

For Immediate Release

June 18, 2025

Vancouver City Council passes 2026 budget outlook, staff to prepare three budget scenarios

VANCOUVER – Today, Vancouver City Council passed the 2026 Budget Outlook, allowing Vancouver City staff to take the next step in development of the 2026 operating budget.

In recognition of uncertain economic conditions, Mayor Ken Sim introduced a motion to ask city staff to prepare a budget based on three possible scenarios:

- An operating budget scenario based on a 2.5% property tax increase.
- An operating budget scenario based on a 1.5% property tax increase.
- An operating budget scenario based on a 0.0% property tax increase.

The three scenarios are in addition to Council's prior direction to incorporate a 1% increase for infrastructure renewal. The Mayor's motion passed with support from Councillors Lisa Dominato, Sarah Kirby-Yung, Mike Klassen, Lucy Maloney, Peter Meiszner, Brian Montague, and Lenny Zhou.

"In past budgets, Council made tough choices to boost funding for frontline and core services like firefighting, policing, sanitation, and maintenance of public spaces," said Mayor Ken Sim "Between worsening global economic conditions and continued downloading of costs, we need to prepare for a variety of scenarios looking forward."

The City of Vancouver has faced budget pressures as a result of downloaded costs from the Provincial and Federal government to the tune of over \$200 million annually.

"The impact of downloaded costs has put the City in a challenging financial position," continued Mayor Sim "We were counting on over \$7 million in annual savings from the Park Board transition. That one change alone could have lowered the property tax increase by about 1%."

As budget planning begins, the City will focus on supporting economic activity and building long-term financial stability while addressing the need to maintain services amidst an uncertain economic climate.

"This is about beginning the work to understand where savings could come from without making cuts to frontline staff or city service levels," concluded Mayor Sim. "It is vitally important that we look out for the interest of Vancouver taxpayers while doing everything we can to protect the services people rely on."

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