

MEMORANDUM

December 9, 2019

TO: Mayor and Council

CC: Sadhu Johnston, City Manager
Paul Mochrie, Deputy City Manager
Lynda Graves, Administration Services Manager, City Manager's Office
Rena Kendall-Craden, Civic Engagement and Communications Director
Katrina Leckovic, City Clerk
Neil Monckton, Chief of Staff, Mayor's Office
Alvin Singh, Communications Director, Mayor's Office
Anita Zaenker, Chief of Staff, Mayor's Office

FROM: Patrice Impey
General Manager, Finance, Risk and Supply Chain Management

SUBJECT: Draft 2020 Capital and Operating Budget for Council consideration – additional responses to Councillors' questions

Dear Mayor and Council,

The purpose of this memo is to provide responses to the additional questions submitted by Councillors. At this time, the staff have provided answers to all the questions received from Council to date.

Questions

- 1. \$23 million is budgeted for 95 new vehicles (disposal, engineering, REFM, Park Board including for fire, public works dump trucks, paving equipment, solid waste disposal trucks, sanitation street sweepers, refuse collection vehicles. How many are EVs? What could feasibly be delayed?**

The Draft 2020 Budget for fleet vehicle replacement includes:

- In-service delivery in 2020 of 14 EV vehicles (8 light duty and 4 heavy duty)
- Preparation for delivery in 2021 and 2022 of 88 EV vehicles (80 light duty and 8 heavy duty)

Any deferral or delay in fleet reinvestment would push fleet vehicles to a worsening state of condition, requiring greater maintenance costs. Deferral of fleet replacement would require consultation with business units to determine impacts of service. Note that fleet renewal is funded from the equipment reserve, and would not impact 2020 property tax.

2. What are the various operational funds (ongoing and proposed increases) going into heritage, and what could be cut or deferred in this area to reduce the tax increase by 1%?

2020 Ongoing budget	484,461
2020 proposed investment	<u>130,000**</u>
	<u>614,461</u>

**Deliverables for the \$130K new investment request include:

Heritage Action Plan Completion – Vancouver Heritage Register (VHR) upgrade (Report to Council by the end of 2020); Engage with MST Nations and Indigenous consultants as well as the COV Reconciliation team for a meaningful integration of Indigenous Cultural Heritage, reconciliation and redress; Engage in identifying and supporting the heritage values of underrepresented community groups through City’s heritage policy development and implementation; Integrate heritage with Community Planning on number of ongoing initiatives (Broadway Plan, Gastown, Japantown, Granville Street, Jericho Land, City-wide Plan); Partner with Park’s Board and COV Facilities Department on developing strategies for stewardship of city-owned heritage properties; Heritage review of Development Permit and Rezoning applications.

The new investment in 2020 is 130K which equates to 0.02% property tax. Remaining \$484K is part of the ongoing budget, so if we decide to pull this out it will have a tax impact of 0.06%. The total of 0.08% property tax.

3. Has the city looked at bringing contracted out employees in house? How much could we save if we did this?

The City has not undertaken a city-wide review of contracted services. When considering hiring or contracting decisions, staff will consider a variety of operational and financial factors including specialized skills sets required and the frequency and duration of the work required.

4. What would be the best way to amend the budget to increase the amount for Graffiti removal and garbage pickup in Chinatown and the DTES?

Current Graffiti removal services are for City property only and exclude private property and other 3rd party utility infrastructure. Currently, staff understand the gap for graffiti removal is on private property, and the City has an available program for free paint for property owners allowing them to clean up as needed. The uptake for this program is not resolving the issue. Engineering and Chinatown Transformation Team will work with the Chinatown BIA to ascertain their needs and appropriate interim support in 2020 as a response to this issue. Funding for any new initiatives would be handled within existing funding and reallocated from priorities within the area.

Garbage pick-up/Street Cleaning funds have been increased in the draft 2020 budget for Council consideration to support DTES and other areas by approximately \$0.85 million.

5. What would be the best way to amend the budget to call for Cantonese translation in meetings with the Chinatown Transformation Group?

The Chinatown Transformation team provides interpretation from English to Mandarin for the monthly Legacy Stewardship Group meetings for LSG members who require the interpretation. The Chinatown Transformation Team is not responsible for providing interpretation for observers at the meeting who are NOT LSG members. The annual cost for English to Mandarin interpretation for LSG meetings is approximately \$5000. If interpretation from English to Cantonese is required, it will cost an additional \$5000 per year. This budget is for professional interpreters.

6. Where and what would be the best way to amend the budget to cut the \$4.5M increase in Police and civilian staff? And redirect this money to peer services such as a bear clan patrol that provide choices to DTES low income residents.

The Vancouver Police Board (Board) and the Vancouver Police Department (VPD) do not support a lengthened implementation of the 5- year VPD Operational Review to six years. The first two years of hires (2018 and 2019) of the recommendations from the 5- year Operational Review restored the VPD's staffing levels to where the VPD should have been in 2009. To delay year 3 (2020) hires puts strain on public safety gaps and it is a top priority for the VPD and its goal of keeping Vancouver a safe place to live, work and play, as well as one of the City's main priorities for 2020 to deliver quality core services that meet residents' needs.

The Operational Review was a comprehensive 18-month examination of all aspects of the VPD that was led by two independent criminologists. The Operational Review was conducted to address growing public safety gaps that emerged due to VPD staffing levels failing to keep up with increased demands since 2009 that include Vancouver's population rising by 10%, the Metro Vancouver population rising by 15% and the calls for service to the VPD increasing by 14%. These demands continue to increase year-over-year, and the recommendations identified a number of business process improvements and staffing reallocations to maximize the efficiency of existing VPD officers and civilian staff.

The service gaps that remained were recommended to be addressed to hire an additional 120 sworn officers and 52 civilian staff over two years. To limit the funding implications, the VPD and the Board agreed to implement the staff needed to address existing service gaps over a longer, five-year, period from 2018 through 2022. This compromise lengthened the implementation of the Operational Review recommendations by an additional year; to further delay the implementation is not supported as this will increase the likelihood that service gaps will re-emerge, as opposed to being addressed. In addition, failing to ensure sufficient staffing levels has a negative impact on the mental and physical wellbeing of staff, as existing staff become strained having to respond to consistently rising demands for service.

The VPD is open to exploring new and innovative volunteer programs that enhance public safety. The VPD currently leverages over a 1,000 volunteers through a wide variety of programs including Community Policing Centers, Block Watch, Citizens' Crime

Watch, and SpeedWatch. To further public safety in the Downtown Eastside and recognizing the importance of Indigenous leaders and elders living in the community, the VPD has been committed to the SisterWatch committee since it was formed in 2010.

The SisterWatch Committee is a standing collaborative committee of community leaders, members from the Women's Memorial March Committee and VPD representatives that:

- Enhances community consultation between the VPD and the Downtown Eastside community;
- Leverages the lived experience of women living and working in the Downtown Eastside; and,
- Eliminates barriers and promotes transparency in the open sharing of information to reduce violence in the Downtown Eastside.

As such, while the VPD remains open to exploring new programming that leverages the capacity of members of the public who wish to volunteer, such as a bear clan patrol, such volunteer programming in a specific area of the city is unable to remedy the above noted significant increase in demand for police services that have been documented as originating from residents and businesses across all of Vancouver. In considering existing or new volunteering programming, it is important to note that these programs enhance public safety in our community, however, they are not capable of addressing the significant rise in calls for service that require the powers, training or experience of a police officer.

7. I have heard some talk about extending adding new Fire and Police staff to be implemented over 6 years rather than the current 5 years. What would that mean in actual reduction in budget for Fire and Police for 2020 and how many fewer new staff in each service than currently planned for 2020?

Last year, as part of the 5 year growth plan for VFRS approved by Council, the original recommendation of 22 staff was reduced to 7 (a budget addition of \$600K)

This change shifted resource requests from 2019 to other years of the growth plan, with the current 2020 request having to be adjusted to 35 staff.

A reduction of the operational firefighters (30, which equals 6 on shift at any time) would eliminate the addition of staffing for a medic unit on the DTES, and the two other most important risk-based firefighter assignments identified by the Darkhorse gap analysis. (\$2.9M)

Eliminating the mental health professional would severely impact the future success of our mental health resilience program for VFRS staff. (.4M)

Eliminating the 2 Fire Prevention Staff would severely impact our ability to better meet service delivery and safety inspection requirements for Oppenheimer Park, SRO's & high risk buildings. (0.2M)

The resource needs meant to be addressed in this year (and every year) are critical, and their identification is evidence-based and well documented.

Please refer to question #6 above for details on potential impacts on VPD.

8. Page 344 - Planning Department growth from 165 to 206 staff. Is this for the city-wide plan process?

What would happen to the plan if we took 1 – 2 M out of the \$5.5 M for 2020?

(please see next question for the response to the second part of this question.)

The Planning Department grew from 165 to 206 Regular Full time FTE* between 2019 – 2020 an addition of 41 FTE. Note that some positions would be funded by development fees and some through property tax.

*Full time equivalents based on the hours worked.

Current vacancies previously approved that have been filled at end of 2019 or early 2020:

- 14 (development fee review positions, Indigenous Planner and old vacancies – backfills)
- 2 in Sustainability

New Council Priorities for 2020:

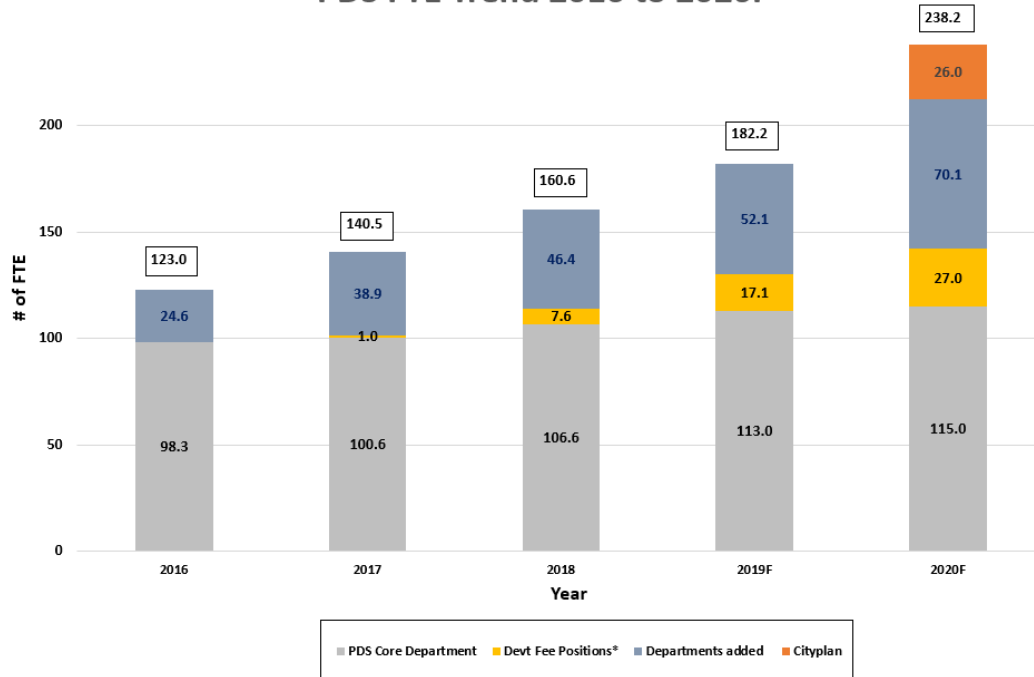
- 16 Cityplan (Vancouver Plan) (under Economy)
- 1 new Heritage Planner I (Diversity)

Core Services/ Risks and Gaps:

- 8 for 2020 Development fee review (4 RFTs in Development Planning; 4 RFTs in Rezoning)

Overall the growth in PDS over the time period 2016-2020 for all employee types (RFT, TFT and Aux) has been as a result of a number of factors.

PDS FTE Trend 2016 to 2020F



9. **I have also heard talks of reducing the budget for the city-wide plan by as much as \$2 – 3 million. What would not get done if this were to happen? Would it still be possible for the city-wide plan to proceed? What would happen to the plan if we took 1 – 2 M out of the \$5.5 M for 2020?**

TO BETTER ANSWER THESE QUESTIONS – WE HAVE SEPARATED OUT STAFFING AND ENGAGEMENT COSTS.

The \$5.5M request is one part of the City-wide Plan budget. We reprioritized and re-allocated monies from a number of projects and areas to fund 2019 rather than ask Council mid-year for start-up dollars. The financial request for 2020 was reduced to \$5.5M as a result of carrying forward unspent monies from various projects.

Approximately 50% of the proposed \$5.5 M budget is for Core staff team (already hired) and 50% is for engagement, public consultation, materials, technical analysis and associated supports.

STAFFING:

Vancouver Plan Core Team

- The Integrated Project Team consists of a total of 34 staff from Planning, Urban Design and Sustainability, Engineering, Arts Culture Community Services, Parks Board, Engagement and supports. To date:
 - There are 10 FTE positions that have been redeployed from Planning, Urban Design and Sustainability
 - There are 24 new positions
 - 21 positions are filled or currently in process
 - 3 new positions are to be filled in Q1, 2020

In addition to the Core Team, there are approximately 20 Directors on the Working Group (including GM and Deputy Director) from all Departments who are all redeployed (10 – 50%) on the Vancouver Plan. Additional redeployed technical team staff (% FTEs) will be engaged in Phase 2, 3 to develop scenarios, trade-offs, options and policy directions.

CONSULTING AND ENGAGEMENT FOR 2020:

These estimates deliver a strategic, comprehensive policy plan to Council consistent with its 2018 motion and objectives within a 3-year timeframe for spring 2022. The planning process includes inclusive and effective community engagement based on Council's guiding principles.

A potential reduction of \$ 2 – 3M in 2020 funding on the Vancouver Plan project would not enable delivery of robust, equitable engagement, scenario planning and associated analysis or the statistically valid community opinion survey. The scope of the project

would need to be reduced (e.g. reduce engagement, knit together existing policy and fill in gaps, wouldn't include partnership and investment framework) and timeline of the process would need to be extended. Staffing of the Core Team and cross-departmental participation would accordingly be reduced. Specified supports to First Nations, equity seeking groups and community conveners would likely need to be eliminated. It is noted that over 1 million and 2 FTEs (Equitable Engagement Planner and Engagement Planner, Child and Youth) are focused on engaging First Nations, Urban Aboriginal, Child and Youth and Equity Seeking Groups based on Council's guiding principles.

Staff are currently assessing further opportunities to leverage resources from synergies with integrated policy initiatives (e.g. Climate Emergency analysis and engagement, Culture Shift implementation, etc.), further redeployment of staff, delaying start times of positions, extending salary savings and carry-forward resources into 2020 and delaying other PDS initiatives in order to respond to Council's inquiries to explore budget reductions. Staff will report back on the results of this analysis in preparation of the December 10th Budget deliberations.

We will continue to refine and look for opportunity to reduce or defer specific aspects of the Vancouver Plan budget. \$1-2 Million would mean deferral of expenses to future years affecting what could be accomplished in 2020. Staff will be reporting back to Council in June 2020. \$2-3M means that the project is not feasible.

10. Mr. Kelley noted that the Vancouver Plan had been fully staffed up. How many new hires vs. re-allocation of staff?

Yes we are staffed up on the PDS component of the Project.

Vancouver Plan Core Team

- The Integrated Project Team consists of a total of 34 staff from Planning, Urban Design and Sustainability, Engineering, Arts Culture Community Services, Parks Board, Engagement and supports. To date:
 - There are 10 FTE positions that have been redeployed from Planning, Urban Design and Sustainability
 - There are 24 new positions
 - 21 positions are filled or currently in process
 - 3 new positions are to be filled in Q1, 2020

In addition to the Core Team, there are approximately 20 Directors on the Working Group (including GM and Deputy Director) from all Departments who are all redeployed (10 – 50%) on the Vancouver Plan. Additional redeployed technical team staff (% FTEs) will be engaged in Phase 1, 2, 3 to develop scenarios, trade-offs, options and policy directions.

11. Budget says planning staff will increase by about 40. What would happen if the increase was cut in half? How much would we save?

The budget book profiles this addition on page 344. The addition is 41.

The Planning Department grew from 165 to 206 Regular Full time. FTE *between 2019 – 2020 an addition of 41 FTE. *Full time equivalents based on the hours worked.

We do have collective agreement obligations once we start the interviewing process. If we froze hiring right now - we would need to look across the department and see where the critical roles are and what the impacts (to revenue) or risks would be including re-organization of teams to meet deliverables. To look at the value of these roles – we would have to take a deeper dive into the team complement of these vacancies and estimate the savings for you, impacts on deliverables and collective agreement risks.

Current vacancies previously approved that have been filled at end of 2019 or early 2020:

- 16 total
 - 8 are development fee review positions (NO IMPACT ON TAX)
 - 1 indigenous planner
 - 5 backfills for people that are either operating or fee funded
 - 2 in Sustainability – green infrastructure positions

New Council Priorities for 2020

- 16 City Plan (Vancouver Plan) (under Economy) Already hired or in process except for 3 positions that are cross organizational
- 1 new Heritage Planner I (under Diversity)

Core Services/ Risks and Gaps - DOES NOT AFFECT PROPERTY TAX

- 8 for 2020 Development fee review (4 RFTs in Development Planning; 4 RFTs in Rezoning)

Should you have any questions regarding the above information, please feel free to contact me at patrice.impey@vancouver.ca /604.873.7610.

At this time, this concludes staffs responses to questions received from Council. Should Council have additional questions prior to the December 10th Council meeting, please forward to me with a copy to Sadhu as well.



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