2018 TAX BILL (CoV PORTION)	CHANGE OVER 2017	ESTIMATED 2018 TAX BILL (CoV PORTION)	CHANGE OVER 2017
Property Taxes (4.24% increase)	\$2,320	\$94	\$3,899	\$159
Utility Fees				
Water	\$653	\$37	\$605	\$34
Sewer	\$424	\$40	\$433	\$41
Solid Waste	\$294	\$23	\$235	\$18
Total Utility Fees	\$1,371	\$100	\$1,273	\$93
Total City Taxes and Fees	\$3,691	\$194	\$5,172	\$252

Consolidated Budget ⁽¹⁾ on financial statement basis

\$ millions	2017 Restated Budget	2018 Draft Budget	Net Change (\$)	Net Change (%)
Revenue				
Operating	\$ 1,323	\$ 1,407	\$ 84	6.4%
Capital	\$ 223	\$ 156	\$(67)	(30.2%)
Property Endowment	\$ 50	\$ 51	\$ 1	2.1%
Other Funds	\$ 11	\$ 10	\$ (1)	(9.9%)
All Entities	\$ 57	\$ 58	\$ 1	1.1%
Consolidation Adjustments (1)	\$(13)	\$(11)	\$ 2	(13.1%)
Total Revenues	\$ 1,653	\$ 1,672	\$ 19	1.2%
Expenditures				
Operating	\$ 1,323	\$ 1,407	\$ 84	6.4%
Capital	\$ 223	\$ 156	\$(67)	(30.2%)
Property Endowment	\$ 50	\$ 51	\$ 1	2.1%
Other Funds	\$ 11	\$ 10	\$ (1)	(9.9%)
All Entities	\$ 57	\$ 57	\$ 0	0.8%
Consolidation Adjustments (1)	\$(13)	\$(11)	\$ 2	(13.1%)
Total Expenditures	\$ 1,652	\$ 1,671	\$ 19	1.1%
Reconciliation Adjustments to Annual Financial Statements (2):				
Amortization	\$ 169	\$ 190	\$ 21	12.3%
Capital Additions	\$(412)	\$(348)	\$ 64	(15.5%)
Contributions/Transfers (to)/from reserves	\$ 81	\$(44)	\$(125)	(153.8%)
Debt	\$ 13	\$ 128	\$ 115	915.1%
Total Reconciliation Adjustments	\$(150)	\$(74)	\$ 76	(50.6%)
Total Expenditures per Financial Statement Basis	\$ 1,502	\$ 1,597	\$ 95	6.3%
Excess Revenues over Expenditures per Financial Statement Basis	\$ 150	\$ 75	\$ (76)	(50.3%)

Note: Totals may not add due to rounding.

(1) In order to present financial information on a consolidated basis, financial transactions between funds or entities have been removed.

(2) Public Sector Accounting Board adjustments have been made, including amortization of tangible capital assets, net of debt payments/issues and reserve transfers.

2018 Budget and Five-Year Financial Plan Highlights

Making priority investments for our future

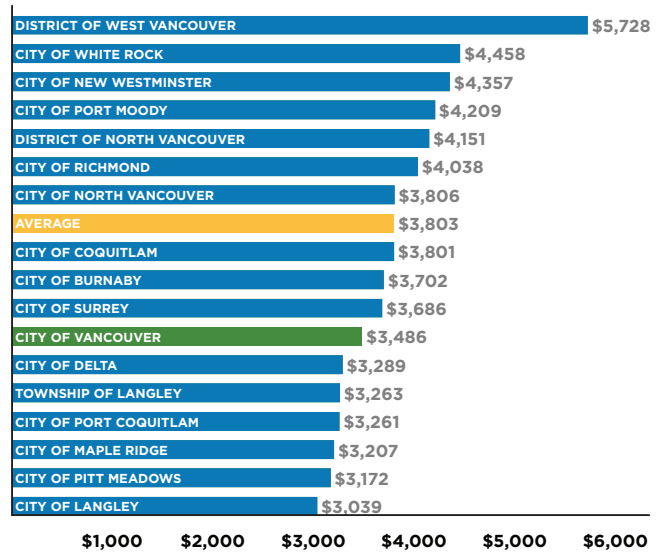
The proposed \$1.405 billion operating budget and \$426.4 million capital budget for 2018 have been developed with the goal of balancing the need to maintain and improve City services, while making the right investments to help meet the future needs of a growing and changing city.

Over the past five years Vancouver has had one of the lowest average property tax increases among Metro Vancouver municipalities, at 2.3 per cent. When combining 2017 municipal taxes with annual utility fee increases, Vancouver is in the mid-range among Metro Vancouver municipalities.

Vancouver is a rapidly growing city that is, in effect, the “downtown core” for our region. We also have an expanding mandate that includes increased costs related to housing, mental health and addictions, and childcare as examples. Our current funding tools are quite limited i.e. property taxes and utility fees. To help address this challenge, we are exploring new revenue tools similar to those already used by other Canadian cities.

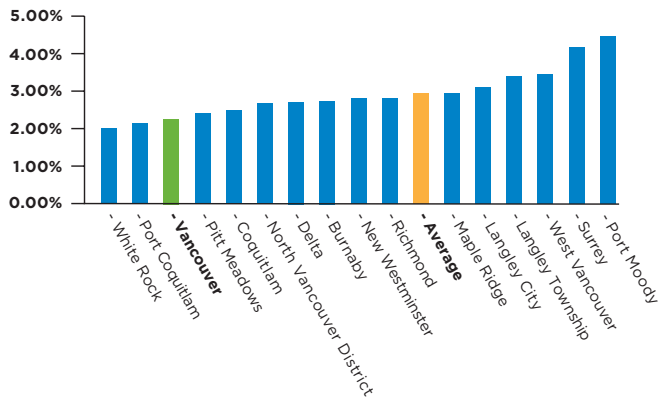
This year’s proposed property tax increase is 3.9 per cent. The majority of the increase (3.3 per cent) is driven by costs related to maintaining City services and service

2017 Combined Municipal Property Tax and Utility Fees for Median Single-Family Home (\$)



Comparing median single-family homes, Vancouver tax and utility fees are mid-range in Metro Vancouver.

Vancouver vs Metro Vancouver Five-Year Average Property Tax Increase (2013-2017)



Comparing five-year average property tax increase, Vancouver is the third-lowest in the region.

levels (e.g. wages, energy, rent, maintenance, and other third-party costs). In addition, there are new investments needed both to make progress on the core issues in our city and to ensure the services most valued by our residents and businesses are improved. These fixed cost increases and new investments have been partially offset by internal cost savings (without service impacts), new fees, and increased revenue from some existing fees. The property tax increase amounts to an extra \$87 annually per median single family home (assessed at \$1.823 million), and \$29 per median strata unit (assessed at \$609,000).

Following our annual public engagement on the 2018 Budget Outlook, we heard back from Vancouver residents and businesses about the issues in our city that are most important to them, as well as their priorities for City spending. We used that input to align our priorities and investments for 2018 and beyond.

Our key priorities for the 2018 Budget and Five-Year Financial Plan are:

Address housing supply, affordability and critical social issues

Significant investments are being made in city-wide community planning to respond to the needs of a growing city, including: helping to bring more affordable housing to market sooner; providing more security and stability for renters; and delivering more housing and services for homeless people including a partnership for more modular housing units. The Empty Homes Tax program and new regulations for short-term rentals will both help free up more rental units. Improvements to City operations, including additional staffing in the building permits and business licence areas, will help reduce wait times.

The effects of the ongoing opioid crisis and other social issues continue to put stress on our systems, our service delivery and our staff. We continue to work with health authorities and other levels of government to manage the impacts of the opioid crisis, while also exploring how we can better support those struggling with addiction and mental health issues.

Improve service and maintain and upgrade streets, utilities and facilities

We continue to balance the need for upgrades to improve transportation and safety - such as those to major roads, public buildings including firehalls, and utilities such as water and sewer - with residents' desire for improvements to amenities in their communities. More snow response equipment is being added to our fleet so that we can better respond to future severe weather events. We are also making needed investments to ensure City facilities and parks are safe and secure.

Continue to build vibrant communities

New and upgraded community centres as well as more parks and open spaces, street activations, a new seniors centre, a new pool, central library renovations, and increased grants for arts and culture will also enhance the communities where we live. Planned increases to the number of childcare facilities will also help more parents balance work and family commitments.

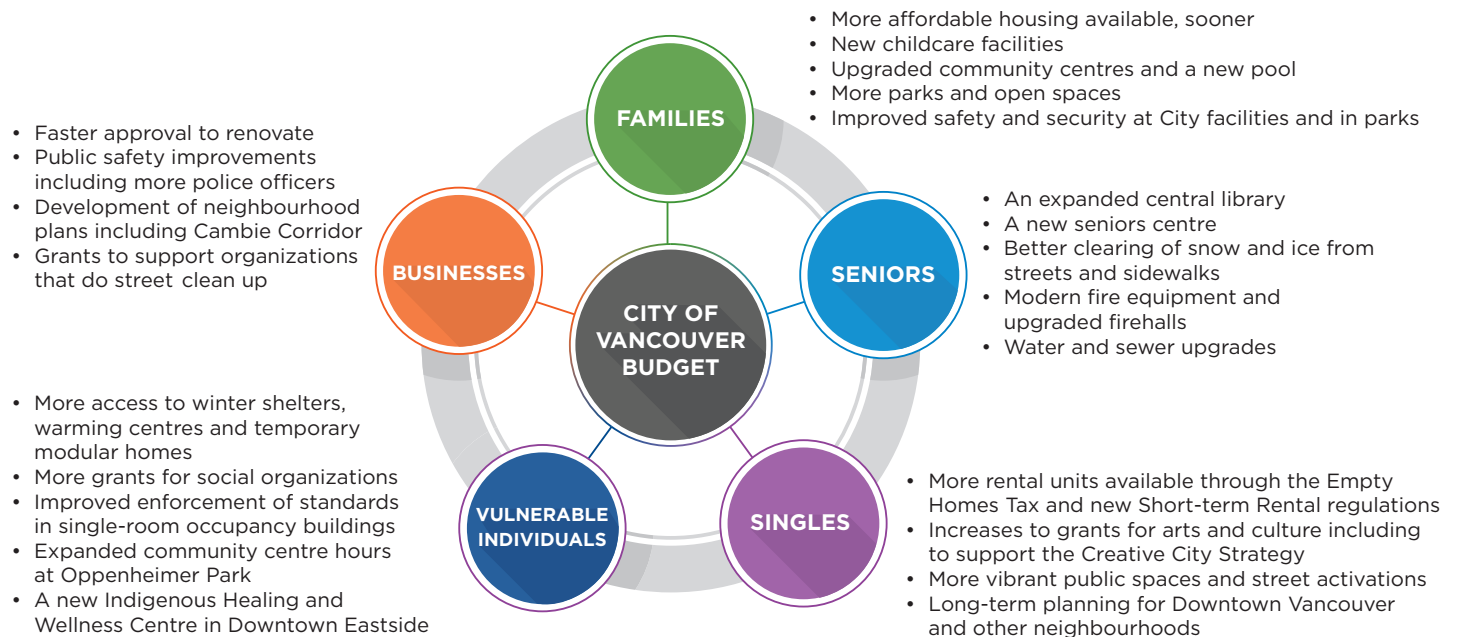
Increase investments in public safety

Vancouver is a safe city and to keep it that way we are adding resources to maintain and improve public safety, including more police officers, along with maintaining and adding more modern firefighting equipment.

How does the City's budget benefit me?*

Don't see yourself in one of these profiles? Check out the Departmental Service Plans for more information about how we are funding services that are important to you.

*not a comprehensive list, examples only



2018 Budget Summary

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

2018 Increases – City Property Tax, Fees and Charges

Property Tax	3.9%
Utility Fees (combined)	7.9%
Water	6.0%
Sewer	10.4%
Solid Waste	8.5%
Median single-family home combined municipal property tax and utility fees	5.3%

2018 Increases – All Other Fees

Recreation user fees	2.0%
Most other user fees	2.0%
Permit fees*	9.0%

*some permit fees increased at rates higher than 9%

Indicative City Property Tax Impact

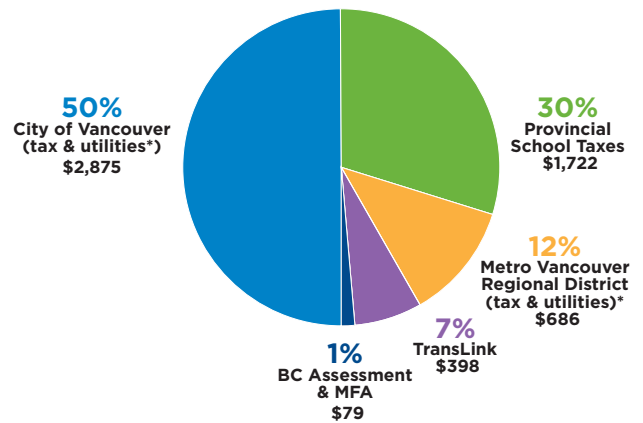
Assessed Value of Property (without Land Assessment Averaging)	Estimated 2018 Tax Bill (CoV Portion)	Change over 2017
Median strata unit assessed at \$609,000	\$772	\$29
Median residential unit assessed at \$1,207,000	\$1,531	\$57
Median single-family home assessed at \$1,823,000	\$2,312	\$87
Median commercial property assessed at \$704,650	\$3,886	\$146

Indicative City Property Tax and Utility Fee Impact

	Median Single-Family Home \$1,823,000		Median Business Property \$704,650	
	ESTIMATED 2018 TAX BILL (CoV PORTION)	CHANGE OVER 2017	ESTIMATED 2018 TAX BILL (CoV PORTION)	CHANGE OVER 2017
Property Taxes (3.9% increase)	\$2,312	\$87	\$3,886	\$146
Water	\$653	\$37	\$605	\$34
Sewer	\$424	\$40	\$433	\$41
Solid Waste	\$294	\$23	\$235	\$18
Subtotal	\$1,371	\$100	\$1,273	\$93
Combined	\$3,683	\$187	\$5,159	\$239

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

2017 Distribution of Taxes and Fees for Median Single-Family Home



* 65% of City water fees and 55% of City sewer fees included in Metro Vancouver share to reflect proportion of Metro costs in rates

2018 Operating, Capital and Consolidated Budgets

Balanced Operating Budget: \$1,405 million

\$ millions	2017 Restated Budget	2018 Draft Budget	Net Change (\$)	Net Change (%)
Revenues	\$1,323	\$1,405	\$82	6.2%
Expenditures & Transfers	\$1,323	\$1,405	\$82	6.2%
Net Operating Budget	-	-	-	-

- The operating budget is described in detail on page 70 of the 2018 Budget and Five-Year Financial Plan document.
- New investments of \$34.7 million are described on page 76 of the 2018 Budget and Five-Year Financial Plan document.

Capital Expenditure Budget: \$426.4 million

\$ millions	2017 Restated Budget	2018 Draft Budget	Net Change (\$)	Net Change (%)
Capital Expenditure Budget	\$448	\$426	\$(22)	(5%)

- The capital budget, including a description of new projects, is located in Appendix A and B of the 2018 Budget and Five-Year Financial Plan document.
- As of 2017 Q3, the forecasted 2017 capital spend is \$397 million.

Consolidated Budget Summary on a financial statement basis

\$ millions	2017 Restated Budget	2018 Draft Budget	Net Change (\$)	Net Change (%)
Revenue				
Operating	\$1,323	\$1,405	\$82	6.2%
Capital	\$223	\$156	\$(67)	(30.2%)
Property Endowment	\$50	\$51	\$1	2.1%
Other Funds	\$11	\$10	\$(1)	(9.9%)
All Entities	\$57	\$58	\$1	1.1%
Consolidation Adjustments (1)	\$(13)	\$(11)	\$2	(13.1%)
Total Revenues	\$1,653	\$1,669	\$17	1.0%
Expenditures				
Operating	\$1,323	\$1,405	\$82	6.2%
Capital	\$223	\$156	\$(67)	(30.2%)
Property Endowment	\$50	\$51	\$1	2.1%
Other Funds	\$11	\$10	\$(1)	(9.9%)
All Entities	\$57	\$57	\$0	0.8%
Consolidation Adjustments (1)	\$(13)	\$(11)	\$2	(13.1%)
Total Expenditures	\$1,652	\$1,668	\$16	1.0%
Reconciliation to Annual Financial Statements (2)				
Amortization	\$169	\$190	\$21	12.3%
Capital Additions	\$(412)	\$(348)	\$64	(15.5%)
Contributions/Transfers (to)/from reserves	\$81	\$(44)	\$(125)	(153.8%)
Debt	\$13	\$128	\$115	915.1%
Total Reconciliation Adjustments	\$(150)	\$(74)	\$76	(50.6%)
Total Expenditures per Financial Statement Basis	\$1,502	\$1,595	\$92	6.1%
Excess Revenues over Expenditures per Financial Statement Basis	\$150	\$75	\$(76)	(50.3%)

- The consolidated budget, and the budgets for the City's various funds and entities, is included on page 140 of the 2018 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 2018 capital budget of \$426.4 million is provided on page 147 of the 2018 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 2018 budget.
- Contributions/transfers to/from reserves and debt change year to year due to timing of debt issuance, repayment, and capital project funding included in the 2018 budget.

The City's strong financial management has been acknowledged by credit rating agencies with the highest credit rating of AAA

Note: Totals may not add due to rounding.

(1) In order to present financial information on a consolidated basis, financial transactions between funds or entities have been removed.

(2) Public Sector Accounting Board adjustments have been made, including amortization of tangible capital assets, net of debt payments/issues and reserve transfers.

Balanced Operating Budget: \$1,405 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

6.2% increase in total revenue

- **\$34.9 million** increase in property tax revenue
- **\$28.7 million** increase in fees and other revenues; including a phased-in cost recovery of approximately \$6.1 million of existing development-related costs previously funded from taxes
- **\$18.1 million** increase in utility revenue

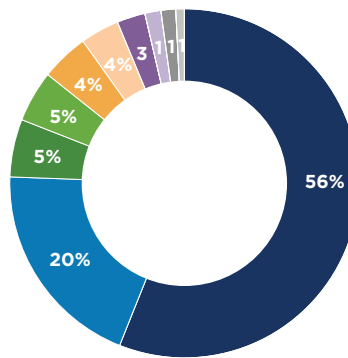
OPERATING EXPENDITURES

6.2% increase in total expenditures

- **\$23.8 million** increase in fixed costs is driven by costs related to maintaining City services and service levels (e.g. wages, energy, rent, maintenance, and other third-party costs); this equates to a 3.3% property tax increase
- **\$23.2 million** increase in expenditures primarily offset by utility fees, user fees, other revenue sources and internal costs savings (without service impacts). These expenditures are primarily driven by utility program expenditures, fully offset by utility fees, include metro utility charges (including site preparation for sewer secondary treatment); renewal of critical City utility infrastructure costs for higher quantities of waste, and contracted costs for receiving and processing organics; and adjustments to expenditures to match more closely with actual recoveries received.
- **\$34.7 million** new investments to address housing supply, affordability and critical social issues; improve service and maintain and upgrade streets, utilities and facilities; continue to build vibrant communities; and increase investments in public safety, including:
 - **\$6.1 million** for additional staffing to reduce wait times for development permits, including \$0.9 million to expedite affordable housing approvals
 - **\$5.8 million** for planning for growth and addressing housing affordability, implementation of Empty Homes Tax, regulating Short-Term Rentals and reviewing existing City regulations and licensing
 - **\$4.1 million** to maintain and improve public safety; including the addition of more police officers and maintenance of modern firefighting equipment
 - **\$3.4 million** for additional resources to respond to homelessness and opioid crisis, including the City’s contribution to a new

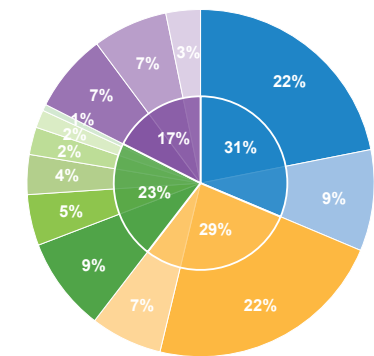
2018 Budget Priorities	2018 Operating Budget New Investments (\$M)
Address housing supply, affordability and critical social issues	\$15.3
Improve service and maintain and upgrade streets, utilities and facilities	\$9.1
Continue to build vibrant communities	\$6.1
Increase investments in public safety	\$4.2

2018 Operating Revenues (\$1,405 Million)



- 56% | Property taxes
- 20% | Utility fees
- 5% | Licence and development fees
- 5% | Parking
- 4% | Program fees
- 4% | Cost recoveries, grants and donations
- 3% | Rental, lease and other
- 1% | Bylaw fines
- 1% | Revenue sharing
- 1% | Investment income

2018 Operating Expenditures by Service Area (\$1,405 Million)



- PUBLIC SAFETY**
 - 22% | Police
 - 9% | Fire
- ENGINEERING & UTILITIES**
 - 22% | Utilities
 - 7% | Engineering Public Works
- COMMUNITY-RELATED SERVICES**
 - 9% | Parks & Recreation
 - 5% | Community Services
 - 4% | Library
 - 2% | Development, Buildings & Licensing
 - 2% | Planning, Urban Design & Sustainability
 - 1% | Other
- CORPORATE SUPPORT**
 - 7% | Corporate Support
 - 7% | Debt & Capital (Non-Utility)
 - 3% | Contingencies & Transfers

Indigenous Healing and Wellness Centre; a drug containment facility; additional micro-cleaning grants; expanded access to leisure access program; a reconciliation Coordinator in Parks Board; improved process for non-profit organizations leasing city facilities and increased social grants

- **\$2.8 million** for improved safety and security at City facilities and parks
- **\$2.5 million** for Utilities investments to repair aging infrastructure, maintain

equipment, and support the One Water Strategy

- **\$2.3 million** for planning and consultation for vibrant communities (including People for Places Downtown, Civic health hub, Waterfront hub, Vancouver economy and employment lands)
- **\$0.6 million** increase to arts and culture grants including grants to support the Creative City Strategy

Total Capital Expenditures in 2018: \$426.4 million

The 2018 capital budget builds from last year, as a number of major projects move from early construction phases to implementation or final construction phases. 2018 is the final year of the 2015-2018 Capital Plan.

For 2018, the total funding request for new Multi-Year Capital Project Budget is \$282.0 million. It is anticipated that \$175.9 million of this funding will be spent in 2018.

\$46.3 MILLION IN AFFORDABLE HOUSING

- Redevelopment of Roddan Lodge and Evelyne Saller Centre **\$8.2 million**
- Capital to support Vancouver Affordable Housing Agency projects **\$5.5 million**
- Acquiring land for affordable housing **\$7.4 million**
- Social housing in the Southeast False Creek Area 3B **\$2.7 million**

\$187.7 MILLION IN UTILITIES AND TRANSPORTATION

- Sewer main replacement **\$29.5 million**
- Western 40 Hectare and Phase 3 Closure of Vancouver Landfill **\$26.0 million**
- Bikeways and greenways **\$17.3 million**
- Water distribution main replacement **\$9.9 million**
- Snow Readiness capital improvements **\$3.4 million**
- Detailed design for construction of Arbutus Corridor **\$2.8 million**
- Georgia/Dunsmuir Viaduct Removal Phase 1 Planning **\$2.2 million**

\$39.0 MILLION IN EQUIPMENT AND TECHNOLOGY

- Vehicles and equipment replacement program **\$17.8 million**
- IT infrastructure maintenance, upgrade & expansion **\$6.7 million**
- Fleet software replacement **\$2.5 million**

- Hardware Refresh Program (desktops/laptops, monitors) **\$2.7 million**
- Parking enforcement ticket manager platform replacement **\$0.6 million**

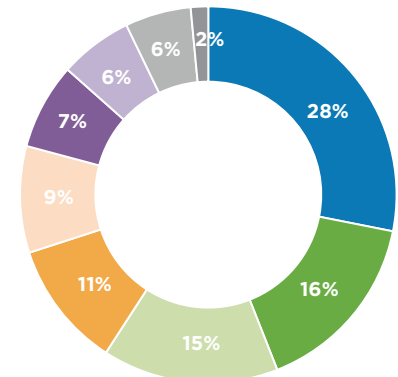
\$64.7 MILLION IN PARKS, OPEN SPACES AND RECREATION

- New park in Downtown South at Smithe & Richards Streets **\$5.5 million**
- Stanley Park waterfront and seawall upgrade **\$3.4 million**
- Golf course improvements **\$3.5 million**
- Riley Park Pavillion and Farmers Market **\$0.5 million**
- Planning and design for a new outdoor pool **\$0.8 million**
- Planning for renewal of Marpole-Oakridge Community Centre (Total project budget \$2.0 million) **\$0.6 million**
- Renovations and upgrades of 5 park washroom facilities **\$2.4 million**

\$58.3 MILLION IN CIVIC AND COMMUNITY FACILITIES

- Replacement of Fire Hall No. 5 (including Social Housing) **\$10.3 million**
- Expansion of public space at Central Library **\$6.8 million**
- Renewal of Fire Hall No. 17 **\$6.0 million**
- Pre-move work in advance of the relocation of City of Vancouver Archives to Central Library **\$1.5 million**
- Drug Containment Facility and Equipment for Vancouver Police Department **\$0.7 million**

2018 Capital Budget Expenditures \$426.4 Million



\$24.2 MILLION IN CHILDCARE

- Construction of Childcare projects in partnership with Vancouver School Board **\$11.8 million**
- Childcare facilities at Water Street and Cordova Street parkades **\$5.4 million**
- Childcare facilities at Richards Street and Pacific Boulevard (City funding contribution) **\$2.6 million**
- Kitsilano Montessori Daycare (City funding contribution) **\$2.5 million**



2018 Budget Outlook Public Engagement Summary

The City of Vancouver's annual budget process offers multiple opportunities for public input and encourages dialogue on city-wide priorities and top issues, feedback on City service levels, and input to help 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, meetings, and face-to-face activities in neighbourhoods across the city. The following summarizes our approach to the consultation, who participated, and the top level findings.

Who Was Reached?

The City reaches out broadly to residents, business owners and community organizations during its engagement on the budget priorities. The budget engagement opportunities were promoted broadly using print and social media advertising, a media announcement, the City's website, email and social media posts.

Consultation activity	Number of Participants
Online Budget and Service Satisfaction Survey+ September 26-October 13, 2017 Members of the Talk Vancouver panel received an email invitation to participate in the survey, and other members of the public were also encouraged to complete the survey through online and newspaper advertising and through our research firm's local forum. The survey was also made available in Traditional Chinese.	3,356 (2,674 residents) (682 business owners)
Budget Road Show (interactive educational activity) October 9, 18 and 19 To encourage more dialogue with residents, we convened another nine sessions over three dates in October at local grocery stores, community centres, libraries and neighbourhood houses.	337
Stakeholder workshop, October 14, 2017 Members of advisory committees, community organizations, BIAs.	15
Total touchpoints	3,708

+To ensure the questionnaire sample was reflective of the overall Vancouver population, the City monitored demographic representation and set targets where needed. For resident respondents, targets were set for age, gender and the five geographic regions of the city: Downtown, the Northeast (north of 16th Avenue and east of Main Street), the Northwest, the Southeast and the Southwest. Weighting was used to ensure participation matched the 2016 Statistics Canada Census data for residential Vancouver. For businesses, the City collected input from owners/operators of businesses of varying size (by employee count) and targets were set to help ensure small, medium and large businesses in the City were represented.

Key Findings

Survey

Our online survey results include responses from both residents and businesses.

Top Issues

When asked which City issues were most important to them, residents and businesses agreed the top two issues were: cost of living (residents: 55% business owners: 50%) and housing/accommodation (residents: 55% business owners: 45%). The third most important issue for residents was addiction and overdoses (30%) while business owners ranked infrastructure/transportation as their third most important issue (30%). It should be noted that "addictions and overdoses" was a new option separated out from the more general "social issues" to reflect the ongoing opioid crisis, a major area of focus for the City in 2017. The public's

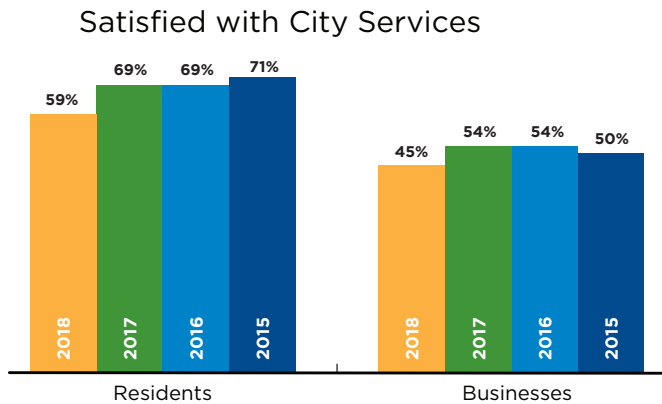
high rating of this issue reinforces the importance of continuing to work with various stakeholders, including health authorities and other levels of government, to address the impacts of the crisis.

Overall findings - Important City issues

RESIDENTS	BUSINESSES
Cost of living (55%)	Cost of living (50%)
Housing/accommodations (55%)	Housing/accommodations (45%)
Addictions and overdoses (30%)	Infrastructure/transportation (30%)
Development (30%)	Development (26%)
Infrastructure/transportation (28%)	Addictions and overdoses (22%)

Overall satisfaction with City Services

The majority of residents (59 per cent) said they were satisfied (based on a rating of 8, 9 or 10 out of 10), a 10-percentage-point drop from last year’s survey, while business owners in Vancouver reported relatively lower satisfaction at 45%, a nine-point drop from last year. This year’s survey result does not reflect the trend of the past three years, and could be attributed in part to the timing of the survey during the fall by-election.



Satisfaction with specific services

The City received the strongest satisfaction ratings for provision of basic services (sewer, water and drainage), fire prevention and responding to medical calls, and providing access to library resources.

The following service areas were those with the lowest satisfaction rates: enabling affordable housing; planning for and managing residential, commercial and industrial development; and permits, inspections and enforcement (e.g., building, renovation, business licence, parking, dogs, etc.).

Preferences for how to balance the budget

The public is open to a variety of tools to balance the City’s budget. Online survey respondents were most likely to select measures related to increasing user fees or decreasing personnel (without impacting service levels). On average, the measures both residents and businesses were more likely to support are:

- Introduce new user fees for some City services that currently have no fees (46%);
- Increase user fees for City services that currently have fees (40%); and
- Reduce level of staff/personnel providing services (39%).

Both residents and businesses also said they were willing to pay more in user fees for services they or their business use (on average, 65%).

Stakeholder Meeting

Our dialogue session with stakeholders reflected that members of key stakeholder communities (seniors, LGBTQ2+, people with disabilities) are looking for leadership on housing, affordability, equity and accessibility of services and support for marginalized communities. Several Business Improvement Associations in attendance flagged challenges related to public safety and street disorder, often as a result of poverty and mental health and addiction issues in the downtown core.

In terms of public services, participants were hesitant to endorse eliminating services or reducing service levels in order to save money. When offered a trade-off, they preferred the strategy of raising fees and gave the examples of increasing the cost of business licences and development permits. There was also discussion of the need for increased advocacy and collaboration with the provincial and federal governments to increase funding to address local housing and public transportation infrastructure.

Community Outreach

The 337 community participants who participated in a LEGO learning and voting exercise at public venues around Vancouver ranked the following as their top three priority issues in the City:

Housing	58%
Social Issues	44%
Cost of Living	48%

Across all public conversations, we heard unequivocally that housing and cost of living remain linked, they continue to be challenging issues for residents and businesses, and have negatively affected the overall satisfaction with the City of Vancouver’s services.

The City has used the input from the public engagement on the Outlook to help set priorities for the 2018 Budget and Five-Year Financial Plan to focus investments on the issues that are most important to residents and businesses, as well as to the areas where residents and businesses have told us service improvements are needed.