

AGENDA

COUNCIL WORKSHOP

**Tuesday, October 29, 2024
5:00 p.m.**

**Committee Room, Municipal Hall
355 West Queens Road
North Vancouver, BC**

Watch at <https://dnv.org.zoom.us/j/64484156494>

Council Members:

Mayor Mike Little

Councillor Jordan Back

Councillor Betty Forbes

Councillor Jim Hanson

Councillor Herman Mah

Councillor Lisa Muri

Councillor Catherine Pope



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AGENDA

1. ADOPTION OF THE AGENDA

1.1. October 29, 2024 Council Workshop Agenda

Recommendation:

THAT the agenda for the October 29, 2024 Council Workshop is adopted as circulated, including the addition of any items listed in the agenda addendum.

2. ADOPTION OF MINUTES

2.1. October 23, 2023 Council Workshop

p. 7-14

Recommendation:

THAT the minutes of the October 23, 2023 Council Workshop are adopted.

3. REPORTS FROM COUNCIL OR STAFF

3.1. Council Priorities and Budget

p. 17-51

File No. 2025 Budget

Report: General Manager – Finance and Chief Financial Officer, October 17, 2024
Attachment 1: Budget Engagement Results
Attachment 2: PowerPoint Presentation

Recommendation:

THAT Budget Scenario 2, including a property tax increase of 5.5%, some reduction in spending and services, and some additional funding and borrowing is supported.

4. PUBLIC INPUT

(maximum of ten minutes total)

5. ADJOURNMENT

Recommendation:

THAT the October 29, 2024 Council Workshop is adjourned.

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MINUTES

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**DISTRICT OF NORTH VANCOUVER
COUNCIL WORKSHOP**

Minutes of the Council Workshop for the District of North Vancouver held at 7:02 p.m. on Monday, October 23, 2023 in the Committee Room of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

Present: Mayor Mike Little
Councillor Jordan Back
Councillor Betty Forbes
Councillor Jim Hanson
Councillor Herman Mah (via Zoom)
Councillor Lisa Muri
Councillor Catherine Pope

Staff: David Stuart, Chief Administrative Officer
Rick Danyluk, Acting General Manager – Finance and Technology and Acting CFO
Gavin Joyce, General Manager – Engineering, Parks and Facilities
Dan Milburn, General Manager – Planning, Properties and Permits
Saira Walker, General Manager – Corporate Services
Caroline Jackson, Director – Climate Action, Natural Systems, and Biodiversity
Steffanie Warriner, Director – Parks
Nicola Chevallier, Deputy General Manager – Engineering Operations and Facilities
Peter Cohen, Deputy General Manager – Engineering Services
Victoria Grant-Smith, Section Manager – Integrated Planning
Sacha Jones, Section Manager – Financial Planning
Genevieve Lanz, Deputy Municipal Clerk
Cheryl Archer, Confidential Council Clerk
Adriana Reiher, Council Liaison/Support Officer
Chris Reynolds, Committee Clerk

1. ADOPTION OF THE AGENDA

1.1. October 23, 2023 Council Workshop Agenda

MOVED by Councillor BACK

SECONDED by Councillor HANSON

THAT the agenda for the October 23, 2023 Council Workshop is adopted as circulated.

CARRIED

2. ADOPTION OF MINUTES

2.1. February 6, 2023 Council Workshop

MOVED by Councillor HANSON

SECONDED by Councillor FORBES

THAT the minutes of the February 6, 2023 Council Workshop are adopted.

CARRIED

2.2. February 13, 2023 Council Workshop

MOVED by Councillor HANSON

SECONDED by Councillor FORBES

THAT the minutes of the February 13, 2023 Council Workshop are adopted.

CARRIED

2.3. April 17, 2023 Council Workshop

MOVED by Councillor HANSON

SECONDED by Councillor FORBES

THAT the minutes of the April 17, 2023 Council Workshop are adopted.

CARRIED

3. REPORTS FROM COUNCIL OR STAFF

3.1. Council Workshop Format and Content

File No.

David Stuart, provided an introduction to the Council Workshop, noting there are three types of Council meetings: Regular Council Meetings, In Camera Council Meetings, and Committee of the Whole Meetings (Council Workshops), all of which have legislated requirements, and each of which serves a different purpose. Council Workshops are intended to provide Council with more opportunity to delve into complex topics prior to making a decision, or serve other purposes such as education.

Mr. Stuart advised that the purpose of this Council Workshop is to discuss options for Council consideration including the frequency, purpose, and format of future Council Workshops as well as considerations such as establishing speaking time limits or other limits, the level of formality of meetings, and whether to have staff present materials or for a summary of Council direction to be provided at the conclusion of each item.

Council discussion ensued and the following comments and concerns were noted:

- Expressed support for more structure, focussed discussion, and efficient use of time during Council Workshops;
- Discussed whether a summary of Council direction provided by senior staff is useful or appropriate;
- Commented on the importance of public participation at Council Workshops;
- Expressed concern that unlimited free-flowing discussion is time-consuming and ineffective;
- Stated that Council Workshops are too frequent and Council could be informed as effectively via Information Reports to Council;
- Expressed concern regarding staffing costs and Council's time required for Council Workshops;
- Expressed frustration that some Council Workshops do not advance issues or have meaningful results;
- Suggested Council direction be provided to staff for each item;
- Suggested holding different types of meetings at different times and dates to engage with members of the public who are not available at usual meeting times;

- Noted that some members of the public may find District Hall intimidating;
- Discussed issues with previous attempts to hold Town Hall type meetings;
- Expressed support for establishing and enforcing speaking times;
- Stated that Council Workshops are less effective when multiple topics are presented;
- Suggested Council could become more involved with choosing topics;
- Stated that additional Council Workshops should not be scheduled based on requests from individual members of Council without support from other members;
- Commented on the different purposes of Council Workshops, noting that they may be used to eliminate unacceptable options where consensus has not been reached, to explore issues in more depth, and to explore issues for greater public understanding;
- Noted that staff are often seeking Council input prior to bringing forward items for consideration at a Regular Council Meeting;
- Suggested referring matters where there is already consensus or topics that are easier to understand directly to Regular Meetings;
- Discussed how to proceed when consensus of the full Council cannot be reached and whether to move forward if there is a majority or work toward middle ground;
- Expressed support for early input on development applications being discussed at Regular Council meetings rather than at Council Workshops;
- Noted that past Council Workshops provided opportunities for Council to share ideas and that the current practice is for staff to provide a presentation and list of options;
- Questioned whether discussion should be restricted to stating opinions or if debate is allowed between Councillors;
- Discussed the possible levels of formality at future Council Workshops, including speaking order and time limits;
- Discussed the length and number of speaking times and noted that a timer has been used in the past;
- Expressed support for Council input into topics to be brought forward to Council Workshops;
- Commented on the content, complexity, and clarity of staff presentations;
- Discussed the level of detail in minutes and whether they should be an overall summary of the discussion or reflect each individual Councillor's opinions in detail;
- Discussed setting goals for Council Workshop outcomes;
- Commented on past practices, including the frequency of meetings, back-to-back scheduling, and format;
- Commented on the impact of senior staff retirements on the depth in which topics may be explored;
- Expressed concern regarding the complexity of staff reports and presentations;
- Reviewed the process for scheduling Council Workshop topics, noting that topics may be referred by members of Council to the Chief Administrative Officer, who makes recommendations, and that staff maintain a list of topics for future consideration.

In response to a question from Council, staff advised that the schedule of Council Workshops for the following three months could be reviewed quarterly during a Closed Council Meeting, noting that the schedule changes frequently.

In response to a question from Council, staff advised that if the purpose of a Council Workshop is to provide staff with direction, it is important to ensure that staff accurately understand Council's direction, including where there is or is not consensus.

In response to a question from Council, staff advised that early input on large projects in Town Centres have been brought forward to Council Workshops for discussion between Council and staff. Staff further advised that developers are never scheduled as presenters at these meetings as the broader discussion includes impacts on infrastructure, significant changes to the public realm, neighbourhood impacts, and community benefits.

Staff noted that there is consensus among Council that changes are required to Council Workshops and advised that the Mayor, Chief Administrative Officer, and Municipal Clerk's Office will discuss options.

Staff noted that Information Reports to Council are distributed to provide Council with updates on various matters and that they are only effective if they are read.

3.2. 2024 Council Meeting Schedule

File No. 01.570.01/000.000

Mayor Little provided an introduction to the topic, noting that Regular Council Meetings are currently running at a reasonable length and that adding Special Council Meetings is possible if Regular Meetings become overloaded. Mayor Little advised that the first meeting in January is often cancelled and that meetings with a larger number of items prior to the summer break is unavoidable. Council feedback is requested on how to proceed with scheduling Council meetings for the upcoming year, including whether to schedule more meetings that may be shorter in duration or fewer meetings that may run later.

Council discussion ensued and the following comments and concerns were noted:

- Expressed general support for the meeting schedule proposed by staff;
- Noted that meetings may be extended past 11:00 p.m. with a unanimous vote of those present;
- Expressed frustration regarding the large number of reports brought forward prior to the winter and summer breaks;
- Suggested the Mayor take a more active role in managing the number of reports brought forward prior to these breaks;
- Commented on the time commitment to review complex reports;
- Acknowledged some work is seasonal and that the Union of British Columbia (UBCM) Conference and two statutory holidays in September create some scheduling challenges;
- Noted that staff vacations in August may cause issues with having reports prepared and reviewed in time for meetings in early September;
- Recommended avoiding complex and contentious topics in July when children are out of school;

- Expressed concern regarding the proximity of the last proposed meeting of the year to the winter break;
- Commented on meetings in other municipalities running late into the evening;
- Noted that some municipalities do not hold Council Workshops;
- Commented on the pace of moving business forward at Regular Council Meetings when they are spaced further apart;
- Expressed a preference for keeping meetings to Mondays and one meeting per week if possible; and,
- Noted there are challenges for some to attend 5:00 p.m. meetings.

Mayor LITTLE left the meeting at 8:37 p.m.

Councillor FORBES assumed the Chair.

3.3. 2023 Capital Projects Update

File No.

Gavin Joyce, General Manager, Engineering, Parks and Facilities, provided an introduction to the Council Workshop, noting that Council has requested more information and discussion on the Capital Plan.

Peter Cohen, Deputy General Manager – Engineering Services, provided an overview of the components of project delivery, noting that they have transitioned to a new project management framework and break out projects into three phases: needs identification, concept, and delivery. Tools and templates guide the process through all phases and project supervisors perform checks to ensure projects are ready to move forward and risks are managed.

Mr. Cohen advised that Council has received an update for the status of capital projects and staff are available to provide more detail.

Mayor LITTLE returned to the meeting at 8:40 p.m.

Mr. Cohen advised that staff are facing challenges capturing all the comments and questions from Council and members of the public regarding capital projects due to the many different avenues for engagement, including the Report a Problem application, Mayor and Council email, Infoweb email, in-person communication, and others. It was noted that responding to an individual request may take several hours as staff must review the correspondence, retrieve the requested information, and compose a response. Some members of the public are also requesting the same information from different members of staff, particularly if they are not satisfied with the response they receive, placing further demands on staff resources.

A task force has been established to explore options, including technology, centralization of communications, and establishing reasonable service levels for responding for information requests, followed by staff training.

David Stuart, Chief Administrative Officer, advised that there have been issues with project contractors handling inquiries and not meeting service standards in responding to members of Council and the public. It was noted that staff are discussing moving these communications to District staff.

Mr. Cohen provided an update on active transportation, noting the following projects:

- Spirit Trail eastern extension;
- Lynn Valley Town Centre to Lynn Creek Town Centre western alignment through the Kirkstone neighbourhood, over Highway 1 to Brooksbank Avenue in the City;
- Active transportation link between Arborlynn Drive and Highway 1;
- Improved connection to the Ironworkers Memorial Drive on Main Street between the border with the City and Harbour Avenue;
- Mountain Highway safety improvements;
- Phase 2 of the Lynn Valley Road active transportation improvements from Peters Road to Dempsey Road;
- Marine Drive improvements from the Lions Gate Bridge to the border between the District and City; and,
- Off-arterial network neighbourhood bikeway upgrade.

Council discussion continued and the following comments and concerns were noted:

- Expressed concern regarding communications regarding capital projects and that Council is not always adequately informed;
- Commented on the impact of major projects on local communities;
- Commented on the volume of correspondence for major projects including East 29th Street, the light at Capilano Road, and night work conducted without notification to Council;
- Expressed concern that measures to increase efficiency may not be suitable for all situations;
- Expressed concern regarding the duplication of correspondence to Council due to multiple options for contact via email and the District website;
- Expressed concern regarding consultation with Deep Cove residents and businesses following major projects with significant impacts;
- Commented on deferred and delayed projects, including the field house at Inter River Park; and,
- Noted that members of the public bring their questions and concerns to Council and expressed concern that members of Council do not always have the necessary information to address these.

In response to a question from Council, staff advised that project communications are proposed to be moved from project contractors to District staff and that much of the work on capital projects will continue to be performed by contractors. The expectation that contractors will respond to in-person requests for information is not being met and there are other matters such as signage that may be better handled by District staff.

Steffanie Warriner, Director – Parks, provided an update on the field at Handsworth Secondary School (HSS), noting that District staff are working with the North Vancouver School District (NVSD) to assess the site needs to accommodate an artificial turf field (ATF) at Council's direction.

Ms. Warriner advised the next steps in the process are to:

- Establish an agreement with NVSD and HSS;
- Determine the technical components of the ATF;
- Create conceptual and detailed designs; and,
- Undertake public engagement;

Ms. Warriner advised that construction is estimated to be completed in 2025.

Council discussion continued and the following comments and concerns were noted:

- Commented on the volume of correspondence regarding the HSS field;
- Noted that there have been noise complaints from Argyle Secondary School due to use of the ATF and expressed support for adding sound mitigation measures;
- Advised that the District or West Vancouver is considering construction of a track;
- Noted that Council serves the community and will be challenged on projects and issues;
- Expressed support for further collaboration with NVSD;
- Commented on the Livable Deep Cove project and communication with the community;
- Commented on complaints regarding bicycle racks in front of businesses, noting that staff have provided feedback on the current and alternative locations;
- Commented on changes that have been made to the public realm design in Deep Cove to address various concerns; and,
- Commented on the importance of learning from successes and challenges from previous projects.

In response to a question from Council, staff advised that the District is delivering 40 million dollars in ATFs.

In response to a question from Council, staff advised that constructing an ATF is an extremely complex project and, because the field is not on District property, coordination is required between all parties.

In response to a question from Council, staff advised that a design for a previous ATF project, such as for Argyle Secondary School, cannot be used as technical requirements are specific to each site.

In response to a question from Council, staff advised that a web site will be created in conjunction with NVSD to provide information and updates to the public.

In response to a question from Council, staff advised that the Argyle Secondary School field involved arranging site access for the technical evaluation and lengthy negotiations with NVSD, and that lessons learned from the Argyle project have been incorporated into the process for the HSS field.

In response to a question from Council, staff advised that a site evaluation will determine if there is space for amenities in addition to the field, which is the highest priority, and that a six-lane track is not being considered due to the high cost.

In response to a question from Council, staff advised that 60 million dollars in capital projects are delivered per year.

In response to a question from Council, staff advised that the bicycle racks in Deep Cove are recommended to remain in their current location for a full season to allow staff to evaluate the suitability as a permanent location, and that they are full on weekends. Staff noted that cyclists are likely to attach their bicycles to trees if the bicycle racks are not in a convenient location, making alternate locations further from the core less suitable.

In response to a question from Council, staff advised that solutions to issues with communication with Council on capital projects have not yet been determined and staff will report back.

4. PUBLIC INPUT:

4.1 Corrie Kost

- Stated that there are no bicycle lanes and many bicycle racks in Edgemont Village;
- Stated that acoustic issues in large gymnasiums can be solved by adding more speakers;
- Commented on the process for developing the Capilano Road cycling link and delay in public engagement;
- Requested that the Council meeting calendar show the specific names of holidays;
- Suggested the Council meeting schedule explicitly state when there is no meeting rather than leaving the date blank;
- Requested that the public have access to the Agenda Planner;
- Commented on the acoustics in the Committee Room; and,
- Expressed support for fewer items on Council Workshop agendas.

4.2 Megan Enns:

- Expressed concern that the ATF has not been constructed at HSS;
- Commented on the length of time she has advocated for an ATF;
- Expressed concern that her son will not have a school field at any point in secondary school;
- Expressed frustration with the process and staff responses to her inquiries;
- Noted that a private school constructed a field in a much shorter time; and,
- Questioned where her taxes are being spent.

5. ADJOURNMENT

MOVED by Councillor FORBES

SECONDED by Mayor LITTLE

THAT the October 23, 2023 Council Workshop is adjourned.

CARRIED
(9:29 p.m.)


Mayor

Municipal Clerk

REPORTS

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AGENDA INFORMATION	
<input type="checkbox"/> Regular Meeting	Date: _____
<input type="checkbox"/> Other:	Date: _____

Dept. Manager	GM/ Director	 CAO
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The District of North Vancouver REPORT TO COUNCIL

October 17, 2024
File: 2025 Budget

AUTHOR: Rick Danyluk, General Manager, Finance and CFO

SUBJECT: Council Priorities and Budget

RECOMMENDATION:

THAT Budget Scenario 2, including a property tax increase of 5.5%, some reduction in spending and services, and some additional funding and borrowing is supported.

REASON FOR REPORT:

Following the Budget Outlook workshop in July, Council directed staff to develop scenarios on how the property tax increase could be reduced and to engage the public to understand their preferences for delivering a balanced budget.

SUMMARY:

Staff are seeking Council direction on the preferred budget scenario for 2025. Based on the District's updated financial position, Budget 2025 public engagement (Attachment 1) and financial planning framework, Budget Scenario 2 is put forward as a starting point for discussion, including the following strategies for a balanced budget in 2025:

- A 5.5% property tax increase, balancing community needs and affordability concerns
- Some reduction in operating expenses
- Reduce some services, based on demand trends, benefits and costs
- Generate revenue through additional funding sources
- Some reduction in capital spending
- Some additional borrowing
- Set aside funding to manage emerging risks and obligations

Staff have updated the Capital Plan based on the Capital Prioritization Framework and affordability limits resulting from Budget Scenario 2 and will seek further direction from Council on Transportation priorities in November, and approval on the Capital Plan before the end of the year.

As Metro Vancouver charges on the North Shore are proposed to increase \$979 per household over the next five years, primarily due to the North Shore Wastewater Treatment

Plant costs, the District's utilities will draw on reserves to stabilize utility rates, resulting in a combined rate increase of 10% on the average home in 2025.

BACKGROUND:

Following an unusually-high taxation rate in 2024 resulting from inflationary cost pressures, Council expressed a desire to moderate future tax increases.

The 2025 Budget Outlook provided Council with an early opportunity to guide development of the budget, serving as a starting point for staff to begin building the budget and to revisit the Financial Plan. Since then, staff have updated the Capital Plan based on the Capital Prioritization Framework, developed scenarios on how the estimated property tax increase could be reduced, and, at Council's direction, completed the "Budget 2025" public engagement. Interim results from that engagement are provided as Attachment 1.

One major impact on costs and the 2025 Budget, of course, is the outcome of the Metro Vancouver Board decision regarding the North Shore Wastewater Treatment Plant projected cost overruns. The Board decision last May results in an additional \$590 per household to the North Shore for Greater Vancouver Sewerage and Drainage District (GVS&DD) charges over the next 30 years. There are still many unknowns, and full impacts won't be clear until Metro Vancouver's Long-Range Financial Plan is released, expected towards the end of Q1 2025.

EXISTING POLICY:

The Financial Plan supports sustainable financial planning through a set of guiding financial principles that aim to bring the plan into balance each year and over the long term. When emerging needs arise, new strategies are developed following the guiding financial principles.

The Financial Planning Framework (shown on page 5 of Attachment 2) supports the development of options for Council's consideration during the annual budget process. This Framework was introduced through the 2024 Budget Deliberations meeting last January.

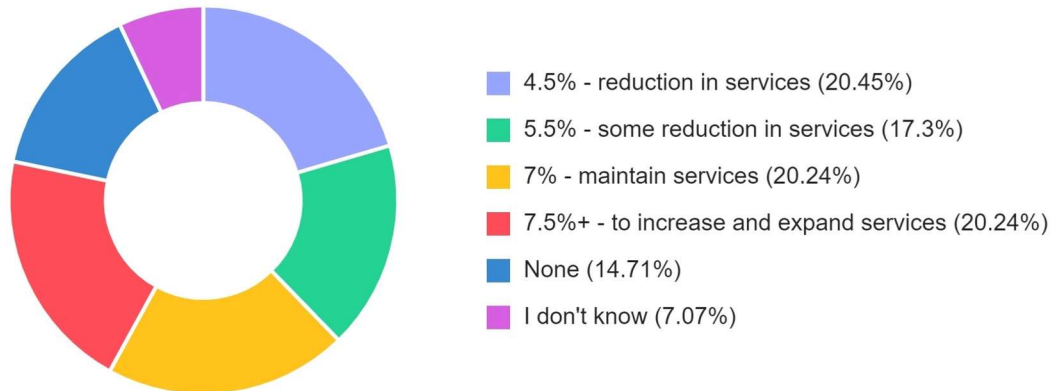
ANALYSIS:

Since the Budget Outlook workshop in July, the estimated property tax increase to maintain services has increased from 7% to 8%, due to increased protective services overtime and costs to transition North Vancouver's police telecom services to E-Comm. Additional information on these changes will be provided at the October 29th workshop.

Based on the District's updated financial position, staff developed a number of strategies and actions to support the development of budget scenarios for Council discussion and direction.

Preliminary results from the budget public engagement were tabulated in early October, including results from the question below on support for property tax increase options in 2025.

Due to the increased cost of maintaining both our aging infrastructure and current service levels, tell us which of the following options you support:



Staff prepared four district scenarios, based on Council direction, the updated financial position, public engagement responses and the strategies developed by staff, Budget Scenario 2 is put forward as a starting point for discussion at the workshop. This scenario includes a property tax increase of 5.5%, some reduction in spending and services, and some additional funding and borrowing. The attached presentation includes a description of proposed changes to the Operating Budget, Capital Plan, and Risk Management Plan under this scenario.

Scenario 2: 5.5% property tax increase and some reduction in services

(millions \$)	Operating	Capital	Risks
1. Maintain services (baseline funding gap)	(\$3.0)	(\$50.0)	(\$20.0)
2. Senior government support and legislative changes			
a. Advocate for change			
3. Leverage opportunities and mitigate risks			
a. Reduce operating expenses or build capacity	\$1.8		
b. Reduce services	\$0.6		
c. Generate revenue through additional funding sources	\$2.4		
d. Reduce capital spending		\$30.0	
e. Increase capital funding through additional borrowing	(\$1.8)	\$20.0	
f. Set aside additional funding to manage risk			\$20.0
Net (balanced budget = \$0)	\$0.0	\$0.0	\$0.0

Note: a property tax increase of 5.5% = \$154 on average home (1% increase = \$28)

Staff have also included a section at the end of the presentation aligning Scenario 2 with the Corporate Plan and performance to outline what will be delivered through this scenario over Council's term.

Timing/Approval Process:

The Council Priorities and Budget workshop will be followed by Utility Rates and User Fee Bylaws on November 18, and a Transportation Update November 25. The key milestones for this year's budget process are shown below, with Council approval of the Capital Plan planned for December.



Concurrence:

This report has been developed with input from senior management.

Public Input:

At Council's direction, a public engagement on the 2025 Budget was held between September 6th and 30th. The purpose was to hear directly from interested community members regarding the budget, including about tax tolerance. The engagement resulted in 1,437 responses from community members. Interim results are attached to this report. A final report will follow in November.

This workshop is open to the public and there will be additional opportunities for public input through the remainder of the 2025 budget process.

Conclusion:

Due to a number of external factors, municipalities across the region continue to experience cost increases above general inflation. After developing strategies and actions to reduce the property tax increase, staff are proposing budget Scenario 2 as a starting point for discussion, and are seeking Council direction on the preferred budget scenario for 2025.

Options:

1. THAT Budget Scenario 2, including a property tax increase of 5.5%, some reduction in spending and services, and some additional funding and borrowing is supported.
2. OR Council provide an alternative direction.

Respectfully submitted,



Rick Danyluk
General Manager, Finance and CFO

Attachments:

1. Budget Engagement Results
2. Council Priorities and Budget presentation

REVIEWED WITH:					
<input type="checkbox"/> Business and Economic	___	<input type="checkbox"/> Finance	___	External Agencies:	
<input type="checkbox"/> Bylaw Services	___	<input type="checkbox"/> Fire Services	___	<input type="checkbox"/> Library Board	___
<input type="checkbox"/> Clerk's Office	___	<input type="checkbox"/> GIS	___	<input type="checkbox"/> Museum and Archives	___
<input type="checkbox"/> Climate and Biodiversity	___	<input type="checkbox"/> Human Resources	___	<input type="checkbox"/> NSEM	___
<input type="checkbox"/> Communications	___	<input type="checkbox"/> Integrated Planning	___	<input type="checkbox"/> NS Health	___
<input type="checkbox"/> Community Planning	___	<input type="checkbox"/> ITS	___	<input type="checkbox"/> NVRC	___
<input type="checkbox"/> Development Engineering	___	<input type="checkbox"/> Parks	___	<input type="checkbox"/> RCMP	___
<input type="checkbox"/> Development Planning	___	<input type="checkbox"/> Real Estate	___	<input type="checkbox"/> Other:	___
<input type="checkbox"/> Engineering Operations	___	<input type="checkbox"/> Review and Compliance	___		
<input type="checkbox"/> Environment	___	<input type="checkbox"/> Solicitor	___		
<input type="checkbox"/> Facilities	___	<input type="checkbox"/> Utilities	___		

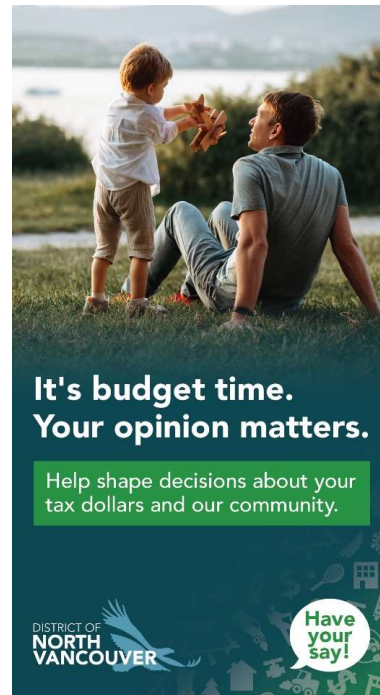
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Budget Engagement Results

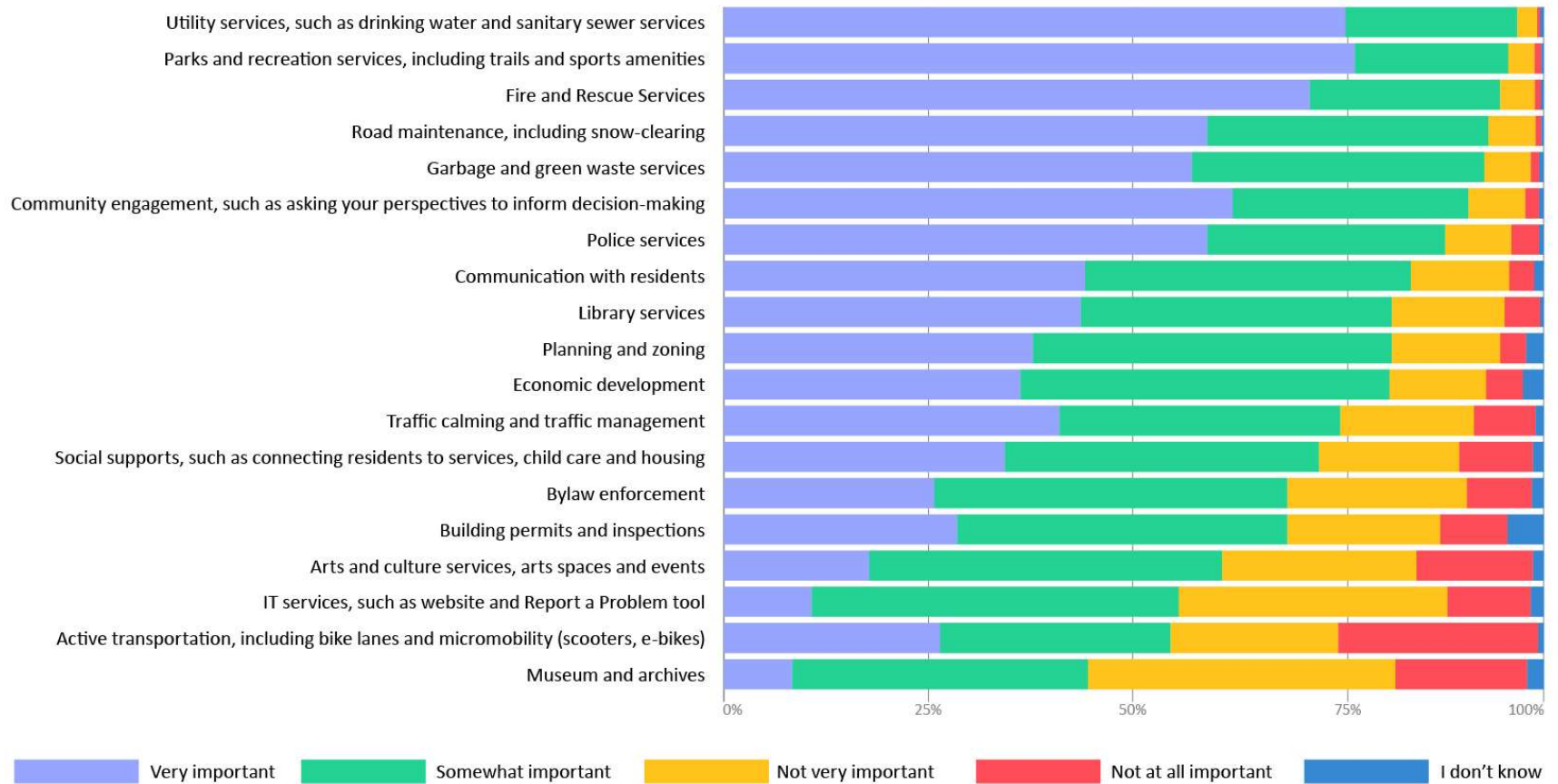
October 9, 2024

Engagement

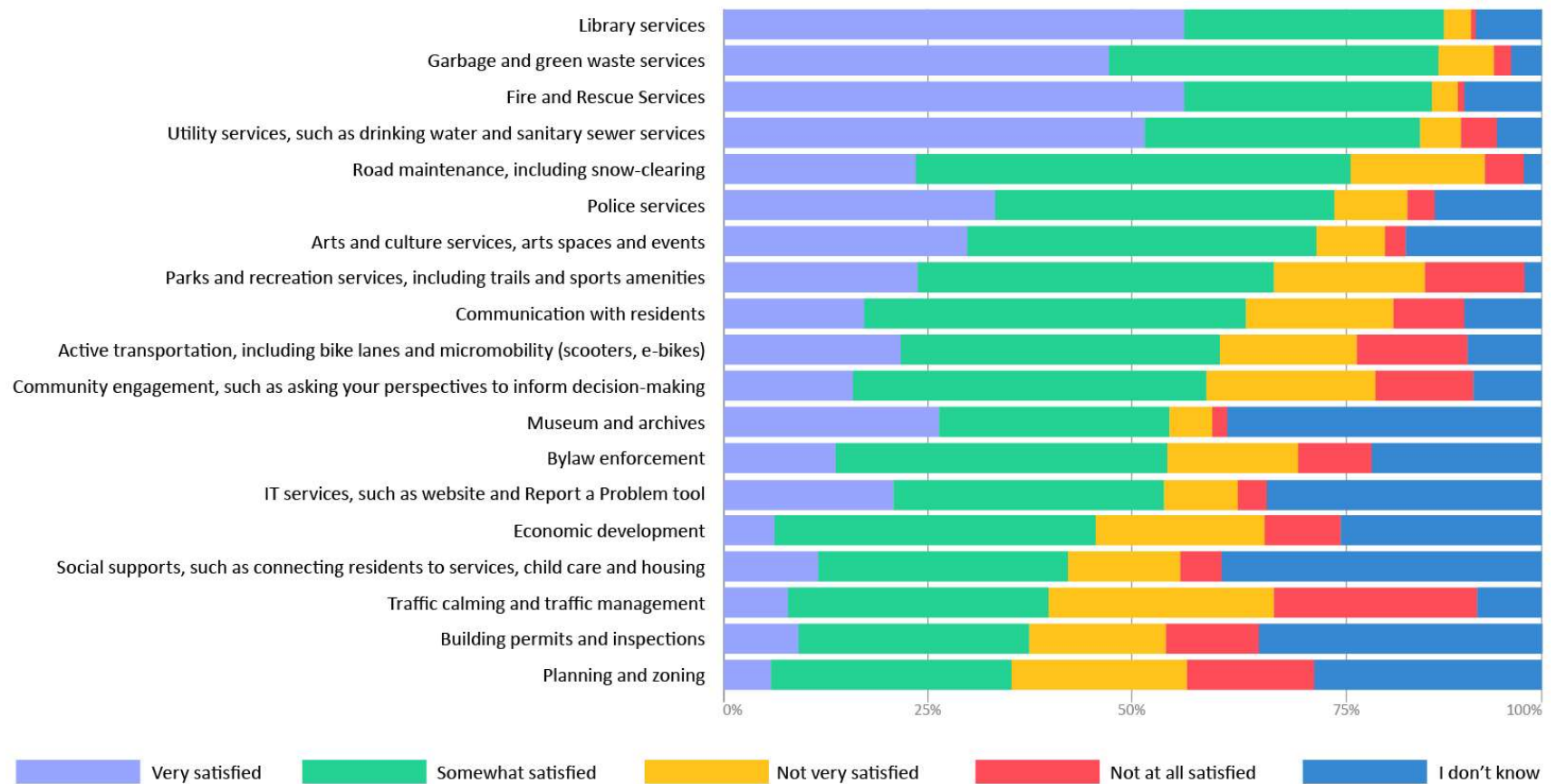
- Sept 5 - 30, 2024
- 1437 Participants



How important are the following services that the District of North Vancouver provides to you?



How satisfied are you with the following services that the District of North Vancouver provides to you?

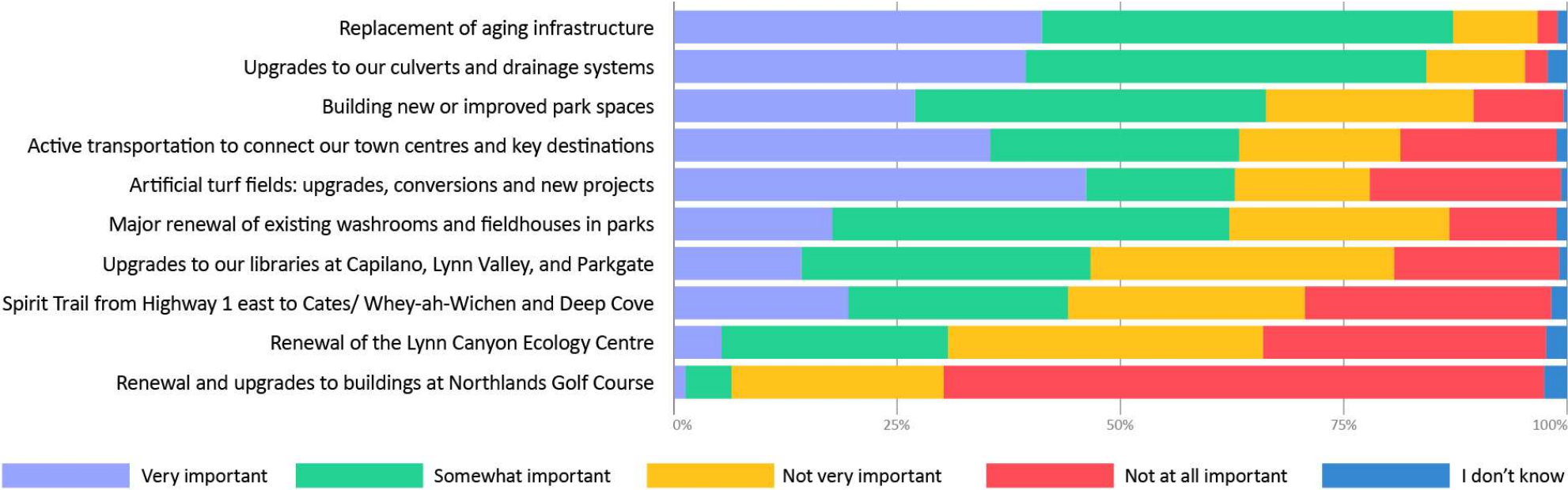


Due to the increased cost of maintaining both our aging infrastructure and current service levels, tell us which of the following options you support:

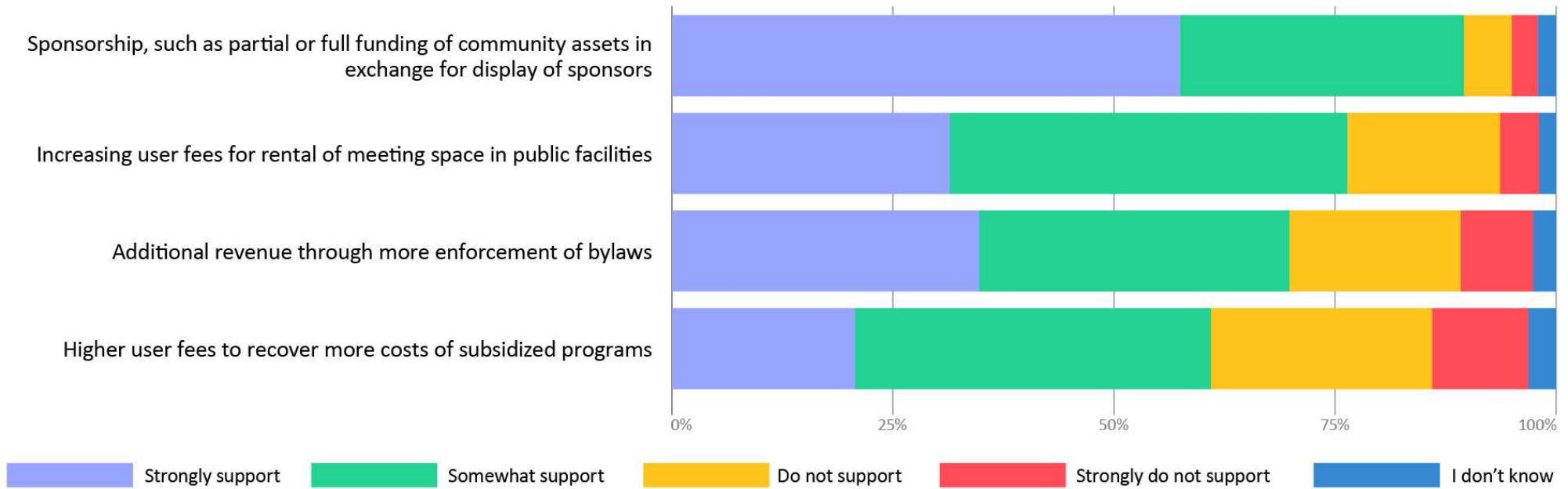


- 4.5% - reduction in services (20.45%)
- 5.5% - some reduction in services (17.3%)
- 7% - maintain services (20.24%)
- 7.5%+ - to increase and expand services (20.24%)
- None (14.71%)
- I don't know (7.07%)

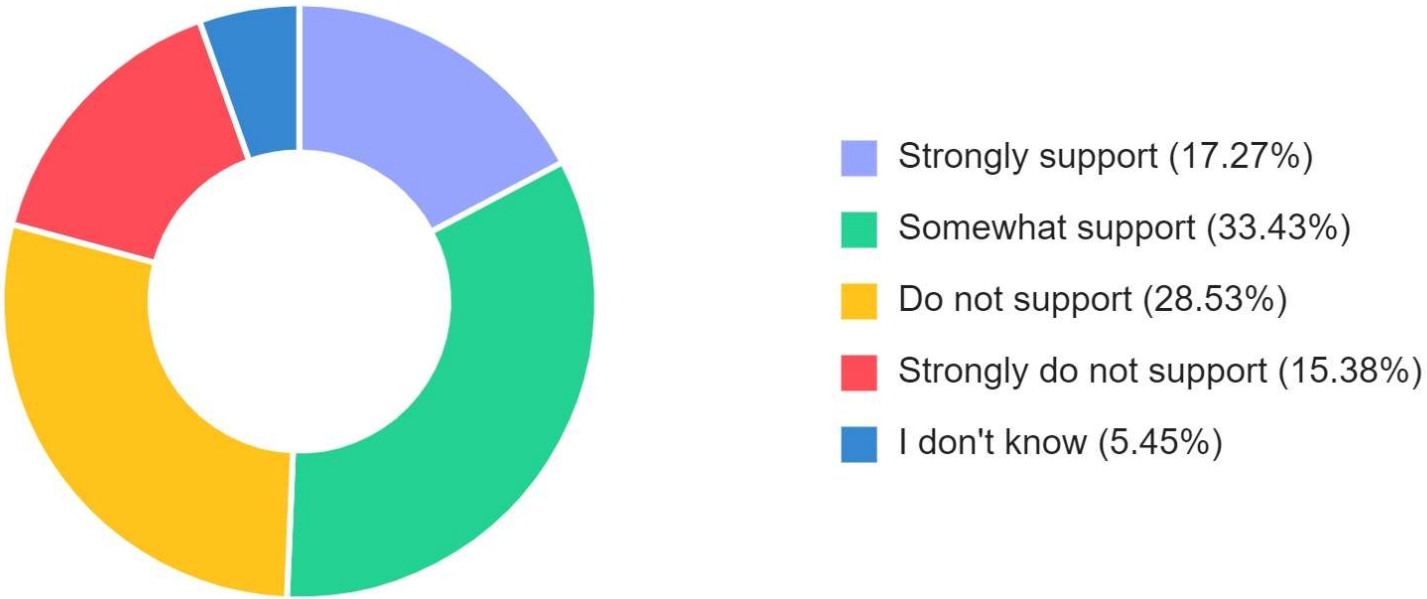
Referring to the chart above and given the impact of increasing costs on some of our most expensive projects, please indicate the importance of these projects to you:



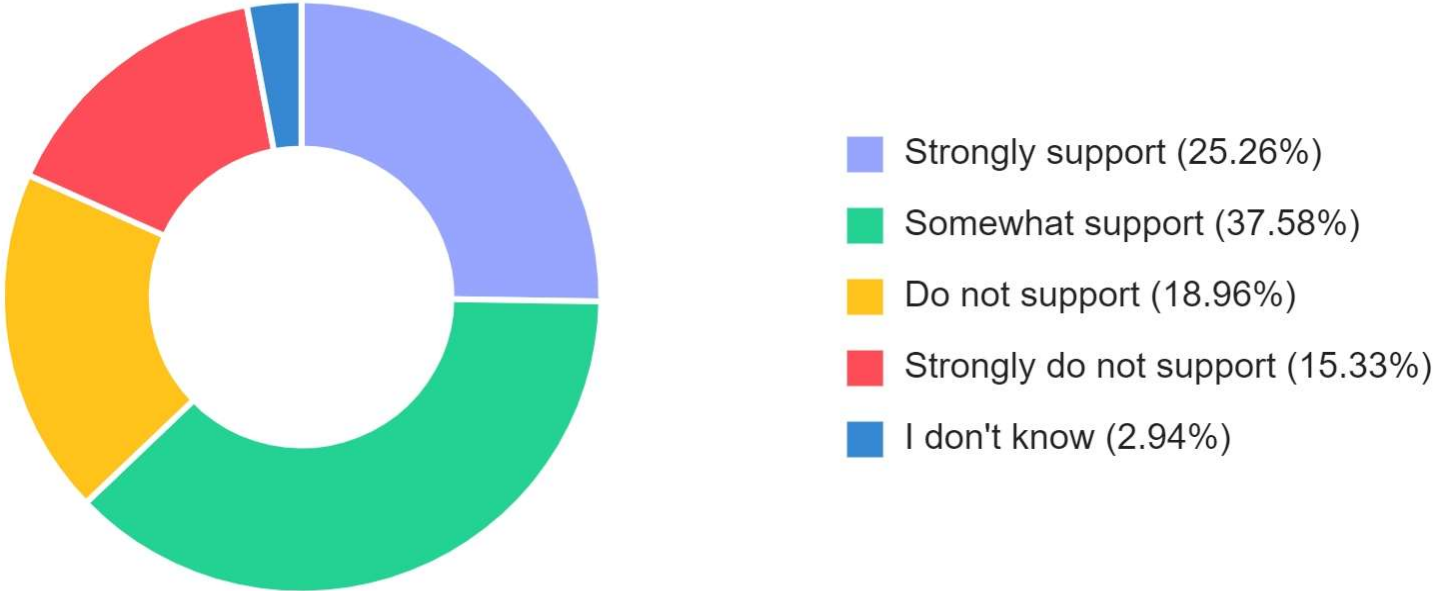
Please indicate your level of support for these other potential sources of revenue:



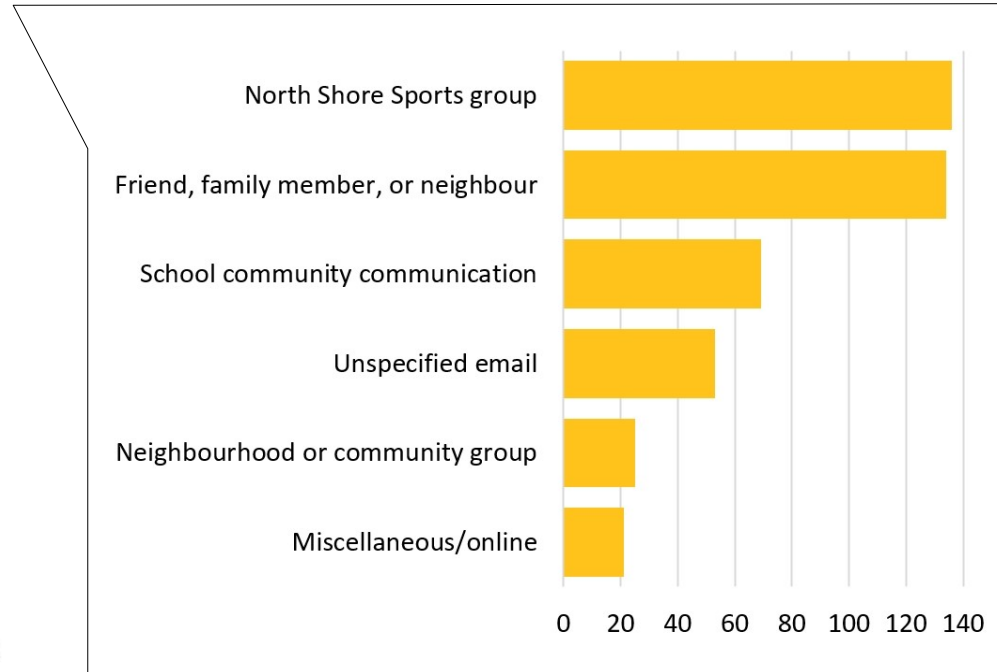
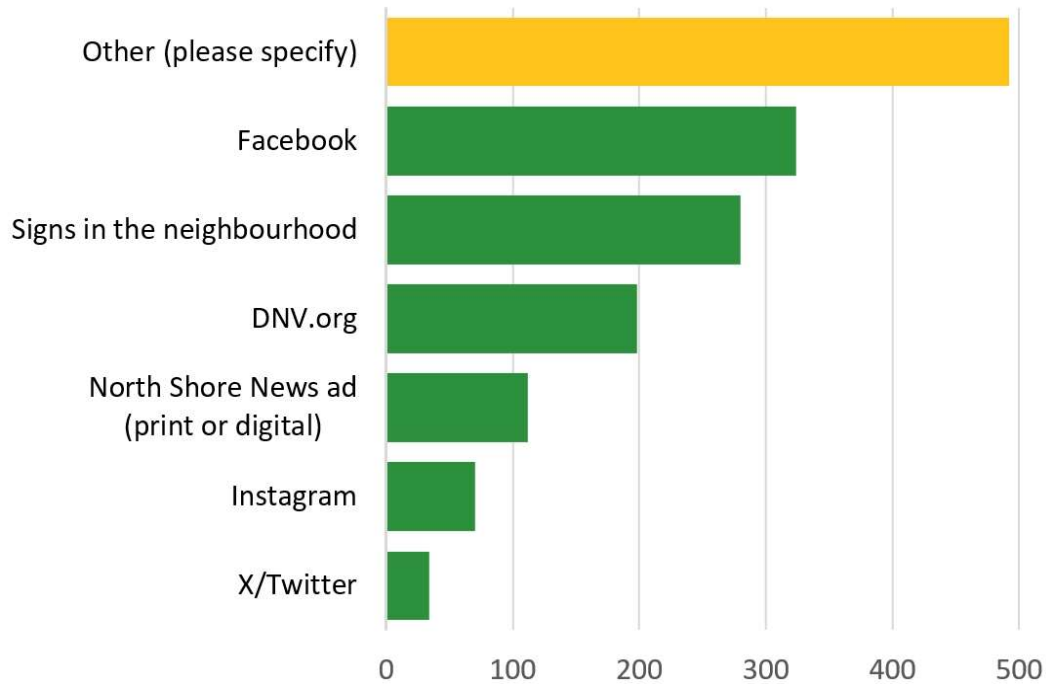
To what extent do you support the District reducing expenditures, noting that it would likely result in a reduction of services or deferral of projects?



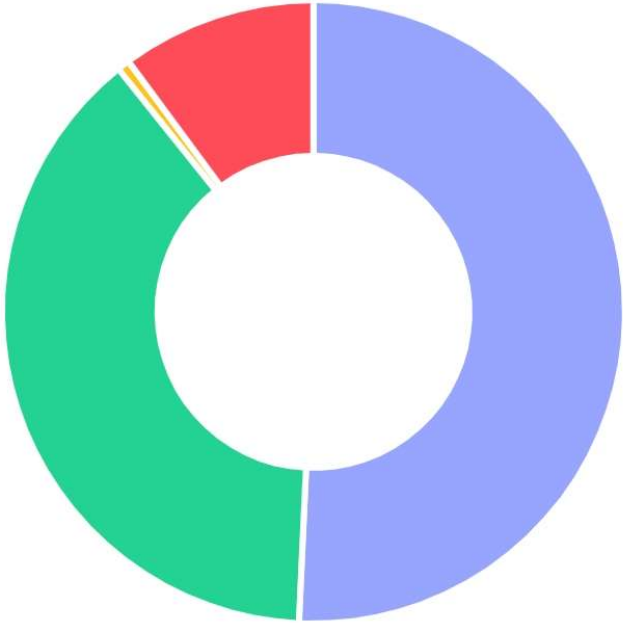
Would you support the District borrowing additional funds within our allowable limit to address a backlog of capital projects?



How did you hear about this engagement? Please select all that apply.

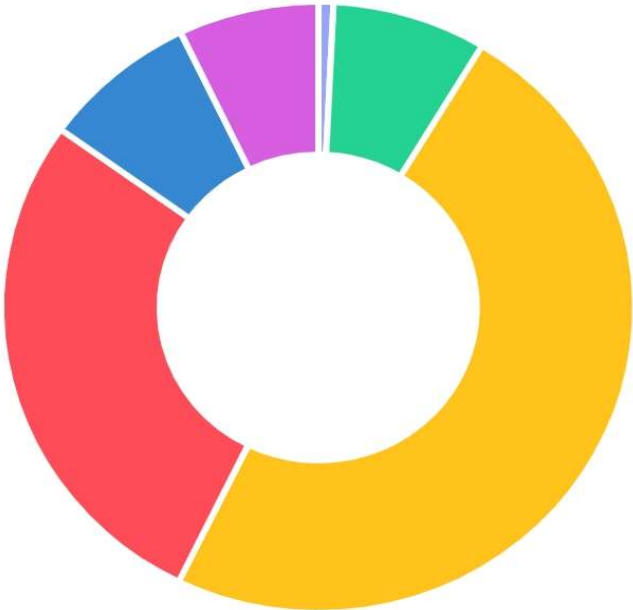


What is your gender?



- Female (50.74%)
- Male (38.48%)
- Non-binary or gender fluid (0.64%)
- Prefer not to answer (10.13%)

Which of the following ranges includes your age?

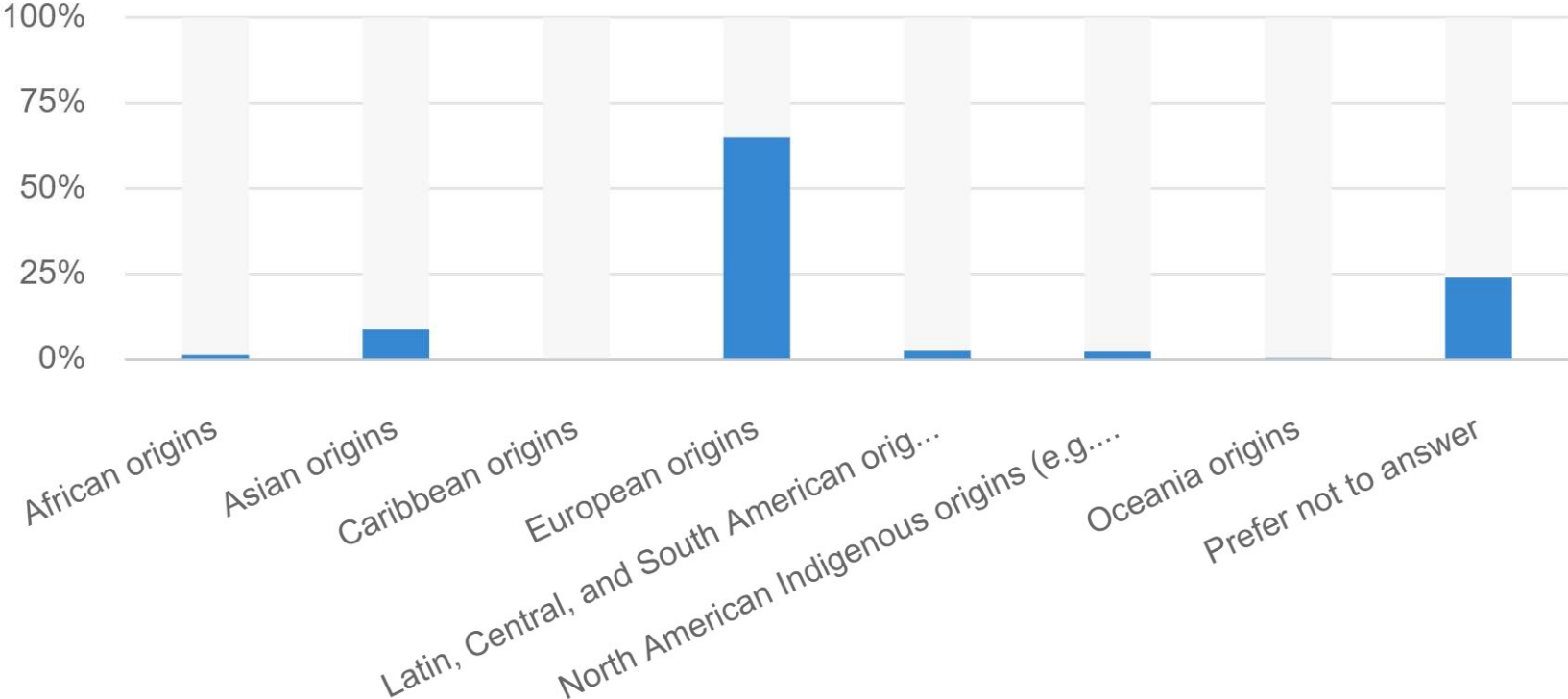


- 19 or younger (0.78%)
- 20 - 34 years old (7.87%)
- 35 to 49 years old (48.62%)
- 50 to 64 years old (27.64%)
- 65 or older (7.94%)
- Prefer not to answer (7.16%)

2021
Census

- 23%
- 15%
- 21%
- 23%
- 19%
-

What is your ethnic origin. Please select all that apply.

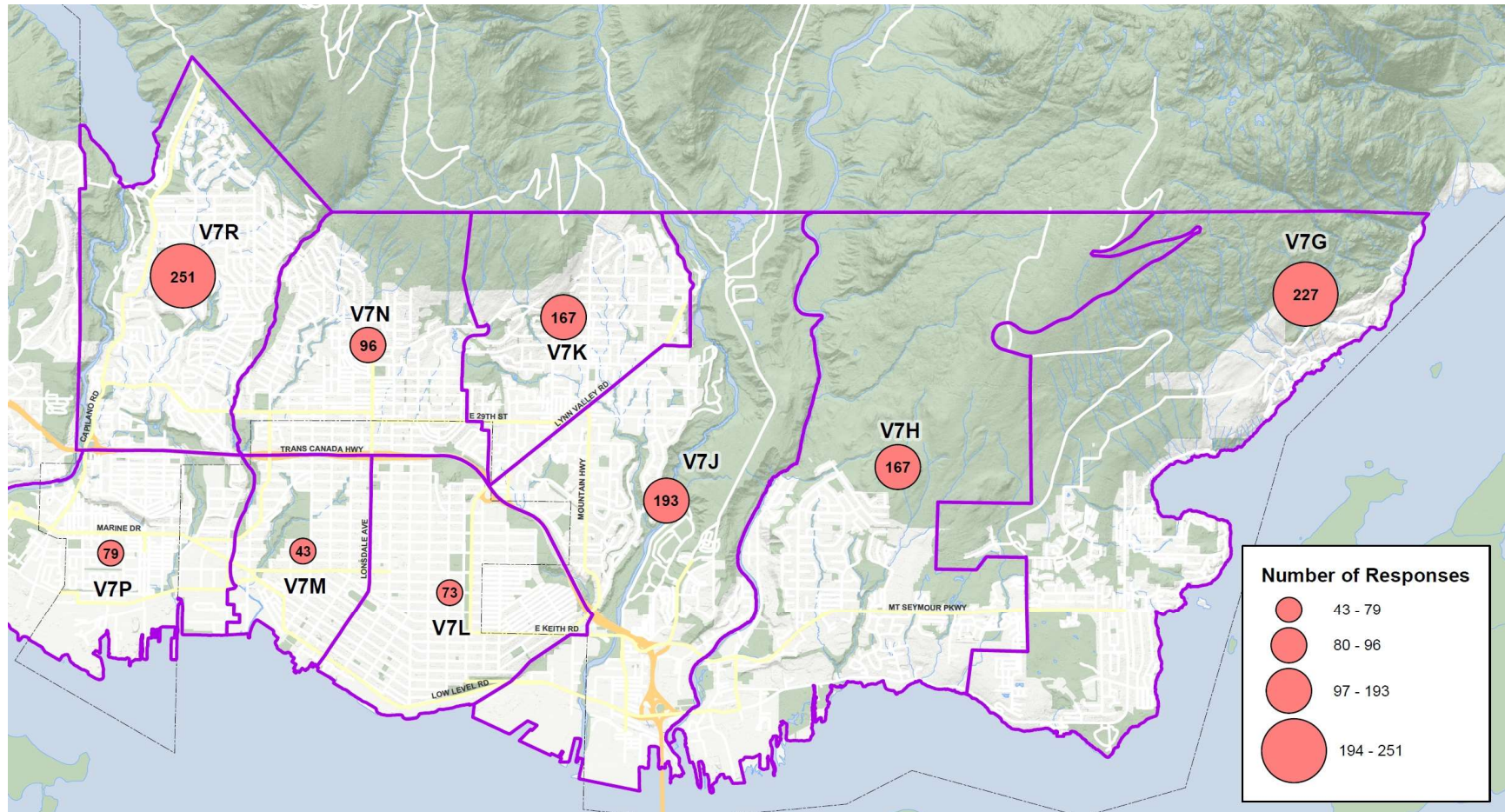


Which best describes your individual annual income?



- Under \$29,999 (3.06%)
- \$30,000 - \$59,999 (5.2%)
- \$60,000 - \$89,999 (11.25%)
- \$90,000 - \$119,999 (14.45%)
- \$120,000 - \$149,999 (10.68%)
- \$150,000 or more (28.19%)
- Prefer not to answer (27.19%)

Responses by postal code



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Council Priorities and Budget

Workshop, October 29, 2024




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Goal of Workshop



- Provide updates on the District’s financial position, Budget 2025 public engagement and financial planning framework.
- Receive direction on the preferred budget scenario that supports Council’s priorities.



Priorities and Budget

2

Agenda

- Timeline
- Environmental Scan
- Financial Position
- Public Engagement
- Budget Scenarios
- Direction and Next Steps



3

Timeline



4

Environmental Scan

- Support for Rapid Transit to North Shore, no funding yet
- Housing & development finance legislation (Bill 16, 44, 46, 47)
- Bank of Canada interest rates coming down
- Construction permits have slowed
- Labour markets improving, still shortages on the North Shore

Financial Position

- Lower operating surplus, uncertainty increasing
- Capital spending in line with prior years, “capital tail” decreasing
- Infrastructure cost increases slowing, capital funding gap ~\$275 million over next ten years
- Metro Vancouver charges drive utility rates up \$979 per household over next five years.

2025 Budget and Financial Plan Drivers

- + Climate change and resilience
 - + Construction inflation
 - + Housing and development finance legislation
 - + Lower investment returns
 - + Lower tax growth from development
 - + North Shore Waste Water Treatment Plant (NSWWTP)
 - + Protective services overtime (*new impacts*)
 - + Regional collective agreement patterns
 - + Transition of Police telecom services to E-Comm (*new impacts*)
-
- = ~ 8% property tax increase, ~10% utility rate increase, + new requests



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Public Engagement

- Objectives: To hear directly from interested community members, including about tax tolerance, at Council's direction.
- Methodology: online engagement fielded Sept. 6 - 30, 2024.
- Responses: n = 1,437 community members
 - See Attachment 2 for interim results



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Financial Planning Framework

- 1** Maintain services as the community grows
- 2** Advocate for senior government support and legislative changes
- 3** Leverage opportunities and mitigate risks
- 4** Improve understanding of the budget
- 5** Set performance targets and report progress



Budget Scenarios

	1. Reduction in services (4.5%)	2. Some reduction in services (5.5%)	3. Maintain services (7%*)	4. Expand Services (7.5%*)
1. Maintain services (baseline funding gap)				
2. Senior government support & legislative changes				
a. Advocate for change				
3. Leverage opportunities and mitigate risks				
a. Reduce operating expenses or build capacity				
b. Reduce services	←			
c. Generate revenue through additional funding sources				
d. Reduce capital spending				
e. Increase capital funding through additional borrowing				
f. Set aside additional funding to manage risk				
Net (balanced budget = \$0)	\$ -	\$ -	\$ -	\$ -

*Note: the property tax increase to maintain services has increased from 7% to 8% due to rising protective services costs.



Scenario 2: 5.5% property tax increase and some reduction in services

(millions \$)	Operating	Capital	Risks
1. Maintain services (baseline funding gap)	(\$3.0)	(\$50.0)	(\$20.0)
2. Senior government support and legislative changes			
a. Advocate for change			
3. Leverage opportunities and mitigate risks			
a. Reduce operating expenses or build capacity	\$1.8		
b. Reduce services	\$0.6		
c. Generate revenue through additional funding sources	\$2.4		
d. Reduce capital spending		\$30.0	
e. Increase capital funding through additional borrowing	(\$1.8)	\$20.0	
f. Set aside additional funding to manage risk			\$20.0
Net (balanced budget = \$0)	\$0.0	\$0.0	\$0.0

See the following slides for a description of the proposed changes to the Operating Budget, Capital Plan, and Risk Management Plan.

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Operating Budget

Strategy	Actions (illustrative)
A property tax increase that balances community needs with affordability concerns.	Budget Scenario 2 proposes a 5.5% property tax increase (4.5% for operations plus 1% for infrastructure renewal). To achieve this, a \$3 million funding gap needs to be addressed (reduce operating expenses, reduce services, generate revenue) .
Some reduction in operating expenses (\$1.8 million).	Positions are left vacant and additional efficiencies are identified. Process improvements continue to build organizational capacity and improve satisfaction with services. The base operating budget has less flexibility requiring increased contingencies.

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Operating Budget

Strategy	Actions (illustrative)
Reduce some services based on demand trends, benefits, and costs. (\$600 thousand).	Some services may stop or be delivered differently. Impacts to the community are minor and early communications provide opportunities for public feedback prior to changes being made.
Generate revenue through additional funding sources (\$2.4 million).	New revenue is generated from building permits and inspections and new parks paid parking locations in operation for the full 2025 summer season. User fees for recreation and other services increase above inflation over the next two years, returning the % cost recovery from those services to pre-pandemic levels. A new sponsorship policy supports partial or full funding of new community assets in exchange for display of sponsors.



Capital Plan

Strategy	Actions (illustrative)
Some reduction in capital spending: reduce, delay or avoid capital projects (\$30 million).	Most capital projects move forward, including Council priorities (eg. Inter River, Handsworth ATFs). Some projects may be slowed down for implementation or reduced in scope. Staff also believe there is an opportunity to avoid future capital and operating costs through divesting of assets or securing additional benefits through land and facility leases (subject to future Council discussions).
Some additional borrowing (\$20 million) and partnerships are explored.	Some projects receive additional borrowing (ATFs, park washrooms, active transportation) and partnerships are explored. Debt servicing is funded by new revenue sources (e.g. newly operational pay parking in parks) and limited to 10% of revenue.



Risk Management Plan

Strategy	Actions (illustrative)
<p>Set aside funding to manage emerging risks and obligations (\$20 million).</p>	<p>Reduce and mitigate risks in hazardous areas, focusing on impacts from extreme weather and community safety (i.e., reassess risk tolerance levels).</p> <p>Ongoing assessment of existing infrastructure, planning for replacement of major infrastructure, loss of revenue, cyber security, collective agreements, and unfunded obligations.</p> <p>DNV lands and funding are set aside to advance commitments to Affordable Housing, proposed development charges fund growth related demands on infrastructure, and financial impacts through the 2025 OCP Update are assessed (\$ impacts TBD).</p>



Performance 2022 - 2026

- Enhance transportation and mobility
 - Continue to progress Council's priority active transportation routes
 - Advance plans for growth in transit ridership (NS Rapid Transit)
- Address community housing needs
 - Progress Council's direction to prioritize affordable housing
 - Complete housing needs report, advance North Shore poverty reduction strategy
 - Modernize zoning bylaw and OCP Update



Performance 2022 - 2026

- Achieve a balanced and fair economy
 - Property tax rates at or below regional average, business licences increase
 - Continue to lead in Asset Management, infrastructure deficit reduced
 - Debt servicing as a % of revenue capped at 10%
 - Continue advocating for senior government support and legislative changes
- Lead in climate emergency action and environmental management
 - Investments reduce carbon emissions, reduce risk, and improve ecological health
 - Enhanced reporting on organization and community performance



Performance 2022 - 2026

- Foster community well-being, culture and safety
 - New Maplewood Fire and Rescue Centre improves fire response times
 - Group child care capacity continues to increase
 - New parks and park improvements both inside and outside town and village centres
 - Artificial Turf Fields increase from three in 2022 to six in 2026
 - Complete Indoor/Outdoor Recreation & Sport Facility and Amenity planning process
 - Begin implementing Forest Resiliency Strategy and Natural Areas Trails Strategy
 - Library circulation per capita continues to be ranked first in BC



Performance 2022 - 2026

- Foster organizational resiliency
 - Digital infrastructure supports process improvements, building organizational capacity and improving satisfaction with services
 - Staff development improves retention and recruitment, continue ranking as one of BC's Top Employers
 - Civic facilities are renewed, accessibility is improved, and plans for changing workforce needs are completed

Direction

- THAT Budget Scenario 2, including a property tax increase of 5.5%, some reduction in spending and services, and some additional funding and borrowing is supported.
- OR Council provide an alternative direction

Next Steps

- Utility Rates, User Fees and Charges November 18
- Transportation Priorities November 25
- Approval of Capital Plan in December
- Introduce Financial Plan in new year



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