



**A STRONGER  
VANCOUVER**  
Investing in our future

**DATE:** January 21, 2020

**TO:** Anne McEnerny-Ogle, Mayor  
City Council

**FROM:** Eric J. Holmes, City Manager

**RE:** **A Stronger Vancouver – finalizing the capital package | defining the programs and services package**

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### **Executive Summary**

The January 27 workshop is intended as an opportunity for Council to:

- Finalize the capital package and associated revenues.
- Establish direction on the programs and services aspect of the initiative as well as associated revenues.

Linked below for your reference and in support of Council's discussion are materials from previous workshops:

- [Executive Sponsors Council recommendation.](#)
- Presentation and related materials on programs and services package as recommended by the Executive Sponsors Council:
  - [July 15, 2019, workshop presentation and related materials](#) (programs discussion followed wrap-up of Parks capital proposals).
  - [September 16, 2019, workshop presentation and related materials.](#)
- [Presentation and related materials](#) on revenues (October 28).

In addition, attached are the following reference materials for Council's use in deliberating and giving direction on the revenue to support capital projects:

- A. The Council-directed phase-in scenario for PIF that achieves funding 100% level of within 6 years, with annual indexing thereafter (see slide 9 of the workshop presentation).
- B. A comparison of the total development fee costs (sewer, water, drainage, PIF, SIF, TIF) of a residential permit in Vancouver and surrounding jurisdictions (see slide 14 of workshop presentation).

- C. A matrix of revenue generation potential of a range of property tax levy rates. This matrix allows the Council to see how much the levy rate would need to change to generate different dollar amounts for the Stronger Vancouver initiative, as well as the annual and equivalent monthly impact for a median valued home in Vancouver.
- D. Table of Capital Projects and Programs and Services updated to reflect recent Council direction
- E. [MRSC Revenue Guide for Cities](#)

**Property Tax/Levy/Debt Estimator**

**City AV 2021/1,000      \$25,704,000**  
*Assumes: 5.5% interest*

Dollar Amount in Capital	Annual Revenue to Support Debt, if Issued	Yrs	Tool	Levy rate/\$1,000	Annual Impact for an owner of a \$350,000 house	Monthly Impact for an owner of a \$350,000 house
\$10,000,000	\$837,000	20	Excess levy of Levy Lid Lift with operating component	\$0.033	\$11.40	\$0.95
\$50,000,000	\$4,184,000	20	Excess levy of Levy Lid Lift with operating component	\$0.16	\$56.97	\$4.75
\$75,000,000	\$6,276,000	20	Excess levy of Levy Lid Lift with operating component	\$0.24	\$85.46	\$7.12
\$100,000,000	\$8,368,000	20	Excess levy of Levy Lid Lift with operating component	\$0.33	\$113.94	\$9.50
\$110,000,000	\$9,205,000	20	Excess levy of Levy Lid Lift with operating component	\$0.36	\$125.34	\$10.45
\$120,000,000	\$10,042,000	20	Excess levy of Levy Lid Lift with operating component	\$0.39	\$136.74	\$11.39
\$130,000,000	\$10,878,000	20	Excess levy of Levy Lid Lift with operating component	\$0.42	\$148.12	\$12.34
\$140,000,000	\$11,715,000	20	Excess levy of Levy Lid Lift with operating component	\$0.46	\$159.52	\$13.29

ESC RECOMMENDATION

Total 10-Year Capital	\$278
Total Annual Operating Costs:	\$14.90

All dollar amounts expressed in millions

COUNCIL RECOMMENDATION - January 2020

Funding Source- CAPITAL and RELATED ONLY						
Property Tax	Business License Surcharge	Internet Sales Tax	Park Impact Fees	Utility Rates	TOTAL	
Annual Revenue Needed to Fund Capital and Related Expenditures:	\$7.30	\$1.00	\$3.00	\$2.60	\$5.00	\$18.9
Annual PAYGO investment or debt payment*	\$5.90	\$1.00	\$3.00	\$2.60	\$5.00	\$17.5
Total annual operating costs (for capital)	\$1.40					\$1.4
*TOTAL capital supported by PAYGO or over life of 20-year	\$73.50	\$10.00	\$50.00	\$18.50	\$75.00	\$227.0

CAPITAL PROJECTS (\*expenditures reflect a 10-year construction program; where debt is used, 30-year bond period is assumed)

Outcomes	Project	Original Est. Cost	COUNCIL TOTAL	COUNCIL DETAIL BY FUNDING SOURCE					GAP
1. Enhance public spaces in targeted areas throughout the city; 2. Improve transportation, mobility & connectivity in targeted areas 3. Increase assessed values, business growth & private investment	Commercial district infrastructure improvements (streets, sidewalks, lighting, pedestrian crossings, signals, public spaces, landscaping)	52.0	23.0	13.0	10.0				(\$29.0)
Improve preparedness & resilience for first responders	- Replace Fire Stations 3 & 6 - Fire Stations 4, 5, & 8 renovation/seismic upgrade	20.0 5.2	20.0 5.2	20.0 5.2					
1. Improve preparedness and operational efficiency. 2. Compliance with current building codes/laws	Maintenance & Operations Center replacement	125.0	125.0			50.0		75.0	
Increase park safety, neighborhood vitality & assessed values	- Marine Park (park redesign & development) - Wintler Park (turf, tables, benches, plant beds, signage, ADA features) - Fenton Park (new community park) - Shaffer Park (park redesign & development) - David Douglas Park - Bagley Park (park redesign & development)	15.0 1.5 20.0 10.0 3.0 10.5	15.0 1.5 10.0 11.0	9.0 1.5 4.0 7.0			6.0 6.0		(\$20.0) (\$3.0) \$0.5
	- Kevanna Park (park redesign & development) - Father Blanchet Park (park redesign & development) - Fruit Valley Park (playground equipment, signage, plant beds, ADA features) - John Ball Park (playground equipment, paths, drinking foundation, benches, tables, ADA features) - Arnada Park (playground equipment, gazebo maintenance, electrical/irrigation panel, ADA features) - Quarnberg Park (playground equipment, paths, tables, crosswalk improvements, ADA features) - Columbia Lancaster Park (playground equipment, irrigation equipment, ADA features) - Jaggy Road Park (playground equipment, ADA features) - Peter S. Ogden Park (playground equipment, ADA features) - Oakbrook Park (playground equipment, tables, benches, path, irrigation equipment, ADA features) - BBC School Park (playground equipment, benches, tables, paths, signage, ADA features) - Homestead Park (playground equipment, benches, ADA features) - David Douglas Park (Paved parking and playground)	6.5	9.0	6.0					\$3.0
Increase access to parks	- Undeveloped Lincoln (new park, design & development) - Undeveloped Rose Village (new park, design & development) - Undeveloped George & Hazel Stein (new park design & development) - Undeveloped Landover Sharmel (new park design & development) - Undeveloped Hambleton (new park design & development) - Undeveloped Lauren (new park design & development) - Undeveloped Meadowbrook Marsh (new park design & development)	9.5	7.3	0.5 1.5 2.0 0.8			0.5 0.5 1.0 0.5		(\$2.2)
<b>Total 10-Year Capital Program</b>		<b>\$278</b>	<b>\$227</b>	<b>\$73.5</b>	<b>\$10.0</b>	<b>\$50.0</b>	<b>\$18.5</b>	<b>\$75.0</b>	<b>(\$50.7)</b>
Annual operating to maintain capital				\$1.4					

Total 10-Year Capital Investment:	\$278
Total Annual Operating Costs:	\$14.90

All dollar amounts expressed in millions

	Funding Source							Total
	Property Tax	Business License Surcharge	Utility Tax	Internet Sales Tax	Park Impact Fees	Admissions Tax	Utility Rates	
Annual Revenue Needed to Fund Capital and Related Revenue available for Operating	\$7.30	\$1.00		\$3.00	\$2.60		\$5.00	\$18.90
	\$2.60	\$3.20	\$2.70			\$0.50		\$9.00
Operating Expenditures	\$2.60	\$3.20	\$1.70			\$0.50		\$8.00
TOTAL	\$9.90	\$4.20	\$1.70	\$3.00	\$2.60	\$0.50	\$5.00	\$26.90
Excess/ Gap	\$0.00	\$0.00	\$1.00			\$0.00		\$1.00

OPERATING COSTS FOR SERVICES & PROGRAMS (annual costs)

Outcome(s)	Program	Est. Cost	Council Changes To-Date	Detail by Funding Source							GAP		
Increase opportunity for new economic investment in subareas	Subarea/district plans (implement 4 <sup>th</sup> Plan, The Heights, Section 30 plans; develop: Upper Main, 192 <sup>nd</sup> Corridor, Van Mall)	\$0.60											
Decrease incidents of pedestrian-vehicle collisions	Citywide traffic safety improvement program (one new staff position; public outreach/education)	\$0.60				\$0.60							
Increase number of residents using transportation alternatives	Citywide pedestrian & bike infrastructure improvements (staff; public outreach/education)	\$0.30				\$0.30							
1. Reduce overall system response times 2. Reduce EMS response times during peak hours	Rapid response rescue units/Fire Department (add four, 2-person, paramedic staffed units)	\$2.30		\$2.30									
Reduce incidence of residential fires, loss of life & property	Fire prevention program (implementation; public outreach/education)	\$0.60				\$0.60							
Reduce loss of life & property from residential fires	Fire sprinkler program (implementation; grant program funding)	\$1.00	(\$1.00)				\$0.00						\$1.00
Reduce incidence of crime by proactively addressing trends/causes	Problem Oriented Policing Unit/Police Department	\$1.00											(\$1.00)
Increase capacity to address the needs of citizens experiencing homelessness	<ul style="list-style-type: none"> <li>– Homelessness services &amp; response</li> <li>– Homeless/Mental Health Assistance Resource Team</li> <li>– Homelessness clean-up program (regular clean-up program for areas impacted by homelessness)</li> <li>– Homeless facility operations (support operations of day &amp; overnight homeless facilities)</li> </ul>	\$2.30		\$0.10									(\$2.20)
Reduce financial barriers to participation in recreation programs	Fee reductions for low-income participants in Parks & Recreation programs	\$2.00		\$0.20	\$0.10	\$1.70							
Increase number of children engaged in supervised activities over the summer	Summer Playground Program (expand program locations, hours & meals served)	\$0.40				\$0.40							
Increase engagement with diverse communities	Multi-lingual outreach program (three coordinator positions)	\$0.50				\$0.50							
Increase community engagement through more frequent & diverse community events	Expand the citywide community events program (three coordinator positions)	\$0.30				\$0.30							
Increase connections with at-risk youth through City's recreation programs	At-Risk Youth Program (one coordinator position)	\$0.10				\$0.10							
A citywide public art program & support for arts organizations	Culture, Arts & Heritage Program (one manager position; funding for public art, grants, & cultural programs/events)	\$0.50							\$0.50				
Increase engagement with and support of neighborhood associations	Neighborhoods Program (one coordinator position; funds for a neighborhood grants program)	\$0.30				\$0.30							
A dedicated funding source for programs to address downtown needs	Downtown Business Improvement District (develop and implement)	\$0.70	(\$0.70)										(\$0.70)
Operating funds for new parks	Parks maintenance (parks maintenance support) - added to capital	\$1.40	(\$1.40)	\$0.00									(\$1.40)
<b>Total Annual Operating Program Costs</b>		<b>\$14.90</b>	<b>(\$3.10)</b>	<b>\$2.60</b>	<b>\$3.20</b>	<b>\$1.70</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.50</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$4.90)</b>