

CONFIDENTIAL

MEMORANDUM

December 12, 2016

TO: Mayor and Council

CC: Sadhu Johnston, City Manager
Paul Mochrie, Deputy City Manager
Janice MacKenzie, City Clerk
Lynda Graves, Manager, Administration Services, City Manager's Office
Rena Kendall-Craden, Director, Communications
Kevin Quinlan, Chief of Staff, Mayor's Office
Katie Robb, Director, Communications, Mayor's Office
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Ben Russell, Director, Financial Planning and Analysis
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FROM: Patrice Impey, General Manager, Finance, Risk and Supply Chain Management

SUBJECT: 2017 Capital and Operating Budget and 5 Year Plan - follow-up answers

Dear Mayor and Council,

On Wednesday, December 7, 2016 a Special Council Meeting was held at which the 2017 Capital and Operating Budget was presented to Council. Following that meeting, a number of questions relating to the budget were submitted by Councillors. The purpose of this memo is to provide a response to submitted questions.

The questions have been documented below and responses have been provided.

Questions to Staff - 2017 Budget - for Council Meeting Dec 13, 2016

1. Dec 5 Memo “Fentanyl Crisis and 2017 Budget Options”

- a. **Q: What would 0.5% increase to property tax mean in dollars to median homeowner/commercial property owners? (Based on 2017 Budget Highlights document page 2)**
A: The Impact of additional 0.5% tax is shown below:
- Median strata unit +\$4
 - Median residential unit +\$7
 - Median single-family unit +\$11
 - Median commercial property +\$19
- b. **Q: Section 3 (b) (b) of the Memo identifies as a potential action: additional staff to enable less overtime and/or time off for staff (cost per staff varies \$60K to \$90K per staff). Does this refer to VFRS staff or other staff?**
A: This was intended for any front line staffing (including VFRS) if they found overtime or time off was an issue and if this was the best response. This request would come back to Council in a report from staff.
- c. **Q: What is the timeline on the report back on additional actions to respond to the Fentanyl Crisis?**
A: The memo dated December 5, 2016 on the Fentanyl Crisis and 2017 Budget Options - RTS 11787 highlights potential additional actions on Page 2. Staff will bring back one or more reports to Council outlining recommended actions that would require funding from Council Contingency, the first of which would be in January/February 2017.
- d. **Q: Chief McKearney indicated in response to my question regarding consulting with IAFF18 and front-line firefighters, that they would be consulted. Please outline the process that would enable that. Is there direction needed from Council to ensure that this happens?**
A:
- Senior Operation Managers have met with all four shift Captains and Firefighters to discuss options to reduce workload and duplication of response effort. This has included some senior managers participating in ride along with the crews at # 2 fire hall to better understand the needs.
 - The Battalion Chiefs of District 1 have been directed to consult with the Captains of fire hall # 2 each set of shifts (4 days) and report out call volumes and concerns to Operations Division.
 - The Fire Chief has directed the Assistant Chief Operations (exempt manager) to meet directly with # 2 fire crews each set to discuss any issues. The Officers and crew on all four shifts at # 2 fire hall support the current actions including rotating staff out of # 2 in under 12 months, providing a third Medic Unit at # 2 until the current call volumes diminish to a reasonable level, and stop responding to overdose incidents where

there are trained clinicians, nurses such as Insites and the new Mobile Medical Unit (MMU).

- The Union will be informed of the ongoing actions related to the Fentanyl crisis and this issue will remain as a standing item on the monthly Labour Management agenda to discuss ongoing actions.
- Senior Managers will continue to meet with the Officers and crew at # 2 fire hall on a regular basis as well as participate in responding with the crews to incidents. The Fire Chief will personally participate in three more ride along this month with our # 2 crews.
- The Fire chief does not believe direction from Council is necessary or appropriate given the ongoing efforts of VFRS managers and staff. Further, VFRS and Local 18 are currently involved in contract negotiations and Council should be cautious when directing how Management will conduct operations and deploy resources, including how Management should or will engage the Union and staff.

2. Questions Arising from Speakers

- a. **Q: Is there direction needed from Council in voting on the budget on December 13 to ensure that the additional \$1.2 million requested by the Park Board in the 2017 Capital Budget to enable completion of 5 washroom renewal projects currently in progress will be included in the first quarterly capital budget update in 2017?**

A: Council direction is not required as the Park Board has made a recommendation and parks staff will action that request for the next quarterly update. The development of the project scope with timeline and metrics and appropriate funding sources would be done at that time.

- b. **Q: What are Council's options to respond to the request of many speakers on Wednesday to raise the City's funding for arts and culture organizations by \$2.2 million?**

A: Staff do not recommend altering the budget in 2017. With a new Managing Director of Cultural Services arriving in 2017, their first task will be to update and re-think the Cultural Services strategy and revisit the City's programs supporting it. Please refer to Arts and Culture memo to council for additional information.

3. Overall 2017 Budget and Five-Year Financial Plan Highlights

- a. Page 1 notes the need for added investment to address challenges of a growing city. CoV has the lowest tax increase in all of Metro Van except White Rock.

Q: Will it be possible to meet the increased demand for services if we hold tax increases to just above inflation, given that inflationary increases do not cover growth demands?

A: Staff recommendation as noted in the proposed budget is to increase taxes above the rate of inflation at this time. Given the wage increase for VPD (almost 1% tax increase for that item alone) as well as other fixed cost pressures, maintaining a tax increase of 2% would require holding vacancies to reduce staffing, which would not address increased demand for services and may impact existing services.

Q: In general, how do we assess the need for a tax increase vis-à-vis our growth rate?

A: Staff consider: fixed cost increases including wages, metrics which need improvement, productivity improvements, and investments to meet changes in demand and to support council goals and priorities.

- b. Page 2 notes \$8.5 million increase in utility revenue, but \$10 million increase in utility program expenditures.

Q: In spending more than the new revenue, where are we drawing the money from and should we be raising utility fees more to cover this spending?

A: No, the \$1.5M difference between the increase in utility expenses and the corresponding increase in utility revenues is due to the portion of the sewer system expenditures (approximately 37%) that are covered by property taxes as they relate to the storm system. The City of Vancouver's sewer system has two main components. The sanitary system collects wastewater from homes and businesses, while the storm system handles surface run-off from private and public property. Currently the sewer utility rate covers the sanitary sewer system while the storm system is funded through property taxes.

- c. Sewer Main Replacement/Separation is our top capital expenditure (p. 111).

Q: Are we prioritizing sections with climate change and rising sea levels in mind?

A: Yes, we are prioritizing projects with climate change and rising sea levels in mind. We recently updated our storm design criteria with up-to-date storm data and climate change projections for storm intensity and frequency data. Our main criteria are:

- aging infrastructure
- elimination of combined sewer overflows into our surrounding waterways
- areas that have experienced flooding

The highest priority projects will combine all of these criteria.

- d. **Major 2017 park projects on p. 116 don't include a Fraser River/Marpole park.**

Q: It's in the 2015-2018 Capital Plan: is there a reason why not this year?

A: A new park in the Marpole/Fraser River area is in the capital plan and is a priority for the Park Board. The most significant hurdle is the acquisition of sufficient land space in the area. Until a site is identified, funds will not be specifically set aside in the capital budget for the development of the Park. Staff continue to monitor the area for potential sites, and in the event a suitable site can be identified, additional capital funds will be requested as part of the Capital Adjustment process to fund the land acquisition and any deconstruction/greening. Sufficient funds for land acquisition are available through DCLs. Park construction costs will be budgeted after scope and design have been determined.

- e. **A substantial upgrade is planned for the Stanley Park Seawall (p. 116).**

Q: To what sea-level rise level is the upgrade planned?

A: The current plans for Seawall Upgrades are related to recurring maintenance to maintain the safety and longevity of the existing Seawall and to address climate change impacts such as the increased frequency and magnitude of storm events. The current budget does not provide funds to make any fundamental changes to the Seawall to upgrade for the potential impacts of sea-level rise. However, there is potential for Federal Grant programs to fund an increased scope for this project in the next two years, and should funds become available, 2 sections of seawall, at English Bay and at Second Beach Pool in Stanley Park will be rebuilt with sea level rise in mind. Designs for these two sections are being developed by marine coastal and marine structural engineers with input from the City's Sustainability and Engineering Departments. Appropriate course of action across the City to protect against sea-level rise is currently being evaluated by City and Park Board staff. Capital Budget for remediation for sea-level rise will be considered for inclusion in the next Capital Plan once the sea-level rise study and assessment is complete, and work is scoped.

4. Part II: Department Service Plans

A. Vancouver Police Department:

Vancouver Police Department:

- a. **Q: Total crime rate has gone up 16.7% in the last year (p. 154) yet satisfaction rate with police service has gone up, too. Please explain.**

A: The VPD's annual community satisfaction survey is conducted by an independent research firm and it is comprised of 800 randomly called Vancouver residents and 400 randomly called Vancouver businesses. Overall satisfaction is high with the VPD and its services despite the fact that there has been a significant spike in crime which is attributable to an increase in property crimes such as theft from automobiles.

The survey asks respondents to provide feedback about their perceptions of the VPD on a number of themes such as: the VPD's responsiveness to community needs; respondents' perceptions about neighbourhood safety, and; respondents' assessment of the performance of VPD staff. For example in the 2015 survey, 72% of both business and residential respondents felt the VPD did a good job of responding to community needs, while 90% of business respondents and 81% of residential respondents who had contact with VPD staff were satisfied with the service provided.

The VPD is responsible for public safety and crime is just one aspect of public safety. Although there has been a significant increase in property crime, it is reasonable to conclude that survey respondents are mindful of the fact that the VPD provides a wide array of reactive, proactive, and preventative services, while VPD staff conduct themselves professionally. For example, the VPD apprehends a person under section 28 of the Mental Health Act every three hours (on average), along with many calls for missing children or elderly, responding to all types of disputes between neighbours or tenants and landlords, disturbances, public disorder issues, and checking on the health of people at the request of a concerned citizen - just to name a few. In fact, approximately two thirds of the VPD's calls for service are about matters that are not criminal in nature, but could have escalated to criminality or had an impact on the safety of individuals or the public in general, if not for police intervention.

- b. **Please explain the steady increase in traffic incidents with fatalities and injuries. (p. 154) I've noticed more cars running red lights and turning well after lights have changed, more pedestrians crossing streets after lights have turned red, more congestion related to lack of enforcement of these rules of the road.**

A: It must be first stated that any traffic-related fatality is one too many. With that in mind, it is useful to examine historical traffic fatality data to

better place into context the current trends. Between 1990-1999, the average number of annual traffic fatalities was 35, while between 2000-2010 the average was 25. Between 2010 and year-to-date for 2016, the average number is 15. This year's number of fatalities is typical for this decade, but far fewer than previous decades, and despite the fact that Vancouver's population has grown by approximately 35% since 1990.

Data specific to traffic incidents that result in injuries (but not death) must be interpreted with caution because ICBC has recently revised its claims database which impacts data on such incidents beginning in 2014. The VPD relies on this ICBC database to assess traffic injury incidents in Vancouver and because of the database's infancy, results are currently not reliable.

Q: Is there a plan to tackle this problem: more traffic officers? More enforcement and ticketing?

A: The VPD Traffic Section partners with a number of agencies to address road safety issues. A working group comprised of City of Vancouver Engineering specialists, ICBC representatives, and VPD Traffic specialists meet on a monthly basis to jointly address Vancouver road safety issues, through various strategies, including enforcement, education, and engineering. Problem areas are monitored to ensure that remedial strategies have been effective. Wherever an engineering issue has been identified as having contributed to a fatal collision, or where there may be an engineering solution available to make an area safer, police debrief these incidents with working group partners to ensure that due diligence is applied, and that road safety is addressed.

The VPD participates in all Provincial enforcement campaigns, and various other educational campaigns, including ICBC outreach campaigns. Some of the campaigns participated in annually, are:

- Distracted Driving and Occupancy Restrain Campaign (twice annually)
- Railway Safety Week
- High Risk Driving Campaign
- Summer Counter-Attack Campaign
- Distracted Driving and Occupant Restraint Campaign
- Winter Counter-Attack Campaign
- Speed Relative to Conditions Campaign
- Cyclist and Pedestrian Educational Campaigns
- Thanksgiving Weekend - Big Four Campaign

The VPD Traffic Section enforcement teams respond to community safety concerns while providing enforcement, education, and possible engineering solutions that can be referred to the City for study. The VPD School Safety Patrol works with Vancouver Schools to ensure school safety, and they also conduct many presentations to youth and seniors groups to provide education and safety advice to these vulnerable road user groups.

In recognition of the changing transportation modes and options in the city, the VPD Traffic Section has implemented the Targeted Enforcement Team whose mandate is to provide enforcement and education services to cyclists, pedestrians, and skateboarders. The team has been favourably received by the public and has been able to provide dedicated resources toward a growing trend in road users.

- c. **Q: In the table on p. 155, what does “other parking revenue” refer to?**
A: The monthly and daily parking fees collected from VPD employees for onsite parking at the various VPD facilities (Cambie, Graveley, fleet kiosk and the Cordova Street Annex)
- d. **Is it possible to break out a line item in the budget and staffing (p. 155) for traffic control/traffic bylaw enforcement?**
Q: have the number of FTE staff gone up, down, stayed the same in traffic bylaw enforcement?
A: Traffic bylaw enforcement is largely done by the City's bylaw officers, who are not managed by VPD. The VPD's Community Safety Officers, may on occasion, issue by law enforcement tickets, however this is a very minor component of their work and any revenues generated are reflected in General Government and not attributed to the VPD's revenue budget.
- e. **Q: Although it's for a previous year, 2012, why is the number for “All Staff incl. part-time, temporary and auxiliary) LESS than RFT staff? (p. 158)**
A: The RFT represents an average head count of all regular, full time staff regardless of how many hours they have worked in the year. The All Staff figures represents a count of everybody, including casuals, auxiliaries, recruits who have not yet graduated etc., and converts their total hours into a full time equivalent. Following the 2010 Olympics, there was a larger than projected number of retirements which necessitated the large hiring of recruits during 2012. While their body is counted as an RFT for the year, if they are hired near the end of year, their total hours would not equate to one FTE; thus higher RFT figure compared to the all staff figure.
- f. **Q: Why are there fewer RFT (Regular Full-Time) staff in 2016 than 2012? (p. 158)**
A: Since 2011, the VPD has agreed to hold a higher number of vacancies to manage the City's budget pressures (59 sworn, 9 civilian in addition to 20 civilian for turnover). In recent years, retirements have been higher than projected, leading to a higher vacancy rate than planned which has also contributed to the decreasing RFT figures since 2012. VPD has increased its recruitment efforts to reduce the number of vacancies.

B. Vancouver Public Library:

- a. **Q: The table on p. 164 notes that collections, including print and electronic collections are increasing. The City has promoted “buy local” campaigns and prides itself as a City supporting arts and culture. Q: Does the Library have a special fund to purchase print and other materials by local authors, producers and publishers?**

A: In terms of collection development, VPL has a very strong commitment to supporting and promoting local and BC publishing and creators. VPL purchases almost everything published by BC publishers, with the exception of very esoteric or very academic materials, or materials that are very poor quality. VPL has also selectively purchased self-published materials by local authors and creators for decades. This same approach is applied to other media, such as music and film. These materials are purchased from the regular collections budget.

In the first half of 2017, VPL will be launching a local author’s collection. For this initiative, the locally published books (in this case, the focus is on Vancouver) purchased will be intentionally highlighted as a named collection, and with the focus on display and promotion of these local authors throughout the branches and through digital channels. This collection will be highlighted for local emerging authors so they are aware and should bring their books to VPL’s attention (most already do as they see the library as a platform for growing readership and awareness). After reviewing the impact of this promotion, consideration will be given to expanding it to other forms of media.

- b. **Q: P. 165 notes that all library branches will reach capacity in terms of space use. Q: Is our capital budget sufficient to increase capacity in the branches before they reach a crisis point?**

A: All branches reach capacity in space regularly - this means all seating options are full at times during the day so people coming into the branch would find nowhere to settle in to work/study or be with their families. This pressure is especially high in the smaller branches (e.g., Marpole, Collingwood, Dunbar, South Hill), but is also the case for mid-size branches (e.g., Joe Fortes, Kensington, Hastings, Kitsilano), and larger branches (e.g., Mount Pleasant, Renfrew, Oakridge, and Terry Salman). While an opportunity to redevelop all of our undersized and aging branches more quickly and to build slightly larger branches would be welcome, it is recognized that the City must maintain hundreds of buildings and libraries are one of many priorities. The VPL is appreciative of the opportunity the library has to express its priorities through the capital planning process, as well as through the City’s community planning processes and the priorities include the redevelopment and expansion of the Marpole Branch, the opportunity to relocate and expand Collingwood Branch as part of the new JC Precinct Plan, and the opportunity to note our concern that the SE Fraserlands development (River District) currently has no library branch planned for it.

- c. **Please explain the statement “The space-use metric (number of in-person visits) does not fully account for actual use or saturation.” (p. 165)**

A: People have always used public libraries for different reasons so the use represented by each gate count is unique. Some people just use the library to locate and pick up materials. We have people that attend just programs, people who come in to use the Internet, and others who come to use our study spaces or spaces to spend time with their children. People who use the library for space, to attend programs, to use the Internet, etc. create intense pressure on the limited seating space available, especially in the smaller or mid-size branches. This pressure intensifies as people and families are living in smaller spaces and are looking for free, safe, and inviting spaces to spend time. It’s one of the reasons why when you walk into a branch, it is usually packed with all or most seats taken. Some people just come in for an hour and some people spend a few hours.

- d. **Q: What is the source of “Other library revenue”? (\$588,000 - table p. 168)**

A: Other library revenues are primarily made up of printing and copy revenues, subscription cards and other miscellaneous revenues such as recoveries from union, etc.

C. Vancouver Fire and Rescue Services:

- a. **Q: Is the new ongoing commitment of federal funding for HUSAR (p. 178) equivalent to funding levels prior to the cuts made by the Harper government?**

A: It is too early to comment on how much funding from the Federal Government we shall receive however, VFRS submitted a proposal to Public Safety Canada on November 18, 2016 for up to \$750k to purchase equipment, provide training and fund an major field exercise in 2017. If successful in achieving this level of funding, this will be very close to the level of funding received in previous years under the previous Joint Emergency Preparedness Program (JEPP).

- b. **Q: App D p. 54 - The number of injuries has gone up from 37 to 52. Are these civilian or firefighter injuries? Explain the increased injury rate.**

A: This metric relates civilian injuries, not injuries to firefighters. 52 civilian injuries in 2016 is statistically less then statistics reported out in previous years with the exception of 2015: 2012(49), 2013(63), 2014(63), 2015(37), 2016(52). Given the increase in fire and other non-medical incidents in 2016, 52 civilian injuries may indicate that our prevention and education programs are assisting correctly to reduce civilian injuries and deaths.

D. Engineering:

- a. **Q: The metric on sewer separation (p. 212) shows about 0.5% increase per year, i.e., completion by 2100 or so, given we're at 53.2% completion now. Q: In what ways are these sewer separation projects being meshed with the exigencies of climate change?**

A: The selection of projects are being meshed with the exigencies of climate changes. The storm design criteria was recently updated with up-to-date storm data and climate change projections for storm intensity and frequency data. When selecting projects, the main criteria are:

- aging infrastructure
- elimination of combined sewer overflows into our surrounding waterways
- areas that have experienced flooding

The highest priority projects will combine all of these criteria. Flood construction levels (FCL) will continue to be monitored and updated and any issues address accordingly, in conjunction with our Climate Change Adaptation Strategy.

With respect to the comment on completion in 2100, eliminating combined sewer overflows through the sewer separation program will need to be completed by 2050. In the last few years the focus has been on large trunk sewers that receive flow from the smaller branches sewers. Larger trunk sections are much larger and more complex to replace and separate. Sewers separation rates will increase when we focus more heavily on branch size sewer projects. With respect to the comment on completion in 2100, eliminating combined sewer overflows through the sewer separation program will need to be completed by 2050. In the last few years the focus has been on large trunk sewers that receive flow from the smaller branches sewers. Larger trunk sections are much larger and more complex to replace and separate. Sewers separation rates will increase when we focus more heavily on branch size sewer projects.

- b. **Q: Page 219 notes that staff will work with the province "to implement a landfill gas prediction model that accurately represents the amount of gas produced and recovered through the existing infrastructure and supports planning for infrastructure." Q: Are current statistics not accurate? Are different technologies available that would increase our gas recovery beyond 75%?**

A: Yes, the current statistics are accurate and are based on a site specific landfill gas generation model. The site specific model is calibrated for local conditions and provides an accurate projection of the amount of gas generated within the landfill. Staff have discussed the use of the site specific model rather than the more general regulatory model with the Ministry of the Environment and discussions continue although they are supportive. There are no new technologies that will increase collection rates. Collection rates will increase with the installation of new gas collection infrastructure and closure of additional sections of the landfill.

- c. **Q: Please explain re: NEU (p. 227): “The recommended net rate increase for 2017 is 3.2%, made up of a 2.7% increase in the Fixed Capacity Levy and a 4.0% increase in the Energy Use Charge.”**

A: SEFC NEU customer rates are comprised of two components: a Fixed Capacity Levy (related to the fixed capital and operating costs associated with the NEU) and a Variable Energy Use Charge (related to customers' actual energy consumption). The 3.2% increase is a reference to the Net Effective Rate. The Net effective rate is based on a reference building with an annual energy demand of 109 KW.hr per square metre of floor area. Actual effective rates for customers will vary due to differences in energy performance from building to building.

- d. **Page 232 notes the City initiated procurement of a new fuel contract.**

Q: what kind of fuel?

A: The procurement strategy will review and solicit opportunities for a number of different fuel options including biodiesel or other blends available to the Canadian market. This is part of a contract with other lower maintain municipalities that City of Vancouver leads in order to solicit optimal pricing and ensure consistency with the corporate goals on reducing emissions.

- e. **Why doesn't the table on p. 236 include revenue from parking meters (coin and mobile payments) despite the text referring to both revenue sources? What are the revenues? How do they compare to previous years? Have the number of parking meters decreased due to installation of Mobi stations and bike lanes? If so, by how much and what is the impact on parking meter revenues?**

A: The annual parking meter revenues (from coin, cards and mobile payment) for 2014, 2015 and 2016 (projected) are \$46.2M, \$49.5M and \$50.2M, respectively. In 2016, Mobi and the Downtown bike lane projects accounted for removal of 180 metered parking spaces (there are about 9,900 metered parking spaces Citywide). The loss of these metered parking spaces due to Mobi and bike projects are not projected to have a significant impact on overall revenues - which are projected to be up from 2015 mainly due to the fact that there are a number of factors that affect parking meter revenue including meter rate, occupancy, compliance, changes to adjacent land uses, etc.

E. Planning, Urban Design and Sustainability:

- a. **Q: Metrics on p. 252 show average processing time for rezonings gone up (from 9.6 to 10.3 months for major rezonings and from 3.5 to 5.1 months for minor rezonings) while the number of rezoning applications has decreased. Please explain.**

A: 1) The number of rezoning applications submitted in 2015 represented a significant increase from previous years - from 33 in 2014 up to 61 in 2015. In 2016 staff are projecting a decrease, however, many of the applications submitted at the end of 2015 were fast tracked in order to avoid the 30% increase in fees that was proposed starting in 2016. If those end of year applications were added to 2015 the application numbers for 2015 and 2016 would likely have been much closer.

2) Although the average application processing time increased slightly from 2015 to 2016 the number of applications projected to be submitted (50) is still significantly higher than previous years 2012-2014 (averaging 34). In 2015 despite applications almost doubling the processing time went up by approx. 1.4 months. With the significant increase from previous years staff are continuing to catch up and experienced a slight increase in processing times this year (0.7 months).

3) For minor rezoning applications they are very diverse in terms of the types of projects and the timeline for processing can be highly variable as the last 5 years demonstrates.

b. What has the City done to achieve carbon neutrality so as to garner revenues from the Climate Action Revenue Incentive Program (p. 255)?

A: To achieve carbon neutrality the City has done two main things. First it has reduced its internal carbon footprint by 49% since 2007; second we use the landfill gas capture program to offset the remaining operational GHGs produced by the City.

F. Development, Buildings and Licensing:

a. Please explain why the average time for 1&2 family dwelling permits has gone up to 29.3 weeks - was 6.4 weeks in 2013 (Appendix D p. 65).

A: Full intake-to-issuance times for 1&2 family homes increased about 5 weeks from last year, averaging 29 weeks. Metrics calculated prior to 2015 were measuring a subset of the current measurement - from Intake to Deficiency List vs. Intake to Issuance. The revised metric calculation includes time for the developer to resolve issues; small homes developer capacity varies greatly and many need a lot of CoV support.

- New 1&2 family permit applications are being reviewed and returned to clients with deficiency letters in 8-10 weeks compared to 16 weeks in November 2015. So while the city must continue to improve the end to end processing time, we have made improvements in some areas of focus from the past year.
- A number of policy changes occurred over the past 1-2 years which added complexity to SF home development, including: Green demolition and Salvage and Abatement; Heritage Action Plan; Energy efficiency improvements; New VBBL in 2015; Tree Bylaw. It has been difficult for staff and the industry to keep current on these changes and absorbing the changes has contributed to slower processes.

- The new tree bylaw changes have been key factor in increased times
- Average initial review takes 12-14 extra weeks, plus back and forth where issues arise.
 - Key Steps to Address, expect improved outcomes first half of 2017:
 1. Add 4 new staff (2 already on board);
 2. Triaging applications with no tree removal or retention issues
 3. Move tree review in advance of application submission, reducing need for subsequent landscape reviews, redesigns, extended back and forth

b. Please explain why the average wait time in the Enquiry Centre for Development Approvals is at 113' (almost 2 hrs) vs. 35' in 2012 (Appendix D p. 65), when the walk-ins are trending downward (p. 262)?

- Customer wait times (in person and via phone) have increased significantly over the past year.
- While incoming permit volumes remain close to record highs, there has been tremendous change across Planning and Development over the past year, making it difficult to handle business as usual, including: organizational leadership change (GM, Directors, AD's); loss of experienced staff; process and systems change; various bylaw changes.
- Specifically in the Enquiry Centre - 4 senior staff left positions at the front line service counter; new hires require significant training in this highly technical role which results in more time being spent with customers and longer wait times
- The number of walk-ins to the Centre has decreased because more and more people are doing the same business online.

G. Cultural Services:

- a. **Q: In response to the many speakers to the budget who requested an increase in Arts and Culture funding, please explain why the City has increased the number of grants awarded, but decreased the amounts to recipients. What are our options to meet the request of an increase of \$2.2 million to the Arts and Culture funding?**

A: The City uses a juried process by peers in the arts and cultural sector and the number of applications and quantity of grant requested fluctuates from year to year. Accordingly, so does the number of grantees. See separate memo to Council on Cultural Services questions.

H. Housing:

- a. **Q: Are we increasing the funding for upgrading SROs? It's hard to find this.**

A: Yes we are increasing the funding for SRO's in 2017 compared to 2016. In 2016, the forecast was \$0.5 million. Please find below the details for SRO for 2017 Budget:

- Grants - Privately owned Single Room Occupancy (SRO) Stock: New project for \$2 million; should be in the Appendix B - New portion under 01. Housing service category
- 2015-18 Single Room Occupancy Grant Program: New project for \$0.5 million; should be in the Appendix B - New portion under 01. Housing service category
- Grant - Single Room Occupancy Upgrades: Continuing project for \$0.45 million; should be in the Appendix B - Continuing portion under 01. Housing service category

The total 2017 budget for SRO grants is \$2.95 million which was rounded off to \$3 million as mentioned in the capital highlight section of the budget book.

b. Do we have any line item in the budget to renovate buildings for energy conservation?

Of the five City of Vancouver owned and operated housing buildings, three are planned for redevelopment (Roddan, Central and Alexander). The remaining two buildings (Granville and Gresham) are currently not prioritized for immediate energy upgrades based on their existing energy performance and Green House Gas emissions. At this time, the focus and priority is on those buildings where performance is much lower. These buildings are planned for upgrade in future, after the priority buildings are addressed, however the energy performance of Granville and Gresham is currently at a level where there are no immediate renovations required to improve performance in this area.

I. Other:

a. Q: App D p. 64 - there are 250,000 tons of CO2 emissions from Vancouver's municipal operations - Q: How are we bringing these down? How are we achieving carbon neutrality?

A: See 5.b. above, plus there are 3 main sources of GHGs from Vancouver's operations, fleet, buildings and the Landfill. For fleet we are right sizing vehicles and switching to low carbon fuels (natural gas, bio-diesel and electricity); for buildings we are building new building to near passive house standards, retrofitting older buildings and optimizing building operating systems; for landfill we are diverting our organic waste and capturing over 70% of our landfill gases.

b. Q: Is the funding for our Greenstreets program remaining the same or changing and if so, how? Note: funding decreased in 2015.

A: The funding for the Greenstreets program will remain the same in 2017 and we will continue to support growth in the program and addition of volunteers.

- c. **Where is the budget for the Mayor's office; how is it paid; how has it changed?**

A: The budget for Mayor's office is shown on Page 91 as part of the detailed operating budget table. The budget has increased by \$23K, as per the Mayor and Councillor Remuneration Bylaw Approved by council.

- d. **Q: In what ways are we monitoring impacts on staff - e.g., absenteeism, health impacts) of continuous years of enhancing operational efficiencies?**

A: Concurrent with our focus on operational efficiencies, the City is focused on ensuring a healthy and safe workplace by monitoring absenteeism and other data related to physical and mental health . This approach supports our goal of creating and maintaining a wellness culture. We achieve this in several ways that include:

- Leadership commitment.
- Provision of and support for health and wellness programs through FitCity, Parks and Recreation and Homewood Health our EFAP provider;
- Ongoing communication regarding the importance of mental and physical health;
- Recognition of employees engaging in healthy behaviors and activities.

We monitoring a variety of aggregate data in such areas as:

- employee health risk assessments;
- prescriptions; and our
- Employee family assistance program.

The VPD has a very unique work environment within the City that presents potentially serious health and wellness challenges for its employees. In addition to the City initiatives in which the VPD also participates, the VPD takes employee wellness seriously and continues to expand its health and wellness programs. For example, approximately 80 percent of sworn members have received Road to Mental Readiness (R2MR) training, which is a program that educates staff about mental health and resilience. VPD also has a wellness website that is regularly updated with new and helpful information.

In addition to educational programs, the VPD ensures that employees working in higher risk areas receive annual psychologist visits, which is managed though the VPD's High Stress Debriefing Program. For emergent issues, the VPD's Critical Incident Stress Management (CISM) team is fully engaged and is available on a moment's notice for members that experience and/or witness traumatic events. The VPD is recognized throughout the City as having experts in this field and has assisted other departments, such as the Park Board and Fire Department, when required.

VPD also has a voluntary medical exam program that provides proactive physical examination by the Department's Occupational Health Physician for sworn employees deemed at risk for illness based on age. These medical examinations provide preventative wellness information in addition to a physical examination. The function of these examinations is the identification and early detection of existing health/wellness issues and potential health/wellness risks.

Furthermore, the VPD monitors absences and a variety of other key personnel metrics through the VPD Early Intervention Program. The VPD's HR section also does a daily review of the sick list and maintains regular contact with sick and injured staff.

5. Public Consultation

- a. The Public Survey (Part III of binder) notes that 46% of respondents support new user fees for some City services that currently have no fees and 41% of respondents support increasing user fees for City services that currently have fees (p. 13 of survey report).

- i. **Q: Has the City introduced any new user fees in this budget and, if so, please provide examples.**

A: User fees are approved by council in separate reports; the budget is then built to include estimated revenues from those fees which have been approved by Council. Utility fees have been proposed in separate council reports as noted below. Parks fees have been approved by Parks Board.

Engineering: The solid waste utility introduced a new fee for general street cleaning services through the re-investment of savings from the recycling transition to MMBC. This new user fee will provide all residents with additional street cleaning services, with added support in high demand neighbourhoods where illegal dumping and cleanliness continue to be an issue. Further information can be found in the Annual Review of the Solid Waste Utility RTS 11614. The water utility introduced 3 new fees following a review which revealed a small number of servicing scenarios that were not referenced in the By-law such as water service turn off. Further information can be found in the Annual Review of Water rates RTS 11615

Parks - The only new fees introduced in 2017 within Parks relates to permits. A new "block-party permit fee" and "UAV (unmanned aerial vehicle) permit fee" were introduced to address two particular emerging trends.

- ii. **Q: Have we increased any current user fees beyond inflation? If so, provide examples.**

A: Engineering - The annual rate increases for utilities are greater than inflation and further information/background can be found in the annual utility rate reports RTS 11612, 11613, 11614 and 11615. In addition and following a review by an external consultant, it was determined that on average we were not achieving full cost recovery for pavement restoration fees. The impact on individual fees varies (some fees are subject to an increase and some fees decrease) with an overall average increase of 10.53%. However, based on work completed by the external consultant, fees remain consistent with comparative market pricing.

Parks - User fees related to core services have not been increased beyond inflation. Certain user fees with respect to the commercial lines of business such as parking, venue rentals, and attractions have been adjusted greater than inflation. In these instances, the increases are to reflect both the competitive environment (in the case of Parking and Rentals), as well as specific investments made to improve the quality of these experiences (in the case of attractions).

Should you have any questions regarding the above information, please feel free to contact me and Ben Russell directly.

Best Regards,

A handwritten signature in black ink, appearing to read 'Patrice Impey', written in a cursive style.

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