

These minutes will be approved at the Regular Council meeting on March 13, 2007.



REPORT TO COUNCIL

SPECIAL STANDING COMMITTEE OF COUNCIL ON CITY SERVICES AND BUDGETS

FEBRUARY 20, 2007

A Special Meeting of the Standing Committee of Council on City Services and Budgets was held on Tuesday, February 20, 2007, at 7:30 p.m., in the Council Chamber, Third Floor, City Hall.

PRESENT: Councillor Peter Ladner, Chair
Mayor Sam Sullivan
Councillor Suzanne Anton
Councillor Elizabeth Ball
Councillor David Cadman
Councillor Kim Capri
Councillor George Chow
Councillor Heather Deal
Councillor B.C. Lee
Councillor Raymond Louie, Vice-Chair
Councillor Tim Stevenson

CITY MANAGER'S OFFICE: Judy Rogers, City Manager
Brent MacGregor, Deputy City Manager

CITY CLERK'S OFFICE: Laura Kazakoff, Meeting Coordinator

1. 2007 Operating Budget: Interim Estimates (File 05-1000-30)

At its meeting on February 13, 2007, Council received the Administrative Report dated February 6, 2007, entitled "2007 Operating Budget: Interim Estimates" for information and postponed decision on the recommendations in that report to the Regular Council meeting on February 27, 2007, following a special Standing Committee meeting to hear from speakers scheduled for February 20, 2007.

Accordingly, the Committee had before it the above-noted Administrative Report in which the General Manager of Corporate Services/Director of Finance, in consultation with the Corporate Management Team brought the updated estimates in the 2007 Operating Budget to Council, recommended approval of a series of new funding requests, put other new funding requests forward for consideration, and proposed a series of budget adjustments to provide Council options to reduce the property tax increase to 4% including new funding requests.

The following expressed concerns with one or more component of the proposed 2007 Operating Budget:

Commissioner Marty Zlotnick, Park Board, Chair of Finance Committee
Paul Faoro, President, CUPE 15

Rider Coeey
Joan Anderson, Chair, Vancouver Public Library Board
Celena Benndorf
Sharon Townsend, South Granville Business Improvement Association
Cheryl Easton, Point Grey Village Business Improvement Association (materials filed)
Paul Sullivan, Chair, Vancouver Fair Tax Coalition Technical Committee
(materials filed)
Bob Laurie, Vancouver Board of Trade & Co-Chair, Vancouver Fair Tax Coalition
(materials filed)
Deanna Geisheimer, Art Works Gallery (materials filed)
Ed DesRoches, Co-Chair, Vancouver Fair Tax Coalition
Bill Rempel, Downtown Business Improvement Association (materials filed)
Leonard Schein, Cambie Village Business Improvement Association
Laura Jones, Vice-President, BC & Yukon, Canadian Federation of Independent
Business (materials filed)
Liv Fredrickson, Policy Analyst, BC & Yukon, Canadian Federation of
Independent Business
Betty Lou Pacey, BL Innovative Signs and Lighting
Federico Fuoco, Commercial Drive Business Improvement Association
Joe Cvetkovich
Ann Grant
Anita Zaenker, Friends of Vancouver Public Library
Neil Monkton, Think City (materials filed)
Randy Puder
John Shayler
Justine Davidson, COPE Subcommittee on Housing
Dex Thompson

Comments provided by the foregoing speakers included the following:

- several speakers expressed concerns with regard to proposed budget adjustments put forward for consideration in appendix 3 and 4 of the report:
 - proposed funding reductions to parks and recreation will result in deteriorating appearance of parks, reduced park amenities, increased litter, reduced turf maintenance; and reduction in beach lifeguards will mean decreased public safety;
 - proposed budget adjustments will adversely impact public service levels;
 - do not see logic in proposing cuts to a program which contributes to employee health;
 - concern expressed regarding proposed reduction of \$75,000 to Vancouver Public Library collections budget and auxiliary staffing funding; request Council retain this funding for library system; all citizens have access to public libraries and spending on libraries is an investment that amortizes over generations;
 - concern expressed regarding reductions to Climate Change Action Plan;
- should be doing more for Homeless Action Plan than just reinstating to 2006 levels;

- there is an immediate need for provision of supportive housing; there are a lot of hidden costs associated with inadequate housing for mentally ill and drug-addicted persons;
- recommend City adopt zero-based budgeting; should focus on ways to reduce taxes while improving services - tap into revenue growth opportunities and take advantage of reducing operational inefficiencies, of which there are many in the City; low animal control revenues, for example, should be investigated;
- concerns expressed regarding creation of an Olympic Legacy Reserve Fund:
 - any legacy money should be put toward improving housing situation in downtown eastside;
 - should not approve Reserve Fund until it is known where the \$5 million annually will come from and how it will be used;
- concerns expressed regarding the budget process:
 - inadequate public consultation process, notification and advertisement of the public meetings, and distribution of City Choices brochure;
 - public should be allowed to speak again when final estimates report is considered;
 - citizens need to have a say in setting priorities for the kind of city they want;
 - Police Department budget request was not included in City Choices, and was only made available as of last week;
- concerns expressed regarding proposed increase to Police Department budget:
 - question methods used in calculating statistics on police response times put forward to justify request for more officers, for example the use of averages and the exclusion of response times less than one minute and inclusion of response times of 8 and 9 hours (up to 10 hours);
 - question whether increasing officers will result in decreased crime; must deal with root causes of crime such as homelessness and social issues;
 - support for neighbourhoods and communities is more effective in long run than increased policing;
 - should be no increase in budget until Police Department agrees to independent review of its policies and practices;
- several speakers expressed concerns with regard to an increase in commercial property tax rates, in particular in relation to small businesses:
 - support expressed for consumption-based taxation; recommend independent professional review of consumption levels in city with a comparison to other cities in GVRD and BC;
 - growing residential property base and conversion of commercial to residential has resulted in a shifting of taxes onto commercial;
 - for every new condo unit built approximately \$1000 must be subsidized through commercial taxes;
 - recommend freezing non-residential taxes for two years;

- businesses that lease their properties pay the same high taxes as owners, yet do not benefit from increasing assessed values;
- high commercial taxes have resulted in businesses closing all across city;
- businesses make up approximately 15% of properties in Vancouver yet pay 55% of the taxes; and
- should investigate initiatives, such as an inter-municipal business license, to reduce municipal processes and lighten tax load on small businesses.

Laurie Guy, Alliance for Arts and Culture, thanked Council for past year's increase to arts budget, noting a commitment to arts funding benefits the entire city and is an investment in the future.

Margaret Campbell and Brad Wray, of Mount Pleasant Cares, spoke in support of recommendations to create new staff positions to support area planning initiatives, noting Mount Pleasant is in particular need of the social planning aspect of the initiatives.

During the hearing of speakers, Brent MacGregor, Deputy City Manager, Jacquie Forbes-Roberts, General Manager of Community Services, Annette Klein, Director of Budget Services, and Pat Wotherspoon, Assistant Director of City Plans, responded to questions regarding concerns raised by the foregoing speakers.

Note from Meeting Coordinator: The hearing of the public was concluded and discussion and decision on the Administrative Report dated February 6, 2007, entitled "2007 Operating Budget: Interim Estimates" is scheduled for the Regular Council meeting on February 27, 2007.

The Committee adjourned at 10:14 p.m.

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CITY OF VANCOUVER

SPECIAL COUNCIL MEETING MINUTES SPECIAL STANDING COMMITTEE OF COUNCIL ON CITY SERVICES AND BUDGETS

FEBRUARY 20, 2007

A Special Meeting of the Council of the City of Vancouver was held on Tuesday, February 20, 2007, at 10:14 p.m., in the Council Chamber, Third Floor, City Hall, following the Special Standing Committee on City Services and Budgets meeting, to consider the recommendations and actions of the Committee.

PRESENT:

- Mayor Sam Sullivan
- Councillor Suzanne Anton
- Councillor Elizabeth Ball
- Councillor David Cadman
- Councillor Kim Capri
- Councillor George Chow
- Councillor Heather Deal
- Councillor Peter Ladner
- Councillor B.C. Lee
- Councillor Raymond Louie
- Councillor Tim Stevenson

CITY MANAGER'S OFFICE: Judy Rogers, City Manager
Brent MacGregor, Deputy City Manager

CITY CLERK'S OFFICE: Laura Kazakoff, Meeting Coordinator

COMMITTEE OF THE WHOLE

MOVED by Councillor Stevenson
SECONDED by Councillor Anton

THAT this Council resolve itself into Committee of the Whole, Mayor Sullivan in the Chair.

CARRIED UNANIMOUSLY

COMMITTEE REPORTS

Report of Standing Committee on City Services and Budgets
February 20, 2007

Council considered the report containing the recommendations and actions taken by the Standing Committee on City Services and Budgets. Its items of business included:

1. 2007 Operating Budget: Interim Estimates

Item 1

MOVED by Councillor Chow

THAT the actions taken by the Standing Committee on City Services and Budgets at its meeting of February 20, 2007, as contained in item 1, be approved.

CARRIED UNANIMOUSLY

RISE FROM COMMITTEE OF THE WHOLE

MOVED by Councillor Deal

THAT the Committee of the Whole rise and report.

CARRIED UNANIMOUSLY

ADOPT REPORT OF COMMITTEE OF THE WHOLE

MOVED by Councillor Lee
SECONDED by Councillor Ball

THAT the report of the Committee of the Whole be adopted.

CARRIED UNANIMOUSLY

The Council adjourned at 10:15 p.m.

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