



**UPDATED AMENDED AGENDA
COMMITTEE OF THE WHOLE
MEETING OF MONDAY, OCTOBER 30, 2017, AT 8:00 A.M.
COUNCIL CHAMBERS
CITY HALL, 1 CENTENNIAL SQUARE**
Located on the traditional territory of the Esquimalt and Songhees People

Page

APPROVAL OF AGENDA

CONSENT AGENDA

STAFF REPORTS

Draft 2018-2022 Financial Plan
--S. Thompson, Director of Finance

3 - 137

Monday October 30, 2017 (8 am – noon)

Overview

Supplementary Budget Requests

Finance

- Operating Budget pages 507-574
- Capital Budget pages 1047-1051, 1065-1066, 1091

Engineering and Public Works

- Operating Budget pages 247-506
- Capital Budget pages 961-983, 995-1018, 1061-1064, 1071-1090

[Link to the Draft 2018 - 2022 Financial Plan](#)

[1 Report Financial Plan](#)

[2 Appendix A Examples of Cooperative Efforts between Municipalities](#)

[3 Appendix B Supplemental Budget Requests](#)

[4 Appendix C Grant Funding](#)

[5 Appendix D South Island Prosperity Project - Five year Strategy](#)

[6 Presentation Financial Plan Departmental Presentations](#)

ADJOURNMENT OF COMMITTEE OF THE WHOLE



Date: October 19, 2017

That Council receive this report for information and further consideration on November 7, 2017

The draft Financial Plan is being introduced to Council at today's meeting and will provide an overview of the overall budget. The Financial Plan is scheduled to be presented in detail to Council for review and consideration on October 30, 31 and November 7. Following the completion of the detailed presentations, Council direction is sought on assessment growth property tax (non-market change) revenue, 2017 surplus, utility rate increases, additional funding for capital investment, supplementary requests, allocation of gas tax funding, and direct-award grants. Once Council's initial review is complete, and before commencing public consultation, it is recommended that first reading of the financial plan bylaw be given, signalling to the public that Council has reviewed the plan and given preliminary approval. This is tentatively scheduled for the November 9 Council meeting after which the public consultation period will begin, which includes the Town Hall/E-Town Hall session the week of November 27.

- Implementation of the **Project Management Framework**, including the Capital Cost Estimates Policy and Lessons Learned Policy.
- Development of the **Engagement Framework and Roadmap**
- Development of the **Youth Engagement Strategy**
- Increased transparency and successfully meeting **target turnaround times** for the majority of development and permit applications

- Shaping future growth and development through **neighbourhood planning** to inform investment within the financial planning process.
- **More than doubling the annual investment for capital infrastructure** in asset renewal and the Buildings and Infrastructure Reserve from \$20 million to \$44 million since 2007.
- **Fleet modularity** - a new approach to managing the City's vehicle/equipment fleet will result in a more functional, common, adaptable, flexible and right-sized fleet that will improve operational capability, and stretch future funding.
- The **Strategic Real Estate Office** is designed to strategically administer the City's portfolio of commercial properties and manage the City's real estate holdings. Significant projects underway include the negotiations for the sale and development of the Apex Lands, negotiations for a new fire hall, negotiations with federal and private property owners in support of the David Foster Harbour Pathway project, the library branch in James Bay, Belleville Terminal Improvement project, and the development of a Strategic Real Estate Strategy.
- In 2016, the City opened its new **Business Hub** as a way to support new business development as a welcoming and collaborative first point of contact for business start-ups, relocations, expansions, investors, property owners, leasing agents and other interested in creating prosperity in Victoria.
- The **Victoria Housing Strategy** is comprised of multiple actions to improve housing affordability that fall under three Strategic Directions: Increase Supply, Encourage Diversity and Build Awareness.
- **Victoria Housing Reserve Fund** continues to provide grant funding to affordable housing projects throughout the City and region. City investment in this fund resulted in the development of 217 new units of affordable housing from 2015-2017.
- Completion of the **Parks and Open Spaces Master Plan** to help prioritize improvements to meet goals and objectives within the Plan
- **Cycling Network** implementation of Phase 1 of the All Ages and Abilities (AAA) Active Transportation Network. Active and multi-modal transportation.
- **Traffic Calming Initiatives** keep neighbourhoods safer, through the installation of smaller scale traffic calming measures including speed reader boards, permanent blocking of certain roads, installation of pedestrian connection signage, and installation of crosswalks.
- The City has entered an agreement with the Capital Park development to acquire space for a **library branch in James Bay** which is expected to open early 2018
- The City's **Cultural Master Plan**, currently underway, is an overview of the strategic priorities, goals and actions for arts and culture in Victoria. It provides a roadmap for the City's investment in cultural development, which is broader than simply the arts.
- Victoria is the first municipality in BC to **replace all street lights with LEDs** resulting in annual savings of \$220,000 in 2018 and anticipated higher ongoing annual savings starting in 2019.
- **Climate Action Program** establishes a long term greenhouse gas reduction target of 80% by 2050; including a corresponding specific target of 100% renewable energy. Climate rebates accumulated in the City's **Climate Action Reserve** are re-invested in climate related initiatives.
- **Investments in Information Technology** – significant investment has been made to provide stable and reliable IT infrastructure as well as improved applications. Examples of IT investment include **Open Data Portal, Development Tracker, Victoria Ready website, cloud based infrastructure and applications, ConnectVictoria App, Electronic Council and Committee Agendas, and Mobile Devices**

The draft 2018 Financial Plan was developed based on Council's direction for a maximum tax increase of inflation plus 1% as well as the City's Financial Sustainability Policy. The most recently

published inflation rate for Victoria is 1.8% (August). As presented, the draft operating budget totals approximately \$233.3 million and the draft capital budget totals approximately \$43.1 million for 2018. The proposed budgets would result an overall property tax increase of 2.77%. Factoring in utility user fee increases, the total is 2.80%. To meet Council's objectives, as part of staff's ongoing due diligence to support the City's commitment to 'better is possible' and providing taxpayers value for their tax dollars, staff continue to explore opportunities to streamline operations resulting in cost savings and increased efficiencies without compromising service levels and in some cases being able to take on additional services and initiatives within existing funding envelopes. Examples of this streamlining are provided starting on page 12 of this report; highlights include:

- A review of the inventory, service standards and resourcing for both the Parks and Facilities divisions were conducted in 2016 resulted in the shifting of one leadership position from Parks to Facilities to meet the increased demand for asset management oversight.
- Before requesting new funding for increased staffing levels, reviews of existing operations and positions are done to take advantage of opportunities to restructure and therefore eliminate the need to request additional funding.
- Numerous efficiencies have resulted in savings (cost and time) including return to work programs, staff scheduling, and bringing some work in-house.
- The launch of the ConnectVictoria App makes it easier to connect with the City enabling residents to submit service requests through their mobile devices.
- The Council correspondence function that was implemented in 2016 has resulted in faster turnaround times for meaningful responses.
- The City continues to participate in many cooperative efforts between municipalities. Examples are provided in Appendix A, outlining over 90 ongoing efforts.
- As directed by Victoria Council and three neighbouring Councils, collaboration in regards to the development of a common communication platform for further integration of Fire Service is underway.

As the population in our community grows and as the community densifies, the additional demand on our services is likely to continue. Before staff bring forward requests for additional funding, a rigorous and strategic evaluation of each need is undertaken to ensure that it cannot be managed in some other way. Also, some growth related demands are temporary in nature and as such would only require temporary increases. This approach aligns with Council's policy for new or expanded services, and the allocation of new assessment revenue and prior year surplus. In addition, the revamping of the quarterly reporting process including more streamlined metrics and trends will enable staff to communicate changes to service demands to Council in a structured way on an ongoing basis. As outlined in Appendix B, this year's supplementary requests are largely focused on building capacity for infrastructure planning, managing growth and development, housing and homelessness, public safety, and organizational resources to support effective delivery of City projects

As part of our continuous improvement efforts, the City's Service Review Policy commits to undertaking two reviews per year. In the Bylaw Services Division, calls for service have increased from approximately 1900 in 2015 to 4800 in 2016 and is expected to reach at least the same level for 2017. In view of the impacts of this calls for service increase, it is proposed that a Strategic Enforcement Workshop with Council be undertaken to identify clear enforcement priorities followed by an in-depth service review building on the earlier review of the service. This next level review would focus on resource requirements to effectively deliver the service levels desired by Council. The second review is yet to be determined.

Council has also directed staff to take into account the feedback received during last year's public consultation process. This feedback indicated that the majority were satisfied with the programs

and services the City offers, and the majority indicated that capital spending was “just right”. In addition, the highest response for the use of new assessment tax revenue was to fund new initiatives and transfer to infrastructure reserve, and the highest response for the use of surplus was to fund invest some in one-time initiatives and some in reserves. Taking this feedback into account, the proposed budget results in a tax increase (2.77%) that is slightly below Council's target, and maintains existing services and service levels.

The fourth year of the implementation of the new financial planning process continued to align service level deliverables and improving performance metrics as well as identifying one-time funding allocations separate from core budgets. New for this year, as requested by Council and with the cooperation of the Police Board, the timeline for the budget submission from VicPD has been aligned with remaining City departments. In addition, their budget submission is also in a similar format providing greater context to the reader and enables Council's consistent review of all departments.

Informed by the public input received during last year's process, the proposed public consultation will build on the activities and tools used during the 2017 financial planning process including a “budget snapshot” to each neighbourhood to create awareness of what is planned to take place during the year. In addition, as directed by Council for the 2018 financial planning process increased consultation with neighbourhoods will take place. For the 2018 budget, foundational education and information sharing with neighbourhoods is already underway; for future years consultation with neighbourhoods will take place early in the year to allow for input earlier in the process. Over the last two years the City has seen a significant increase in public input, which has helped shape the financial plan. For 2015 and 2016, the majority of feedback came from citizens; however for 2017 focussed outreach to the business community led to increased input from business owners compared to prior years. The new financial plan format will continue to be the foundation for meaningful engagement and community feedback. Improved budget information, using visuals and plain language, will be provided to the community through a variety of tools aimed to increase reach and understanding of the City's financial planning process. These tools include the budget explainer video, Budget at a Glance, and a Budget Summary that provides a very short summary of the budget highlights. Through the Financial Plan, Council will be able to articulate the value the community receives for their tax dollars.

Upon completion of the public consultation and tentatively scheduled for the early December, Council will have an opportunity to consider the feedback and make changes to the financial plan before giving final approval prior to May 15 as required by legislation. A summary of the public input will be included in the final financial plan itself. Tax notices will be sent out once the financial plan and tax rate bylaws have been adopted by Council.

After the detailed presentations have concluded on November 7, 2017, staff will recommend that Council:

1. Direct staff to bring forward the Five-year Financial Plan Bylaw, 2018 to the November 9, 2017 Council meeting for consideration of first reading prior to commencing public consultation.
2. Direct staff to bring forward bylaws outlining solid waste, water utility and stormwater utility user fee increases to the November 9, 2017 Council meeting for consideration of first, second and third readings
3. Approve the following allocations of assessment growth (non-market change) property tax revenue:

- a. \$500,000 to the Buildings and Infrastructure Reserve as per the Financial Sustainability Policy
 - b. \$87,000 for to maintain the position of correspondence coordinator (as directed by Council during the 2017 financial planning process)
 - c. Direct staff to bring forward options for the use of the remainder upon completion of public consultation
4. Direct staff to bring forward options for the use of 2017 surplus upon completion of public consultation.
 5. Direct staff to bring forward options for funding supplementary budget requests upon completion of public consultation.
 6. Allocate \$2,450,000 of the annual gas tax funding to the Storm Drain Brick Main project and direct staff to bring forward options for the allocation of the remainder upon completion of public consultation.
 7. Create a direct-award grant for seniors outreach funded by a re-allocation \$30,000 from the Strategic Plan Grant program
 8. Approve the direct-award grants as outlined in this report.
 9. Direct staff to bring forward options for funding increased grant requests upon completion of public consultation.
 10. Approve adding 1.0 FTE carpenter currently managed through auxiliary staffing and funded through existing budgets.

PURPOSE

The purpose of this report is to introduce the draft 2018 Financial Plan for Council's review and fulsome discussion prior to consideration of first reading of the 2018 Five Year Financial Plan Bylaw prior to commencing public consultation.

BACKGROUND

Section 165 of the *Community Charter* requires that a financial plan be approved annually following public consultation as required by section 166. The financial plan must be approved before the tax rate bylaw is approved, and before May 15 as required by section 197.

Three policies guide the financial planning process: Financial Sustainability Policy; Reserve Fund Policy; and Revenue and Tax Policy.

This is the fourth year of the implementation of a new financial planning process moving from an expense based budget that focused primarily on the dollars allocated to each department toward one with an emphasis on priorities and outcomes, outlining services and capital projects including costs, revenues and benefits of each. The new format enables the City to better demonstrate the value tax and rate payers receive for their dollars. Greater emphasis is also being placed on staff and community involvement in the planning process. Approximately 70 staff from across the organization continued to be involved in compiling the information for the financial plan and detailed reviews of all departmental budget submissions have been completed by staff.

Strategic Plan Achievements

In support of Council's goals and outcomes outlined in the City's Strategic Plan, staff continue to deliver where Council has allocated funding. Significant achievements include:

| Innovate and Lead | | |
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| Project Management | Framework | As part of the City's adoption of the Project Management Framework, standardized criteria to define projects and programs has resulted in improved planning and forecasting of milestones for the annual Operational Plan. This also included the introduction of a dashboard tool, where staff can quickly update project information, which has resulted in a savings of staff time, as well better transparency and accountability of project progress on a monthly and quarterly basis. |
| | Capital Cost Estimates Policy | The Capital Cost Estimates Policy was introduced in early 2017 to provide consistent definitions and guidance to staff and Council for appropriate cost estimate contingency levels depending on the stage of a project. This Policy has been applied to a number of projects such as the Crystal Pool and Wellness Centre replacement, Fire Hall #1 replacement project and the Ship Point Master Plan. The Policy has resulted in more effective communication to Council and within the organization on estimated budget requirements. |
| | Lessons Learned Policy | The Lessons Learned Policy, adopted in the spring of 2017, is another demonstration of the City's commitment to continuous improvement by providing directives for on-going and formal evaluations of major projects. This Policy has been applied to the Crystal Pool and Wellness Centre project which has used the lessons learned from the Johnson Street Bridge project to inform project planning and costing. The Policy also complements requirements to capture lessons learned in smaller projects through the Project Management Framework to support future projects through improved knowledge capture and management. |
| Engage and Empower the Community | | |
| Investments in Information Technology | Open Data Portal | Since 2013, the City has continuously added data sets to our Open Data Catalogue, improving access to information and data. Work is underway to launch a new Open Data Portal which will allow all users to better understand and contextualize our data through visualizations, graphs and other tools. This will create further meaningful uses for the data and paving the way for increasing transparency further. |
| | ConnectVictoria App | This app was launched in 2016 to make it easier to connect with the City. The App was created to take online connection points on the City's website and to provide them in an easily accessible mobile app. The app allows residents to search for jobs, latest news, media releases, events, contact information and submit a service request through their mobile functions. |

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| Engagement Framework and Roadmap | | In January, the City hosted the first annual Engagement Summit. The purpose of the event was to develop, with the community, clear expectations on opportunities for the public to participate in City decision-making. The Engagement Framework and Public Engagement Roadmap were developed as a result of the summit and adopted by Council in July. The Roadmap makes engagement more predictable by letting people know what they can expect and when. The Framework formalizes current engagement practices and introduces improvements based on national best practices, feedback received and lessons learned. Both will be updated and reviewed with the community at the annual Engagement Summit. |
| Youth Engagement Strategy | | A three-year Youth Engagement Strategy was adopted by Council in spring of 2017 and is now being implemented. |
| Strive for Excellence in Planning and Land Use | | |
| Development Services Related Improvements | Turnaround times | Through process improvements and the use of technology upgrades, applications meeting target turnaround times have been increased from 55% to 81% for development applications and from 75% to 90% for permit applications. |
| | Transparency | The Development Tracker was launched in 2015, which allows the tracking of development applications by developers and anyone in the community interested in a particular development or land use change, providing more transparency. |
| Neighbourhood planning | | The City has embarked on a process to update 10 neighbourhood plans before February 2019. These plans will shape future growth and development in the neighbourhood including transportation, housing, parks and other infrastructure and will inform investment decisions within the financial planning process. |
| Downtown Public Realm and Streetscape Plan | | A Downtown Public Realm and Streetscape Plan is close to completion, providing guidelines for street infrastructure in the Downtown (lights, benches, signage etc.) |
| Build the Financial Capacity of the Organization | | |
| Infrastructure and Equipment | Infrastructure capital investment | Council has more than doubled the City's annual investment to prudently manage our aging assets (from \$20 million to \$44 million since 2007). This necessary increase in capital investment and savings in the Buildings and Infrastructure Reserve enables the City to sustainably manage and maintain infrastructure to uphold the safety and quality of life of residents and visitors. These programs include investment in roads, crosswalks, sidewalks, facilities and parks to name a few. |
| | Fleet modularity | This new approach to managing the City's vehicle/equipment fleet will result in a more functional, common, adaptable, flexible and right-sized fleet that will improve operational capability, and stretch future funding. |
| Strategic Real Estate Office | | The Strategic Real Estate Office is designed to strategically administer the City's portfolio of commercial properties, |

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| | | manage the City's real estate holdings and provide operational support to other City business areas in real property transactions. Significant projects underway include the negotiations for the sale and development of the Apex Lands, negotiations for a new fire hall, negotiations with SD 61 on land consolidation and affordable housing opportunities, negotiations with federal and private property owners in support of the David Foster Pathway Project, the James Bay Library branch opening, Belleville Terminal Improvement Project, Johnson Street Bridge federal land securement and the development of a Strategic Real Estate Strategy. During the year the SRO also completed a number of important projects, including acquisitions of strategic portions of the David Foster Pathway on Swift Street and the Inner Harbour, King's Gym Community Use, My Place Transitional Housing, Douglas Street Bus Terminal Pilot Program and completing organizational changes in support of more effective operations. From an operational perspective, 2017 will also see a significant number of the City's key commercial leases negotiated in house by the SRO to align them with commercial market rents. In total these lease negotiations will amount to over \$700,000 in annual revenue and approximately \$97,000 in lease commission savings this year. On an ongoing basis, these savings are estimated to be approximately \$84,000 annually, \$54,000 of which is related to 812 Wharf and goes toward the repayment of the funding borrowed from reserve. |
| Investments in Information Technology | Electronic Council and Committee Agendas | Electronic devices were provided to staff and members of Council to allow for agenda reading and markup on a mobile device, eliminating the need for paper copies and reducing staff time required for printing and delivering agendas. |
| | Mobile Devices | Mobile devices (phones and laptops) were upgraded and provided to staff resulting in increased staff productivity for the numerous staff who work and attend meetings in multiple locations. In addition, negotiating a new corporate phone plan reduced annual costs by approximately \$40,000. |
| Create Prosperity Through Economic Development | | |
| Business Hub | | In 2016, the City opened its new Business Hub as a way to support new business development as a welcoming and collaborative first point of contact for business start-ups, relocations, expansions, investors, property owners, leasing agents and other interested in creating prosperity in Victoria. |
| Parking Ambassadors | | The parking ambassador program is positively changing the relationship with customers and downtown businesses to support vibrant and welcoming downtown. Streamlining of customer access points saves customers time. The adjudication process has resulted in days of time savings for staff and minimized time required for a customer to appeal a parking ticket. |

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| Business licencing | | <p>A pilot program was initiated in 2017 to allow mobile street vending to take place in the City. Three vendor licences were issued during the pilot and the experience will be used to inform a decision on whether to allow mobile street vending on a permanent basis.</p> <p>New sidewalk patio regulations have created eight new sidewalk patios across the City, creating more space for businesses to operate and adding more vibrancy to downtown streets.</p> |
| Make Victoria More Affordable | | |
| Housing | Victoria Housing Strategy | <p>The Victoria Housing Strategy is comprised of multiple actions to improve housing affordability that fall under three Strategic Directions: Increase Supply, Encourage Diversity and Build Awareness. Completed actions include:</p> <ul style="list-style-type: none"> • creation of a standard minimum unit size and allow for smaller units if affordability is proposed on a project by project basis; • removal of the rezoning requirement for garden suites, • relaxing of restrictions in zoning around secondary suites, • a workshop on affordable home ownership, • fee reductions for non-profit housing providers, and • an update to the Victoria Housing Reserve Fund to encourage more affordable housing development. |
| | Victoria Housing Reserve Fund | <p>The Victoria Housing Reserve Fund continues to provide grant funding to affordable housing projects throughout the City and region. City investment in this fund resulted in the development of 217 new units of affordable housing from 2015-2017.</p> |
| Facilitate Social Inclusion and Community Wellness | | |
| Crystal Pool and Fitness Centre | | <p>Planning is underway to replace the ageing Crystal Pool and Fitness Centre to make it a better place for everyone to have fun and to stay healthy and active for generations to come.</p> <p>The City is actively seeking support from other levels of governments to help fund this new centre. In case funding from external sources is not sufficient, the City may need to borrow funds which would require a referendum.</p> |
| Transgender Policy | | <p>Council is moving to create a transgender policy for the City. The objectives are making civic facilities, operations and programs safe, inclusive, and equitable for people of all genders, gender identities, and gender expressions, and their communities in areas such as</p> <ol style="list-style-type: none"> a) Signage and Literature b) Public Spaces (including washrooms and change-rooms) c) Human Resource Training and Staff Policies d) Programming (including "all-bodies" programming) e) Collaborative Public and Community Partnerships |

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| | f) Forms and records and instruments of data collection and management. |
| Enhance and Steward Public Spaces, Green Spaces and Food Systems | |
| Parks and Open Spaces Master Plan | Approved by City Council in 2017, this Plan helps the City prioritize improvements to meet the goals and objectives within the Plan. |
| Community Gardens | A new community garden is now growing on a vacant property in downtown Victoria due to an innovative City Studio initiative between the City, the University of Victoria and the Downtown Residents' Association. |
| Urban Agriculture | Six urban agriculture licences are now in place in the City due to new regulations that allow residents to grow and sell food on their property. |
| Complete a Multi-Modal and Active Transportation Network | |
| Cycling Network | Implementation of Phase 1 of the All Ages and Abilities (AAA) Active Transportation Network. Active and multi-modal transportation is a key strategic priority for Council and AAA bike routes are designed to improve safety while encouraging new demographics to cycle more often, and responds existing demand for high quality safer cycling facilities as well as projected population growth. 10.96 kilometres of marked bike lanes have been added to the network over the past five years (2013-2017). |
| Traffic Calming Initiatives | With an eye to keeping neighbourhoods safer through the installation of smaller scale traffic calming measures including Speed Reader Boards that have been installed to reduce speeding by increasing driver awareness of posted speed limits and providing instant feedback by displaying the actual speed being travelled. Other initiatives include permanent blocking of certain roads, installation of pedestrian connection signage, and installation of crosswalks. |
| Signage | Pedestrian/cycling only connections have been signed throughout the City. |
| Nurture Our Arts, Culture and Learning Capital | |
| Library Branch in James Bay | The City has entered an agreement with the Capital Park development to acquire space for a library branch in James Bay, which is expected to open early 2018. |
| Cultural Master Plan | The City's Cultural Master Plan, currently underway, is an overview of the strategic priorities, goals and actions for arts and culture in Victoria. It provides a roadmap for the City's investment in cultural development, which is broader than simply the arts. The Plan will include a number of initiatives to assist individual artists and creative entrepreneurs to excel at their work, including: <ol style="list-style-type: none"> 1. Linking artists with spaces and making spaces more affordable 2. Providing opportunities for artists work to be showcased 3. Offering training and skills development opportunities |

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| | | <p>4. Easing City processes to support artist-led creative projects</p> <p>5. Creating music-friendly and musician-friendly policies</p> <p>6. Developing a Creative-Worker Attraction and Retention Strategy</p> |
| Indigenous Artist in Residence | | <p>The new Indigenous Artist in Residence program provides the opportunity for a local artist to develop artistic works and engage the community in dialogue, workshops, events, and activities throughout a one-year term. Iroquois Mohawk artist Lindsay Katsitsakatste Delaronde was selected as the City's first Indigenous Artist in Residence.</p> <p>The Indigenous Artist in Residence will engage the community and City staff to produce a range of artistic works, which may include for example an exhibition, performance, publication or forum. There will also be an opportunity to create collaborative artwork with the City's current Artist in Residence Luke Ramsey.</p> |
| Canada 150 | | A number of Canada 150 community events and initiatives are underway in 2017 to celebrate the country's sesquicentennial. |
| Steward Water Systems and Waste Streams Responsibly | | |
| Stormwater | | The City introduced a Stormwater Utility in 2016 to align the fee paid with the impact a property has on the City's stormwater infrastructure resulting in a more transparent, fair and equitable way to fund the stormwater system. In addition, this system enables the City to offer incentives to encourage and reward properties that manage rainwater more sustainably. Property owners can influence how much they pay by reducing impervious areas in new builds/major renovations and/or managing stormwater on site. All properties that use stormwater services are now contributing, similar to the water and sewer utilities. Under the old system only those paying property tax contributed, while some large properties with large impact on the system did not. |
| Waste Management | | Community consultation on the regulation of single-use plastic bags is underway engaging local stakeholders to better understand the benefits, barriers, concerns and success stories related to a reduction of single-use checkout bags (plastic and paper). |
| Take Climate Action and Prepare for Emergencies | | |
| Climate Leadership | Streetlight Replacement (LED) | Victoria is the first municipality in BC to replace all streetlights with LEDs resulting in annual savings of \$220,000 in 2018 and anticipated higher ongoing annual savings starting in 2019. |
| | Climate Action Program | The Climate Action Program establishes a long term greenhouse gas reduction target of 80% by 2050; including a corresponding specific target of 100% renewable energy. The following efforts are underway: |

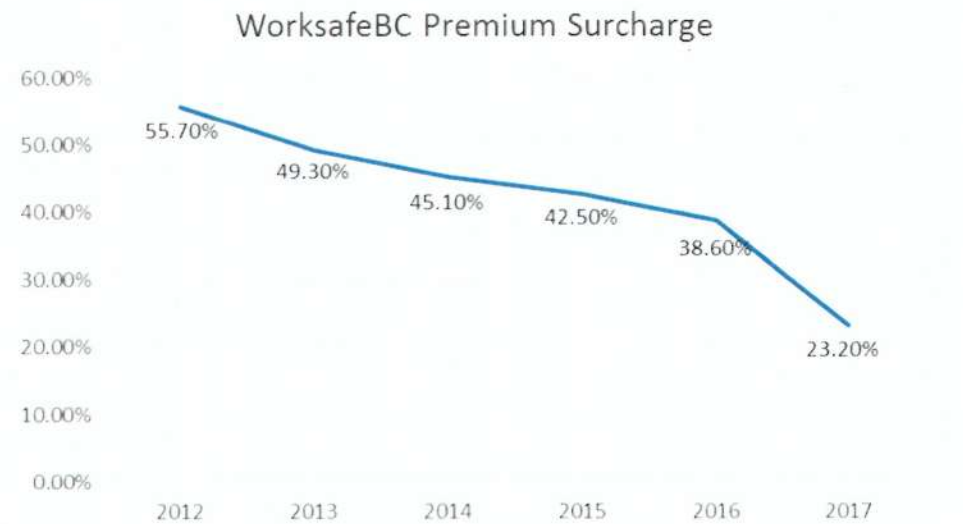
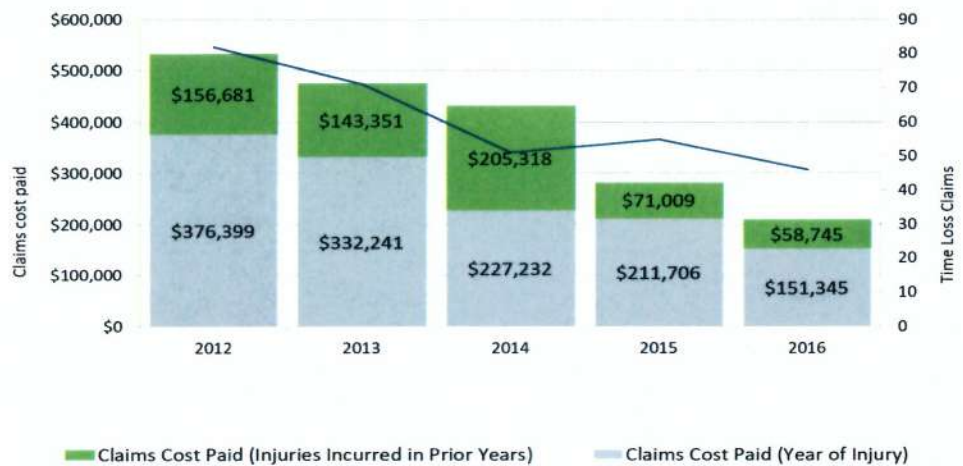
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| | | <ul style="list-style-type: none"> ○ A community emissions model is being updated that accurately and comprehensively quantifies emissions by source to help invest in the required energy reductions to meet the City's GHG targets. Climate rebates accumulated in the City's Climate Action Reserve are re-invested in these initiatives. ○ The City is working towards educating, informing and encouraging and influencing positive behaviour towards our Climate Action Goals and is a leader on climate mitigation and adaptation to invest prudently and wisely to inspire meaningful GHG improvements and reduce long term risks. |
| Emergency Management | Investments in Information Technology | <p>The launch of the Victoria Ready website provides citizens with important information related to the City's emergency management program.</p> <p>The City is embracing cloud based infrastructure and applications to improve the City's resiliency by increasing redundancy and enabling our critical systems to operate with minimum interruption in the event of an emergency.</p> |
| | Infrastructure | Planning for a new Fire Department Headquarters is underway. Utilizing a market sounding process for the first time to seek innovative ideas and potential interest in partnering with the City, the City is currently negotiating with one proponent to replace the facility. |

Continuous Improvement and Streamlining

The internal budget process incorporates the philosophy of continuous improvement and requires departments to explore efficiencies to provide better value and service to the community. Each year staff are asked to engage in open dialogue to encourage a "better is possible" mindset, question current processes and seek ways to make improvements, including exploring reallocation of resources and collaboration with other departments to maximize efficiencies. The following table outlines a number of streamlining initiatives:

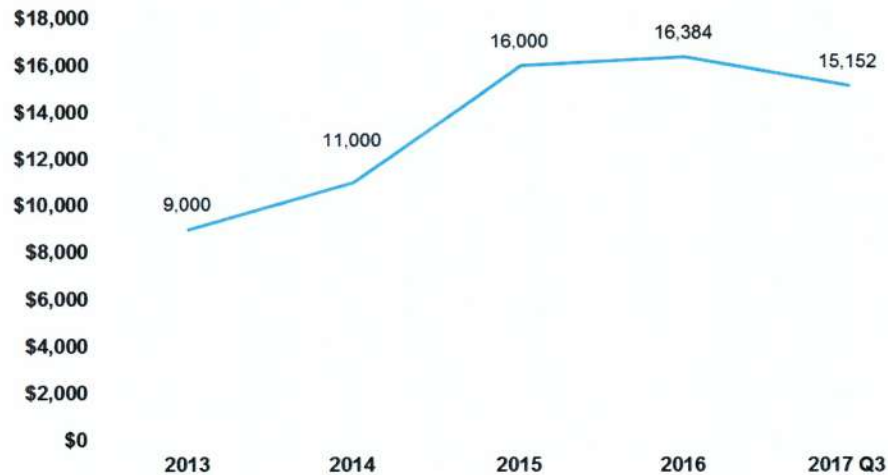
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| Service standards and benchmarking | A review of the inventory, service standards and resourcing for both the Parks and Facilities divisions were conducted in 2016. In addition to identifying standards and targets that can be measured, this review resulted in the shifting of one leadership position from Parks to Facilities to meet the increased demand for asset management oversight. |
| Assessment of staffing needs | As part of our regular operations, before requesting new funding for increased staffing levels, reviews of existing operations and positions are done to take advantage of opportunities to restructure and therefore eliminate the need to request additional funding. Examples include: Grant Specialist, Active Transportation Project Management Specialist, Planner, Building Inspector, and Fleet Asset Management Project Coordinator. |
| Efficiencies | Over the last number of years, significant effort has been made to support staff in their return to work after illness or injury resulting in significant reductions in time off and also in WorkSafe BC premium surcharges. WCB claims costs have been reduced by more than half, from over \$500,000 in |

2012 to approximately \$200,000 in 2016. And the surcharge on WCB premiums have been reduced from 55.5% in 2012 to 23.2% in 2017.

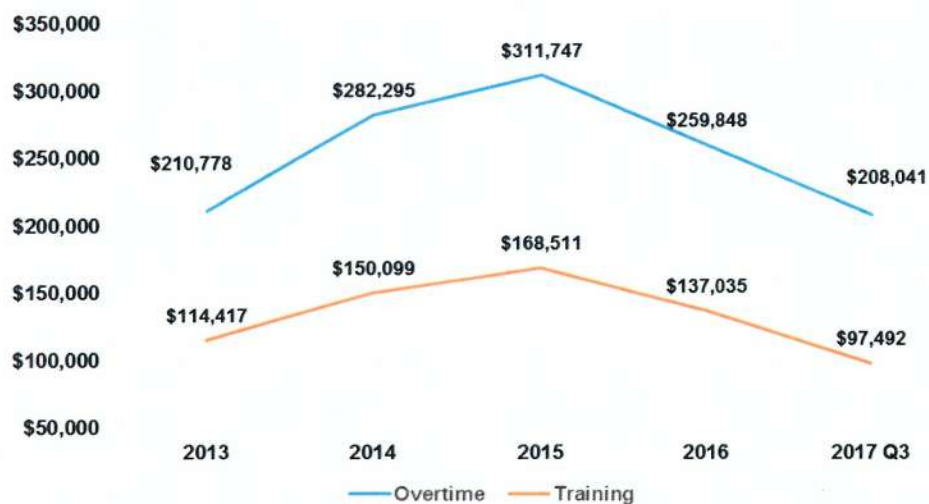


Specific to the Fire Department, a multi-pronged approach to scheduling has not only resulted in cost savings, but also increased and more equitable distributed training opportunities for staff.

Training Hours 2013-2017



Overtime and Training Costs 2013-2017



The Strategic Real Estate Office is now negotiating key commercial leases in house rather than through a third party, saving the City approximately \$84,000 on an ongoing basis annually.

Bringing collective agreement bargaining in-house has resulted in annual savings of \$40,000

Calls for service

The launch of the ConnectVictoria App makes it easier to connect with the City enabling residents to submit service requests through their mobile functions.

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| | In addition, the streamlined approach to correspondence implemented in 2016 has resulted in faster turnaround times for meaningful responses (target turnaround is 5 days). |
| | In the Bylaw Services Division, calls for service have increased from approximately 1900 in 2015 to 4800 in 2016 and that is expected to reach at least the same level for 2017. In view of the impacts of this calls for service increase, it is proposed that a Strategic Enforcement Workshop with Council be undertaken to identify clear enforcement priorities followed by an in-depth service review building on the earlier review of the service. This next level review would focus on resource requirements to effectively deliver the service levels desired by Council. |
| Service integration with other municipalities | The City continues to participate in many cooperative efforts between municipalities. Examples are provided in Appendix A, outlining over 90 ongoing efforts. |
| | As directed by Victoria Council and three neighbouring Councils, collaboration in regards to the development of a common communication platform for further integration of Fire Service is underway. |

The budget process itself is one of continuous improvement and will be enhanced each year. Through the financial planning process, Council sets service levels and allocates funding based on input from staff across the organization as well as input from the community. Staff will seek Council's feedback to ensure the financial plan and process meet Council's expectations.

Council passing first reading of the financial plan bylaw indicates preliminary approval of the financial plan and signals to the public that Council has had an opportunity to review the draft. Once the public feedback has been considered, Council can make adjustments to the financial plan before final approval and adoption of the bylaw before May 15, 2018.

ISSUES & ANALYSIS

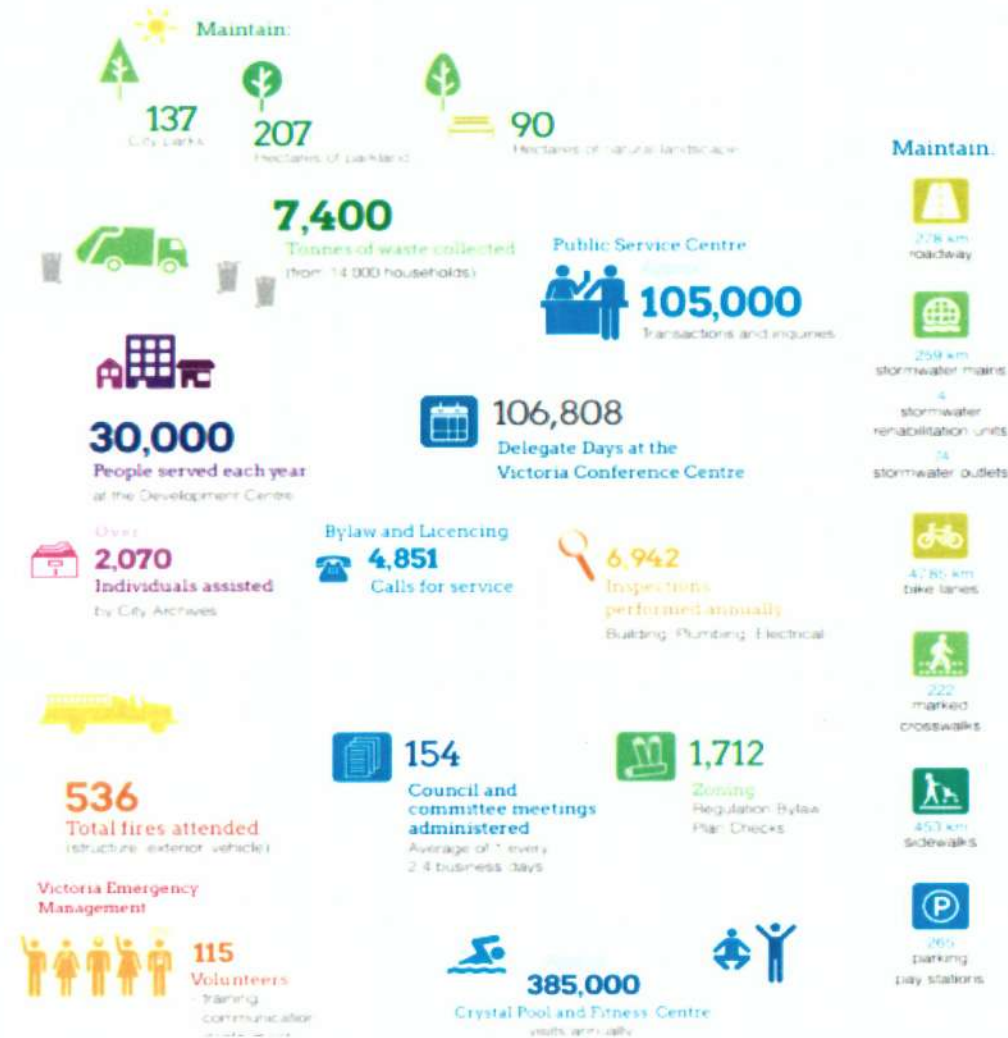
Operating Budget

Overview

The draft 2018 operating budget totals \$233.3 million, which represents a proposed overall increase in property taxes of \$3.46 million or 2.77%. Including utility user fees, the proposed increase is 2.80%.

As outlined in the draft Financial Plan, the City delivers approximately 200 services, and over 200 capital projects are included.

Highlights of City Services



As part of the 2015-2018 Strategic Plan, Council set a target maximum tax increase of inflation plus 1%. The most recently posted inflation is 1.8% for Victoria (August). The draft financial plan maintains services at current services levels. The main cost drivers are salary increases, capital investment, 2018 election costs, a decrease in traffic fine revenue from the Province, insurance, software maintenance agreements and the costs for the new library branch in James Bay. These increases have been offset in part by increased revenues from the Victoria Conference Centre, payment in lieu of taxes, recreation programming, plumbing permits and franchise fees from Fortis BC. In addition, as a result of the implementation of the LED streetlight conversion project, hydro and maintenance savings of \$220,000 are expected for 2018; it is proposed that these savings be transferred to the Climate Action Reserve for future funding of climate mitigation and adaptation strategies that target energy and GHG reductions.

The following table summarizes the proposed property tax increase and budget cost drivers for 2018:

| Property Tax Impact | Tax Increase | |
|--|---------------------|--------------|
| | Dollars \$ | Percentage % |
| City | | |
| <u>Cost Drivers</u> | | |
| Salaries and Benefits | \$ 1,636,385 | 1.30% |
| Elections | 279,000 | 0.22% |
| Insurance | 77,300 | 0.06% |
| Software Licencing | 66,000 | 0.05% |
| Credit Card Discount Fees | 41,000 | 0.03% |
| Grants | 24,000 | 0.02% |
| EFAP Program Revamp | 20,000 | 0.02% |
| <u>Expense Savings</u> | | |
| In House Collective Bargaining | (40,000) | -0.03% |
| In House Lease Negotiations | (30,000) | -0.02% |
| Hydro - LED streetlight conversion | (120,000) | -0.10% |
| Repairs and Maintenance - LED streetlight conversion | (100,000) | -0.08% |
| Climate Action Reserve - savings from LED streetlight conversion | 220,000 | 0.18% |
| <u>Revenue Increases</u> | | |
| Victoria Conference Centre - Sales, Parkade and Client Services | (248,000) | -0.20% |
| Payment In Lieu of Taxes | (204,000) | -0.16% |
| Fortis Franchise Fees | (40,000) | -0.03% |
| Recreation Programming | (34,000) | -0.03% |
| Plumbing Permits | (10,000) | -0.01% |
| <u>Capital Investment</u> | | |
| Major Streets Rehabilitation- Road Surface Repair | 250,000 | 0.20% |
| Building and Infrastructure Reserve | 500,000 | 0.40% |
| New Property Tax Revenue due to Growth (Non-Market Change) | (500,000) | -0.40% |
| Other Changes | 220,798 | 0.18% |
| City Total | 2,008,483 | 1.60% |
| Police | | |
| Operations | 1,115,933 | 0.89% |
| Revenue Decrease - Traffic Fine Revenue | 218,000 | 0.18% |
| Police Total | 1,333,933 | 1.07% |
| Greater Victoria Library | 120,305 | 0.10% |
| Total Property Tax | \$ 3,462,721 | 2.77% |

The following table outlines the full-time equivalent (FTE) position count:

| | 2016 FTE | 2017 FTE | Draft 2018 FTE | 2017 to 2018 Change |
|--|---------------|---------------|-------------------|------------------------|
| City Manager's Office | 5.00 | 5.00 | 5.00 | 0.00 |
| Deputy City Manager | 2.00 | 2.00 | 2.00 | 0.00 |
| Arts, Culture and Events | 7.00 | 7.29 | 7.29 | 0.00 |
| Economic Development | 1.00 | 1.00 | 1.00 | 0.00 |
| Engagement | 15.00 | 15.00 | 15.00 | 0.00 |
| Legislative and Regulatory Services | 20.88 | 21.88 | 21.88 | 0.00 |
| Real Estate | 2.00 | 3.00 | 3.00 | 0.00 |
| Victoria Conference Centre | 13.62 | 13.62 | 13.62 | 0.00 |
| Engineering and Public Works | 273.22 | 273.72 | 273.72 | 0.00 |
| Finance | 102.26 | 102.26 | 102.26 | 0.00 |
| Human Resources | 11.00 | 11.00 | 11.00 | 0.00 |
| Legal Services | 4.00 | 4.00 | 4.00 | 0.00 |
| Parks, Recreation and Facilities | 176.48 | 176.81 | 176.81 | 0.00 |
| Sustainable Planning and Community Development | 43.43 | 43.43 | 43.43 | 0.00 |
| Victoria Fire Department | 123.09 | 123.09 | 123.09 | 0.00 |
| Total | 799.98 | 803.10 | 803.10 | 0.00 |

Note:

The 2017 FTE's have been restated to reflect departmental reorganizations for the employee shifts between department

- Building Services reallocated to Parks, Recreation and Facilities from Engineering and Public Works
- Executive Administration and Correspondence Coordinator reallocated to City Manager's Office from Engagement

In 2017, Council approved adding one additional FTE to enforce the business licence regulations for medical cannabis businesses, funded through a business licence fee; 0.5 FTE for Public Works and 0.33 FTE for the horticulture team both funded through reduction in existing overtime budgets that were previously used to meet those needs; 0.29 FTE support for Arts and Culture, and 1 FTE for the real estate function.

The current full-time employee equivalent count, excluding VicPD, is 803.10. The City has numerous part-time and casual employees in addition to those who are full-time, resulting in a headcount of approximately 1,000.

For 2018, it is proposed that 1.0 permanent FTE carpenter position be added replacing auxiliary staffing funded through existing budgets. Should Council approve any supplementary requests, additional FTEs would be added.

It is anticipated that future years will require additional resources as a result of additional inventory related to capital projects, developer amenity contributions, as well as expected growth. Through the improved quarterly reporting process to Council, staff will be able to regularly provide better metrics to highlight resource needs in a structured way, which will inform Council's decision-making in regards to resource allocation.

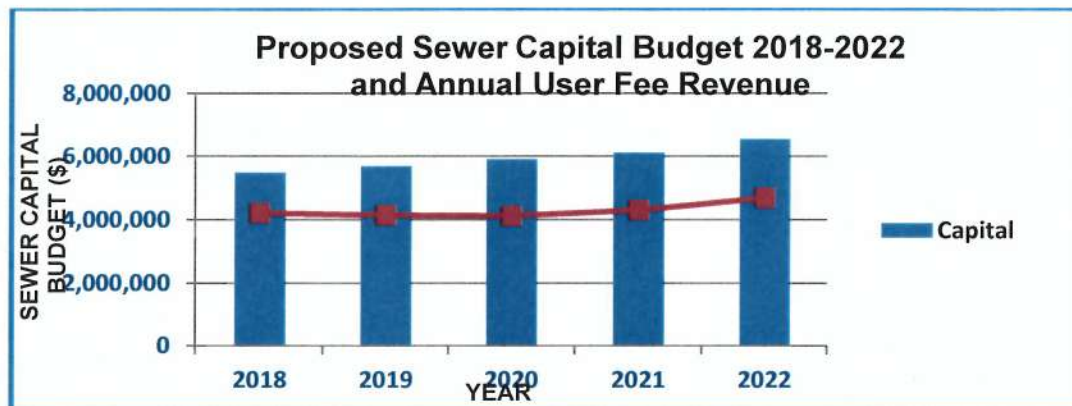
Utilities

The major cost driver for the City's utilities is capital investment, CRD bulk water and tipping fees. Further details for each utility is provided below.

The proposed Water Utility budget results in a user fee revenue increase of \$602,256 or 3.12% as outlined in the following table:

| Water Cost Driver | Dollars \$ | Percentage % |
|---------------------------------|-------------------|--------------|
| CRD Bulk Water | \$ 176,154 | 0.91% |
| Salaries, materials & equipment | 99,102 | 0.51% |
| Capital investment | 327,000 | 1.70% |
| Total | \$ 602,256 | 3.12% |

Subsequent to the CRD's decision on the location for the sewage treatment facility, the update to the sewer master plan is underway and will inform future budgets. Pending the outcome of the master planning, no revenue increase is proposed for 2018. Additional capital projects are proposed for 2018 with funding from the sewer utility reserve, which has been accumulating funding for these projects pending the CRD decision for the sewage treatment facility. Having transferred funding into reserve has enabled smoothing out the impact of these projects in later years. The following graph shows the capital spending amounts as bars and the annual user fee as the straight line, with the difference coming from the reserve:



The Solid Waste program proposes a user fee revenue increase of \$93,625 or 3.07% as outlined in the following table:

| Solid Waste Cost Driver | Dollars \$ | Percentage % |
|---------------------------------|------------------|--------------|
| Tipping Fees - garbage/organics | \$ 55,000 | 1.80% |
| Salaries, materials & equipment | 38,625 | 1.27% |
| Total | \$ 93,625 | 3.07% |

The proposed Stormwater Utility budget for 2018 results in a revenue increase of \$318,980 or 5.07% as outlined in the following table:

| Stormwater Cost Driver | Dollars \$ | Percentage % |
|---------------------------------|-------------------|--------------|
| Salaries, materials & equipment | \$ 62,980 | 1.00% |
| Capital investment | 256,000 | 4.07% |
| Total | \$ 318,980 | 5.07% |

Greater Victoria Public Library (GVPL)

The City's share of the GVPL's operating and facility maintenance budget request, is \$5 million, which is an increase of approximately \$120,000 over 2017. On top of this increase, the budget also includes the operating costs for the new branch in James Bay as well as the City's lease and facility costs for this new branch. As directed by Council, all costs associated with the branch in James Bay will be funded through new tax revenue generated by the Capital Park development. The Library Board will consider the 2018 provisional budget request on October 24, 2017 and the budget will be submitted to each municipality by October 31. The final budget will be submitted in March 2018.

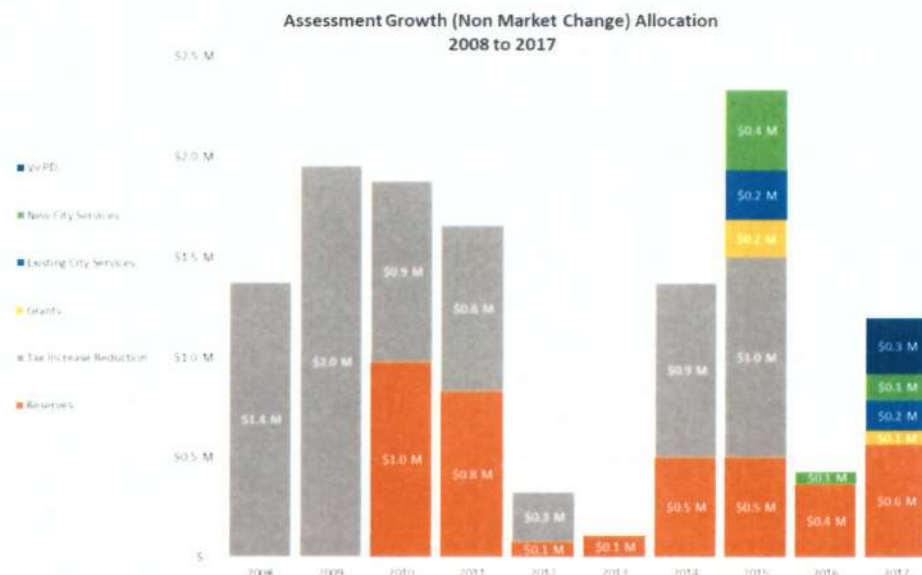
Assessment Growth (Non-Market Change)

As per the Financial Sustainability Policy, the first \$500,000 of new property tax revenue resulting from new construction is transferred to reserve and as directed by Council, funding has been allocated to maintain the Correspondence Coordinator function (\$87,000) that, due to lack of ongoing funding in 2017, had only received funding for one year in the 2017 Financial Plan.

In addition, Council has previously approved funding from the new tax revenue from the Capital Park development for the new library branch in James Bay (ongoing operations as well as repayment of the capital costs to the Buildings and Infrastructure Reserve). The Draft Financial Plan currently includes \$848,000 (\$345,000 for operating and lease costs, and \$503,000 to repay the reserve). However, the early estimate of new tax revenue from this development for 2018 is only \$450,000. Should the new tax revenue be insufficient, the capital cost repayment amount transferred to the Buildings and Infrastructure Reserve will be reduced to offset.

Additional assessment growth revenue has not been factored into the 2018 Draft Financial Plan. A conservative early estimate, based on information provided by BC Assessment but excluding the revenue from Capital Park, is \$1.9 million leaving an estimated \$1.3 million unallocated. However, this is based on incomplete information this early in the year and this amount will likely change before it is finalized in March 2018. BC Assessment will be providing a revised estimate in November before Council makes funding allocation decisions in December.

Over the last decade, Council has used the majority of the new tax revenue for capital investment (savings in reserves) and reducing the annual tax increase. Only a small portion of this new revenue has been used to fund new services as illustrated in the graph below:



For 2018, Council could consider using this revenue to fund supplementary requests, fund additional capital projects or other strategic plan items, address feedback from public consultation, transfer additional funds to reserve, or reduce taxes. The current reserve contribution to the Buildings and Infrastructure Reserve is \$6.1 million plus the proposed addition of \$500,000 for a total of \$6.6 million in 2018; the estimated unallocated balance at the end of 2017 is \$15.2 million taking the allocation for the Crystal Pool project into account. The preliminary non-market change amount is equivalent to an approximate 1.5% tax reduction.

The following table outlines the uses of assessment growth revenue for the last five years:

| 2013 | | 2014 | | 2015 | | 2016 | | 2017 | |
|--------------------------------------|--------------------|--------------------------------------|--------------------|---|-------------|--------------------------------------|-----------|---|--------------------|
| Buildings and Infrastructure Reserve | \$108,000 | Reduce Property Tax Increase | \$968,845 | Reduce Property Tax Increase | \$1,000,000 | Real Estate Function | \$60,000 | Police Budget | \$277,000 |
| | | Buildings and Infrastructure Reserve | \$500,000 | Buildings and Infrastructure Reserve | \$500,000 | Buildings and Infrastructure Reserve | \$365,000 | Buildings and Infrastructure Reserve | \$250,000 |
| Total | \$108,000 | Total | \$1,368,845 | Community Garden Volunteer Grants | \$36,000 | | | Accessibility Reserve | \$250,000 |
| | | | | Interdisciplinary Team | \$300,000 | | | Real Estate Function | \$135,000 |
| | | | | Downtown Community Centre Funding | \$50,000 | | | Tree Care | \$128,000 |
| | | | | Increase Community Centre Funding | \$100,000 | | | Greening of Fleet | \$61,722 |
| | | | | Solid Waste Garbage Collection and Waste Separation | \$95,000 | | | New Gymnasium - 950 Kings Rd | \$49,000 |
| | | | | Beautification (Banners) | \$10,000 | | | Arts and Culture Support | \$25,000 |
| | | | | Traffic Calming | \$100,000 | | | Community Garden Volunteer Coordinator | \$6,000 |
| | | | | Sidewalk Maintenance Upgrades | \$80,000 | | | Distribution of Mulch to Community Garden Operators | \$6,000 |
| | | | | Real Estate Function | \$101,000 | | | Victoria Heritage Foundation Grant | \$5,125 |
| Total | \$2,332,000 | Total | \$425,000 | | | | | Victoria Civic Heritage Trust Grant | \$2,153 |
| | | | | | | | | Medallion Challenge Trophy | \$500 |
| | | | | | | | | Total | \$1,195,500 |

2017 Surplus

Per the Financial Sustainability Policy, prior year surplus can be used for one-time expenditures and/or be transferred to infrastructure reserves. Since the 2017 year is not yet complete and the amount of the 2017 surplus is not finalized, no surplus has been included in the draft Financial Plan. It is proposed that a decision on the use of the 2017 surplus be made once the consultation on the draft Financial Plan is complete.

The following table outlines the surplus allocation for the past five years:

| 2012 | | 2013 | | 2014 | | 2015 | | 2016 | |
|--------------------------------------|---------------------|---|---------------------|--|---------------------|---|---------------------|--|---------------------|
| Buildings and Infrastructure Reserve | \$ 1,228,387 | Additional staffing to expedite planning applications | \$ 350,000 | Expedite Local Area Plans | \$ 200,000 | Crosswalk Projects | \$ 200,000 | Buildings and Infrastructure Reserve | \$ 1,440,209 |
| | | Active Transportation Projects | \$ 124,559 | Victoria Housing Reserve | \$ 750,000 | Broad Street Mail Repairs | \$ 15,000 | Accelerated Local Area Planning (2018-2019) | \$ 500,000 |
| | | Buildings and Infrastructure Reserve | \$ 2,800,000 | Buildings and Infrastructure Reserve | \$ 500,000 | Buildings and Infrastructure Reserve | \$ 552,721 | South Island Prosperity Project (SIPP) | \$ 220,000 |
| Total | \$ 1,228,387 | Total | \$ 3,274,559 | Centennial Square Washroom Upgrades | \$ 125,000 | Arboriculture (Urban Forest Mgmt Plan Implementation) | \$ 125,500 | Vulnerable Population Pilot Project | \$ 204,891 |
| | | | | Accessibility Capital Fund | \$ 250,000 | Accessibility Capital Fund | \$ 250,000 | Parks Overnight Sheltering | \$ 200,000 |
| | | | | Emergency Management | \$ 250,000 | Real Estate Function Consulting | \$ 100,000 | Parks Infrastructure | \$ 158,000 |
| | | | | Storage-Homeless Persons' Belongings | \$ 45,000 | City of Victoria Youth Council Additional Request | \$ 6,000 | High Risk Tree Removal | \$ 150,000 |
| | | | | UBCM Conference Housing | \$ 155,000 | Cultural Plan | \$ 116,000 | Canada 150 Festivities | \$ 150,000 |
| | | | | VCAN Support | \$ 1,100 | Senior Parks Planner | \$ 103,000 | Songhees and Esquimalt First Nations Long House | \$ 110,000 |
| | | | | VCAN Support 2016 - First 6 Months | \$ 900 | Sidewalk Power-Washing | \$ 15,000 | Parks Planning Temporary Support | \$ 103,000 |
| | | | | Island Transformations | \$ 4,000 | Parks Overnight Sheltering Support and Clean-Up | \$ 313,000 | Victoria Housing Strategy Implementation | \$ 100,000 |
| | | | | Railway Crossing Study | | Traffic and Parking Improvements | \$ 8,000 | Correspondence Coordinator | \$ 87,000 |
| | | | | Western Canada Music Awards Grant | \$ 25,000 | India Mela and Dragon Boat Society 80% FIG Grants | \$ 11,200 | Install Symbol of Lekwungen People | \$ 75,000 |
| | | | | Concrete and Brick Pavers Intersection Maintenance | \$ 37,000 | Total | \$ 1,818,421 | Adaptive Management Framework | \$ 55,000 |
| | | | | Parks Master Plan | \$ 250,000 | | | Temporary Moveable Child Friendly Play Feature in Centennial Square | \$ 50,000 |
| | | | | Dallas Road Split Rail Fence | \$ 125,000 | | | City Studio (2018-2019) | \$ 50,000 |
| | | | | Strategic Plan Grants (unused 2014 Greenways) | \$ 25,000 | | | Public Works Master Plan | \$ 50,000 |
| | | | | Strategic Plan Grants - additional funding | \$ 36,964 | | | Seasonal Special Events | \$ 50,000 |
| | | | | Strategic Objectives Account (unallocated) | \$ 109,318 | | | Traffic Control Support | \$ 50,000 |
| | | | | Total | \$ 2,888,482 | | | Solid Waste Management Strategy | \$ 50,000 |
| | | | | | | | | City's Truth and Reconciliation Commission Calls to Action Task Force | \$ 50,000 |
| | | | | | | | | Car Free Day (2018-2020) | \$ 45,000 |
| | | | | | | | | Development Services | \$ 42,000 |
| | | | | | | | | Temporary Support | \$ 30,000 |
| | | | | | | | | Zoning Updates | \$ 30,000 |
| | | | | | | | | Youth Strategy | \$ 30,000 |
| | | | | | | | | 2017 Canadian Capital Cities Organization Annual Conference | \$ 20,000 |
| | | | | | | | | Temporary installation of table tennis and chess tables in Centennial Square | \$ 11,000 |
| | | | | | | | | Victoria Community Association Network | \$ 1,200 |
| | | | | | | | | Fairfield Community Centre Insurance Administration | \$ 500 |
| | | | | | | | | Total | \$ 4,832,800 |

A conservative early estimate of the 2017 surplus is \$2 million. The final number is likely to be different than this estimate.

Five-Year Operating Budget

To develop the future years of the five-year operating budget a number of assumptions have been incorporated including: no changes to services or service levels; collective agreement increases; known cost increases, such as hydro, at already announced rates; and unknown cost increases (the majority) at an inflationary factor of 2%.

The following table outlines the estimated impact to tax and rate payers. These estimates were calculated based on 2017 assessed property values and 2017 estimated water usage.

| Estimated Average Residential | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|-------------|-------------|-------------|-------------|-------------|
| Property Taxes (\$641,000 assessed value) | \$65 | \$52 | \$55 | \$54 | \$56 |
| Water Utility - 80 units | 13 | 7 | 10 | 11 | 11 |
| Sewer Utility - 80 units | - | - | 1 | 6 | 11 |
| Solid Waste - 120 litre bin | 7 | 4 | 4 | 5 | 5 |
| Stormwater Utility | 7 | 10 | 7 | 5 | 5 |
| Estimated Increase in \$ | \$92 | \$73 | \$77 | \$81 | \$88 |
| Estimated Increase in % | 2.80% | 2.17% | 2.24% | 2.30% | 2.45% |
| | | | | | |
| Estimated Typical Small Business | 2018 | 2019 | 2020 | 2021 | 2022 |
| Property Taxes (\$540,000 assessed value) | \$186 | \$148 | \$157 | \$155 | \$160 |
| Water Utility - 80 units | 13 | 7 | 11 | 11 | 11 |
| Sewer Utility - 80 units | - | - | 1 | 6 | 11 |
| Stormwater Utility | 16 | 23 | 17 | 12 | 12 |
| Business Licence | - | - | - | - | - |
| Estimated Increase in \$ | \$215 | \$178 | \$186 | \$184 | \$194 |
| Estimated Increase in % | 2.80% | 2.25% | 2.30% | 2.22% | 2.29% |

Supplementary Operating Budget Requests

Before any requests for increased funding is brought to Council for consideration, staff first evaluate each need and possible ways to meet those needs without requesting additional funding from Council; this includes process improvements that create efficiencies and free up existing staff time, shifting resources between areas, or exploring funding opportunities. To ensure only those requests that are the highest priority are brought forward, a rigorous corporate-wide prioritization process is undertaken.

The highest priority areas for 2018 focus largely on building capacity for infrastructure planning, managing growth and new development, housing and homelessness, public safety, and organizational resources to support effective delivery of City projects.

The following table outlines this year's requests:

| Supplemental Description | 2018 Ongoing | 2018 One-Time |
|---|-------------------------|--------------------------|
| Managing Growth and New Development | | |
| Parks Planner | \$103,000 | |
| Transportation Planner | \$104,000 | |
| Secretary Planning | | \$67,000 |
| Parks Arboriculture | | \$97,000 |
| Managing Public Safety | | |
| Fire Prevention Officer | \$121,000 | |
| Managing Green Spaces | | |
| Overnight Sheltering – Support & Clean Up | | \$300,000 |
| Community Garden Program | \$15,000 | |
| Parks Natural Area Support | \$63,000 | |
| High Risk Tree Removal | | \$150,000 |
| Pioneer Square Archaeological Reporting | | \$37,000 |
| Downtown Public Realm Plan Implementation | | \$105,000 |
| Managing Public Engagement | | |
| Graphic Design Support | \$81,000 | |
| Engagement Advisor | | \$109,000 |
| Managing Accessibility | | |
| Accessibility Framework | | \$40,000 |
| Youth Initiatives | | |
| Youth Leaders in Training Program | \$20,000 | |
| Youth Strategy Liaison | | \$30,000 |
| Active Transportation | | |
| Neighbourhood Transportation Management | | \$180,000 |
| Speed Reader Boards | | \$85,000 |
| Multi-Modal Transportation Network | | |
| Street Occupancy and Parking Support | 1 FTE Only | |
| Traffic Signal Timing Update Study | | \$40,000 |
| Extra Bridge Coverage | | \$30,000 |
| Asset Management | | |
| Building Project Administrator | \$99,000 | |
| Condition Assessment Pilot Project | | \$60,000 |
| Professional Certification/Project Management | | \$50,000 |
| Managing Climate Action and Sustainability | | |
| Sustainability Waste Management Engineer | \$99,000 | |
| Step Code Implementation | | \$10,000 |
| Environmental Performance Audit | | \$50,000 |
| Managing Housing | | |
| Victoria Housing Strategy Implementation | | \$20,000 |
| Total | \$705,000 | \$1,460,000 |

Additional details on each are attached as Appendix A.

The City has also committed to the South Island Prosperity Project and for 2018, the City's share is approximately \$220,000. Their Five-Year Strategy is attached as Appendix D.

VicPD has also put forward supplementary budget requests as outlined in their submission.

The public consultation process may result in additional funding needs. Possible funding sources are 2017 surplus, assessment growth (non-market change) property tax revenue or an additional property tax increase. It is recommended that Council consider these requests along with feedback from public consultation on the draft Financial Plan.

Capital Budget

Overview

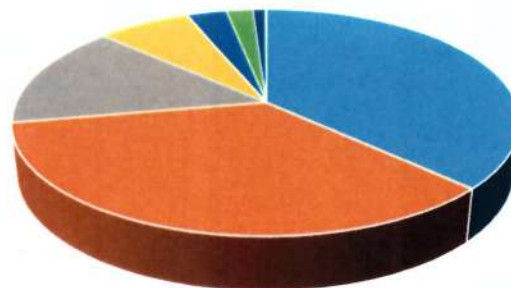
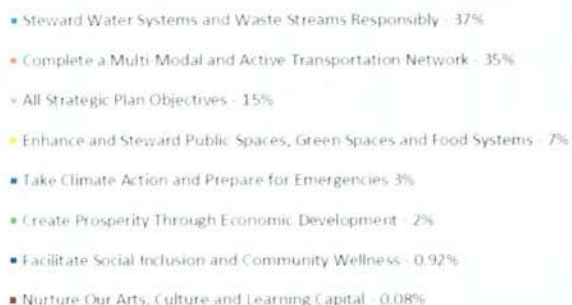
The draft capital budget for 2018 totals \$43.1 million, which is larger than the typical \$30-35 million primarily due to the Johnson Street Bridge replacement, Bicycle Master Plan Implementation and the Wharf Street Revitalization.

For 2018, each capital project has been aligned with the 2015-2018 Strategic Plan as follows:

- **Complete a Multi-Modal and Active Transportation Network:** Infrastructure for all active modes of transportation including bike lanes, crosswalks, bus shelters, sidewalks, pathways, roads, bridges, retaining walls, wayfinding, street and traffic lights
- **Facilitate Social Inclusion and Community Wellness:** Recreation and community centre buildings and infrastructure
- **Enhance and Steward Public Spaces, Green Spaces and Food Systems:** Park upgrades and infrastructure, playgrounds, upgrades to City facilities and street infrastructure such as benches, cluster lamps and railings
- **Steward Water Systems and Waste Streams Responsibly:** Water, Sewer and Stormwater Infrastructure projects
- **Take Climate Action and Prepare for Emergencies:** Energy conservation projects, and emergency management equipment
- **Create Prosperity through Economic Development:** Parkade upgrades, Victoria Conference Centre upgrades, and seasonal animation
- **Nurture Our Arts, Culture and Learning Capital:** Festival equipment
- **All Strategic Plan Objectives:** Equipment, which includes vehicles, information technology and various equipment replacements

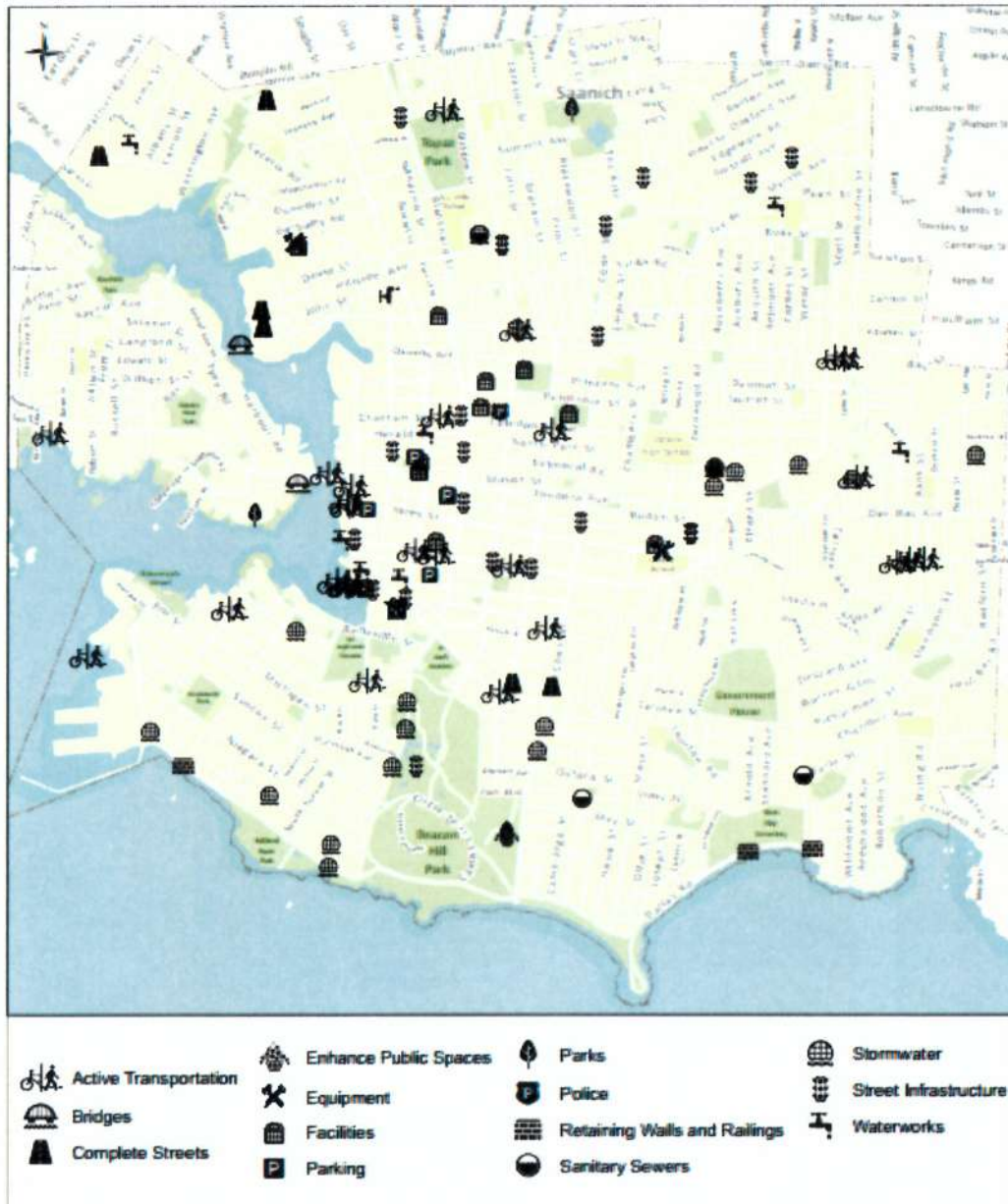
The following chart outlines the proposed capital investment by strategic plan objective:

Capital Expenditures by Strategic Plan Objectives
2018 Budgeted Strategic Plan Objectives Expenditures (\$43.1 million)



Each project has also been mapped to provide a geographic picture of where the planned capital investment is proposed to take place.

2018 Draft Capital Projects:



Each budget request includes both the capital cost and the ongoing additional operating costs and FTE requirement. The ongoing operating costs have been incorporated into the appropriate future years in the operating budget.

The capital budget was developed based on the principle that all asset groups are allocated some funding. In addition, the annual capital investment needs are determined through asset master plans and condition assessments. Asset master plans outline the level of funding that is considered sustainable to maintain current service levels and the priorities for infrastructure investment.

The capital budget funding levels have reached sustainable levels for some assets (water), some are close to sustainable levels (storm drains), some projects are shaped through consultation with the community (park upgrades), some require additional analysis to determine the required funding levels (sewer, equipment and surface infrastructure such as street and traffic lights) and some fall short of recommended levels (facilities, roads and fleet).

Identified as a priority in the 2015-2018 Strategic Plan, a Parks Master Plan was approved by Council in 2017 and the proposed next step is to do a full condition assessment in 2018. Together, the Plan and the condition assessment will identify priority areas for parks investment and will inform future capital plans.

A facilities condition assessment was completed in 2015. This was the first step in the process to determine future investment needs. Further work is required to develop tactical plans for significant cost items; one of those, a roofing plan, was completed in 2017. Also, the condition assessment assumed that all buildings would continue to be used as currently operated and did not consider operational needs nor included a "highest and best use" analysis. The 2018 capital plan only includes the "must-do" projects as identified through the facilities assessment process.

The sewer master plan was put on hold pending the Capital Regional District's decision regarding sewage treatment. With the decision for a single plan at McLoughlin Point, the sewer master plan update is now underway. This plan will inform future financial plans and it is anticipated that additional annual funding will be required.

The pavement management plan indicates that additional funding is needed to maintain existing service levels. Staff continue to investigate alternative rehabilitation strategies, such as thin asphalt overlays, and mill and fill replacements, to achieve more upgrades within available funding. This year's draft financial plan is proposing increasing the funding in this area by \$250,000 to avoid widening the existing gap in funding.

The City is in process of developing a fleet management master plan that will define the long-term strategy to optimize future fleet utilization. In 2015, the City undertook an industry benchmark review and condition assessment, the result of which confirmed that there is a significant backlog-need for fleet replacement. Work is underway to right-size the fleet, as well as exploring "modular" vehicles where the chassis is the same but the back-end can be changed depending on need, and exploring the used market viability for heavy duty low utilisation vehicles. This multi-pronged approach is part of the strategy to reduce the current funding gap.

Capital plan funding levels are determined through policy decisions, taking into account the City's risk tolerance. Historically, Council has increased property taxes for capital projects that address deferred maintenance for roads, facilities and storm drains. Since 1999, Council has increased annual capital budget funding through property taxes from \$2.5 million to \$10.2 million. As per the Financial Sustainability Policy, additional funding decisions through an increase in property taxes, will be considered by Council based on proposed projects identified by staff. For 2018, based on the investment needs identified above, it is recommended that \$250,000 of increased funding be provided to roads and this has been factored into draft financial plan. Each year from 2013 to 2015 a 1.25% property tax increases was levied for the capital budget. This level of increase takes a conservative approach in reaching sustainable funding levels; an alternate option for Council's consideration would be to spread the increases over a longer time-period to balance taxpayer affordability while being aware of the risk.

Historically, the City's capital plan has been funded by a combination of property taxes, utility user fees, grants, debt and reserves. Approximately one third of the City's typical \$30-\$35 million capital budget is funded from reserves for investments such as vehicle and equipment replacements,

remediation of City properties, and some building upgrades. Larger projects, such as a bridge replacement or construction of an arena, have primarily been funded through debt and grants which is consistent with the City's policy on debt.

The proposed capital budget includes projects that are underway but will not be completed before year-end. The funding for these projects must be carried forward from 2017. The budgets for these projects will be updated to reflect remaining amounts once year-end has been completed.

Reserves and Debt

The City's Reserve Fund Policy was updated in 2015, including a methodology for determining target balances. The minimum target balances have already been achieved for all reserves except the stormwater utility reserve which was created in 2016. However, the minimum balances are only one part of the equation and recommended capital budget spend levels also need to be taken into account as outlined in the section above in this report. The following table outlines the estimated uncommitted year-end reserve fund balances based on the assumption that all planned work for 2017 will be completed:

| Description | Projected Balance Dec 31, 2017 | 2018 Budget Transfers In | 2018 Budget Transfers out | Projected Balance Dec 31, 2018 |
|--|-----------------------------------|-----------------------------|------------------------------|-----------------------------------|
| Capital Reserves | | | | |
| Equipment & Infrastructure | | | | |
| Police | | | | |
| Police Vehicles, Equipment & Infrastructure | 1,929,138 | 1,056,000 | 1,953,000 | 1,032,138 |
| Police Emergency Response Team | 263,714 | | 240,000 | 23,714 |
| City | | | | |
| VCC Equipment and Infrastructure | 1,476 | | | 1,476 |
| City Equipment | 8,193,727 | 1,602,500 | 1,481,000 | 8,315,227 |
| City Vehicles & Heavy Equipment | 2,781,113 | 1,623,104 | 2,615,000 | 1,789,217 |
| City Buildings & Infrastructure | 15,190,109 | 7,535,036 | 5,988,000 | 16,737,144 |
| Accessibility Capital | 675,002 | 250,000 | 56,000 | 869,002 |
| Parking Services Equipment and Infrastructure | 4,289,978 | 1,849,929 | 358,000 | 5,781,907 |
| Multipurpose Equipment and Infrastructure | 954,757 | 140,000 | 133,000 | 961,757 |
| Recreation Facilities Equipment and Infrastructure | 1,051,887 | 25,500 | | 1,077,387 |
| Archives Equipment | 11,931 | | 10,000 | 1,931 |
| Artificial Turf Field | 977,716 | 86,700 | | 1,064,416 |
| Gas Tax | 3,780,281 | 3,591,000 | 5,058,000 | 2,313,281 |
| Water Utility Equipment and Infrastructure | 15,137,565 | 1,850,000 | | 16,987,565 |
| Sewer Utility Equipment and Infrastructure | 25,881,990 | 771,564 | 2,040,000 | 24,613,554 |
| Stormwater Utility Equipment and Infrastructure | 99,539 | | | 99,539 |
| Tax Sale Lands Fund | 4,369,775 | 50,000 | 250,000 | 4,169,775 |
| Parks and Greenways Acquisition Fund | 1,846,203 | | 300,000 | 1,546,203 |
| Local Amenities Reserve | 501,008 | | 145,290 | 355,718 |
| Development Cost Charges | 13,479,862 | | | 13,479,862 |
| Downtown Core Area Public Realm Improvements | 151,034 | | | 151,034 |
| Total Capital Reserves | 101,567,804 | 20,431,333 | 20,627,290 | 101,371,847 |
| Operating Reserves | | | | |
| Financial Stability Reserves | | | | |
| City | 6,231,102 | 100,000 | 352,000 | 5,979,102 |
| Police | 744,821 | | 100,000 | 644,821 |
| Debt Reduction | 37,780,401 | 3,025,346 | | 40,805,747 |
| Insurance Claims | 3,855,063 | | | 3,855,063 |
| Water Utility | 682,312 | | | 682,312 |
| Sewer Utility | 617,688 | | | 617,688 |
| Stormwater Utility | 235,610 | | | 235,610 |
| Victoria Housing Reserve | 2,878,280 | 250,000 | | 3,128,280 |
| Dockside Affordable Housing | 254,445 | | | 254,445 |
| Climate Action Reserve | 653,867 | 313,961 | 50,000 | 917,828 |
| Art in Public Places | 399,639 | 135,000 | 327,500 | 207,139 |
| Heritage Buildings Seismic Upgrades | 87,709 | | | 87,709 |
| Total Operating Reserves | 54,420,936 | 3,824,307 | 829,500 | 57,415,743 |
| Total City Reserves | 155,988,740 | 24,255,640 | 21,456,790 | 158,787,590 |

The City currently has \$73.6 million in outstanding debt, with additional authorized but yet to be issued debt of approximately \$700,000 for the Johnson Street Bridge replacement. According to the Financial Sustainability Policy, debt servicing charges should be kept at a maximum of 7% of the prior year's property tax levy. Currently, there is approximately \$3 million of budget room for debt servicing, which is transferred to the Debt Reduction Reserve. This is the funding room that Council has set aside for the replacement of Fire Department Headquarters. There are some smaller debt issuing falling off in 2022; however, the next significant debt issue to retire is in 2031. The following table outlines the current debt issues, year of retirement and the annual debt servicing costs.

| Final Year | Issue | MFA Issue - Purpose | 2018 Total |
|------------|-------|--|------------|
| 2022 | 102 | Burnside Gorge Community Centre | 221,701 |
| 2022 | 102 | City Hall Accessibility | 220,817 |
| 2023 | 103 | Parkades | 173,594 |
| 2023 | 105 | Parkades | 178,094 |
| 2024 | 105 | Crystal Gardens | 340,359 |
| 2025 | 110 | Parkades | 493,694 |
| 2031 | 115 | Johnson Street Bridge Replacement (CMHC) | 743,242 |
| 2033 | 79 | Multipurpose Arena | 360,514 |
| 2033 | 80 | Multipurpose Arena | 390,514 |
| 2034 | 81 | Multipurpose Arena | 390,514 |
| 2034 | 130 | Johnson Street Bridge Replacement | 1,475,097 |
| 2036 | 139 | Johnson Street Bridge Replacement | 320,186 |
| 2037 | 142 | Johnson Street Bridge Replacement | 668,311 |

Allocation of Annual Gas Tax Funding

The City receives annual funding from the Federal Government through their gas tax program. The expected amount for 2018 is \$3.59 million. Each year, amounts received are transferred to the City's Gas Tax Reserve which Council approves allocations from through the annual capital plan. The majority of the projects funded through the gas tax reserve to-date have been storm drain infrastructure projects. For 2015 to 2017, Council allocated funding for the David Foster Harbour Pathway implementation, storm drain brick main replacement, LED streetlight replacement, and new bike lanes in priority areas. With the expected amount for 2018, the gas tax funding available is \$4.7 million.

The City is required to report annually through the Union of BC Municipalities on which projects have been funded using gas tax and the agreement outlines which types of projects are eligible. There are a number of capital projects that would qualify for this funding including storm drain projects and bike lanes. It is proposed that the Storm Drain Brick Main project (\$2.45 million) continues to be funded through gas tax and that the remaining funding (\$2.3 million) be allocated upon completion of the public consultation process.

20-Year Capital Plan

For many capital investments, such as water, stormwater, sidewalks and complete streets projects, longer-term asset master plans identify the priority order of renewals for a number of years. Those plans also indicate the estimated funding for those renewals. For these investments, ongoing budgets have been included in the 20-year capital plan.

For facilities, the future years show as “TBD” (to be determined) because a long-term plan that accounts for the strategic opportunities and functional requirements relating to City-owned buildings does not yet exist. Work on this plan is underway and upon completion will inform future capital plans. It is proposed that a condition assessment of all parks assets be undertaken in 2018. Together with the goals within the Parks and Open Space Master Plan, this will inform future priority setting for parks projects. Therefore, budgets for future year park projects are labeled “TBD”. For others, such as Gate of Harmonious Interest and Ship Point, condition assessments and design work underway will determine the extent of the work required and budgets for the renewal investments can be developed once the condition assessments have been completed and will be incorporated into the capital plan at that point.

It can be difficult to determine the exact funding needs far into the future; therefore all future year amounts are best estimates only.

Outstanding Council Motions

Council passed the following motion in relation to Vic High School sports facility refurbishment:

Matching grant of up to \$250,000 subject to:

- a. Community consultation for the project by School District 61 or its designate
- b. Council approval of the final design of the project
- c. Entering into a joint use agreement between the City and School District 61

This grant has not yet been factored into the 2018-2022 Financial Plan. As per Council direction, the funding for this project will be considered once all terms of the Council motion have been addressed.

2015-2018 Strategic Plan Funding

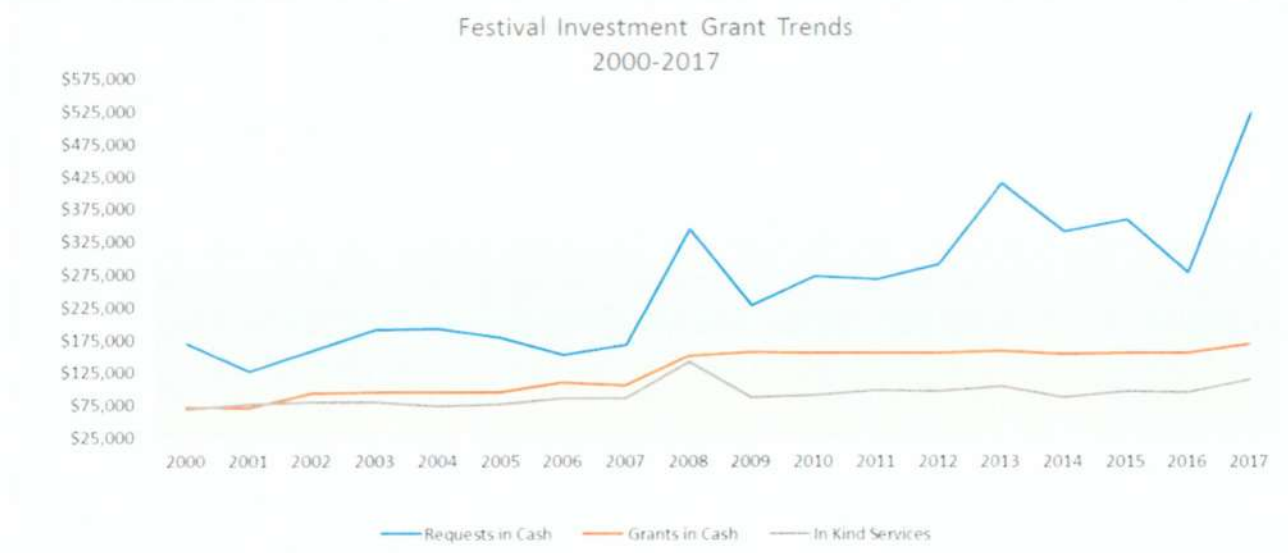
The majority of action items within the Strategic Plan are fully funded. However, some of the items still require funding as follows:

| Action Year | Action | Funding Need |
|-------------|--|---|
| 2015 | Prioritize “special places” along the David Foster Harbour Pathway and identify funding opportunities | Possible funding source is annual gas tax. |
| 2016 | Working toward establishing supervised consumption services, in collaboration with Island Health, VicPD and YES2SCS. | City’s funding needs unclear at this point. |
| 2016 | Complete the Douglas/Blanshard Corridor Master Plan and allocate funds in Financial Plan for quality-of-life infrastructure. | This is part of the Burnside/Gorge local area plan and priority projects have been identified within this plan and will inform financial plans. |
| 2016 | Build upon input from Parks Master Plan process and hold a placemaking activity at Ship Point to advance a site plan in the Harbour Principles. Consult public on specific design, and allocate money in 2018 capital budget to complete | Funding for capital improvements to be determined once plan is complete. |

Grants

As directed by Council, grants have been grouped into five categories: direct-award grants, festival investment grants, community garden volunteer coordinator grants, My Great Neighbourhood grants, and Strategic Plan grants, which include micro-grants.

Starting in 2016, Council directed staff to include inflationary increases for community and seniors centres operating and youth programming grants, as well as the festival investment grant budget. As previously reported to Council, the festival investment grant budget continues to be oversubscribed each year.



This program, that provides cash grants and in-kind support, nurtures the development of high quality, accessible and affordable events, and creates significant economic activity in the city. This program achieves many of the action items within the draft Arts and Culture Master Plan and Official Community Plan. Council may consider increasing the funding for this grant program to meet the increased demand.

For Council's consideration in 2018 is to shift senior's outreach funding (\$30,000) from Strategic Plan grants to direct award. In 2015, Council approved a \$5,000 Strategic Plan grant for Victoria Silver Threads and James Bay New Horizons to pilot a new senior outreach program in the James Bay and Jubilee neighbourhoods. The concept was simple – have an Outreach Worker meet with seniors where they live, make connections, listen to concerns and inform seniors of available services to help them remain independent. By connecting with property and building managers, coffee parties (information sessions) were held in 24 buildings and connections made with 110 seniors. Some of the issues identified included cost of living, housing, food, health care and transportation. A significant concern is loneliness and lack of social connectedness. In 2016, Council approved a second grant of \$10,000 and these two organizations leveraged this funding to get an additional small grant from the provincial government to expand the program. A total of 64 coffee parties were held and connections were made with over 300 seniors. In 2017, Council approved a third grant for \$9,000 for these organizations to take this pilot project into the second stage, keeping these 410 seniors connected to services and programs. Following the success of this pilot program, together the three seniors centres have requested a total of \$30,000 in pooled funding. Should Council approve this shifting, this seniors outreach service would be incorporated into the operating agreements with these organizations and the City.

A few direct award grant organizations have requested additional funding. The Victoria Heritage Foundation has requested a 5.1% or \$10,716 increase in funding and the Victoria Civic Heritage Trust is requesting a 2% or \$2,186 increase (letters attached as Appendix C).

In addition to operating and youth programming grants, the City also provides support to community and seniors centres for facility-related costs such as janitorial and strata fees. These budgets have been increased to reflect expected inflationary increases. All other grant funding is proposed to remain at the 2017 budget level.

The proposed funding for the direct-award grants is as follows. The last column indicates the additional requests some organizations have submitted.

| Organization | Type of Grant | 2017 Final Budget | 2018 Draft Budget | Change | Additional Requests |
|-------------------------------------|---|-------------------|-------------------|---------------|---------------------|
| Victoria Civic Heritage Trust | Building Incentive | 420,000 | 420,000 | 0 | |
| Victoria Civic Heritage Trust | Operating | 109,814 | 109,814 | 0 | 2,186 |
| Victoria Heritage Foundation | Operating | 210,125 | 210,125 | 0 | 10,716 |
| Recreation Integration Victoria | Operating | 30,656 | 30,656 | 0 | |
| Victoria Youth Council | Operating | 26,000 | 26,000 | 0 | |
| Quadra Village Community Centre | Operating | 51,612 | 52,644 | 1,032 | |
| Quadra Village Community Centre | Youth Programming | 8,323 | 8,489 | 166 | |
| Quadra Village Community Centre | Lease Grant | 43,200 | 43,200 | 0 | |
| Fernwood Community Centre | Operating | 51,612 | 52,644 | 1,032 | |
| Fernwood Community Centre | Youth Programming | 8,323 | 8,489 | 166 | |
| Vic West Community Association | Operating | 51,612 | 52,644 | 1,032 | |
| Vic West Community Association | Youth Programming | 8,323 | 8,489 | 166 | |
| Vic West Community Association | Facility (janitorial) | 34,185 | 34,869 | 684 | |
| Fairfield Community Place | Operating | 51,612 | 52,644 | 1,032 | |
| Fairfield Community Place | Youth Programming | 8,323 | 8,489 | 166 | |
| Fairfield Community Place | Facility (janitorial, recycling) | 45,400 | 46,308 | 908 | |
| Fairfield Community Place | Liability Insurance | 5,000 | 5,000 | 0 | |
| Fairfield Community Place | Youth Outreach | 15,000 | 15,000 | 0 | |
| Cook Street Village Activity Centre | Operating | 51,612 | 52,644 | 1,032 | |
| Cook Street Village Activity Centre | Facility (strata fees) | 17,260 | 17,708 | 448 | |
| Victoria Silver Threads | Operating | 51,612 | 52,644 | 1,032 | |
| Victoria Silver Threads | Facility (lease) | 122,389 | 122,389 | 0 | |
| Burnside Gorge Community Centre | Operating | 51,612 | 52,644 | 1,032 | |
| Burnside Gorge Community Centre | Youth Programming | 8,323 | 8,489 | 166 | |
| Burnside Gorge Community Centre | Youth Outreach | 10,000 | 10,000 | 0 | |
| James Bay Community School Centre | Operating | 51,612 | 52,644 | 1,032 | |
| James Bay Community School Centre | Youth Programming | 8,323 | 8,489 | 166 | |
| James Bay Community School Centre | Facility (janitorial, recycling) | 53,091 | 54,153 | 1,062 | |
| James Bay New Horizons | Operating | 51,612 | 52,644 | 1,032 | |
| James Bay New Horizons | Facility (janitorial) | 26,875 | 27,413 | 538 | |
| Oaklands Community Centre | Operating | 51,612 | 52,644 | 1,032 | |
| Oaklands Community Centre | Youth Programming | 8,323 | 8,489 | 166 | |
| Oaklands Community Centre | Facility (janitorial) | 16,595 | 16,927 | 332 | |
| Cool Aid Downtown Community Centre | Operating | 51,612 | 52,644 | 1,032 | |
| Blanshard (Hillside Quadra) | Per capita base (0.75 times population) | 5,434 | 5,684 | 250 | |
| Burnside/Gorge | Per capita base (0.75 times population) | 4,395 | 5,105 | 710 | |
| Downtown (incl Harris Green) | Per capita base (0.75 times population) | 3,454 | 4,129 | 675 | |
| Fairfield Gonzales | Per capita base (0.75 times population) | 11,869 | 12,343 | 474 | |
| Fernwood | Per capita base (0.75 times population) | 7,069 | 7,358 | 289 | |
| James Bay | Per capita base (0.75 times population) | 8,430 | 9,032 | 602 | |
| North Jubilee | Per capita base (0.75 times population) | 2,288 | 2,418 | 130 | |
| South Jubilee | Per capita base (0.75 times population) | 1,643 | 1,734 | 91 | |
| North Park | Per capita base (0.75 times population) | 2,588 | 2,680 | 92 | |
| Oaklands | Per capita base (0.75 times population) | 5,119 | 5,346 | 227 | |
| Rockland | Per capita base (0.75 times population) | 2,618 | 2,755 | 137 | |
| Vic West | Per capita base (0.75 times population) | 5,104 | 5,758 | 654 | |
| | | 1,871,594 | 1,892,413 | 20,819 | 12,902 |

The per capita base budget is subject to change based on the final release of the 2016 Canada census figures. The overall increase will not change though the distribution may change.

Note the City provides janitorial services to Quadra Village Community Centre and Fernwood Community Centre and Cook Street Village Activity Centre; no support is provided to Burnside Gorge Community Centre

It is recommended that Council approve the direct-award grants as outlined in the second column of the table above, and consider any funding increase requests upon completion of the public consultation.

Public Information and Consultation

Public participation in the development of the City of Victoria's budget has exponentially increased in recent years due to a number of measures introduced to improve the budget information and the tools used to solicit greater input and involvement. Prior to the 2015 process, the City would hear from less than 30 people during the budget process. In 2015, 2016 and 2017 the numbers increased to over 2,000, 800 and 950 respectively. The initial rise in 2015 was largely attributed to the alignment with the strategic planning process and the opportunity for the public to inform the investment of unallocated surplus and new assessment revenue.

In the spirit of continuous improvement, efforts that continue to increase engagement and the diversity of input will continue. Budget information and input mechanisms have become more accessible than in years past. Through an improved budget document, summary materials in print and online, the introduction of a budget simulator and the E-Town Hall format, more people are participating than ever before, and greater dialogue is occurring about the budget.

Last year, a budget simulator tool was developed and will be promoted widely during the 2018 budget process to assist in educating taxpayers of the trade-offs of different budget decisions.



City of Victoria's Budget Simulator

The City of Victoria invites you to use the budget simulator to help better understand the budget process. This exercise allows you to experience the types of decisions City Council and staff make when developing and allocating funds.

Like any business or household, the needs and wants within a municipality are often greater than what the budget can be afforded at one time. Each year as part of the budget process, choices must be made that directly impact the taxes you pay and the level of services the City of Victoria can provide. Our budget looks to balance competing priorities and challenges with the ability to provide high quality services for all our customers.

We welcome you to use our budget simulator to help you understand the budget process and gain insight into the types of decisions City Council and staff face when developing and approving the budget.

What you will learn:

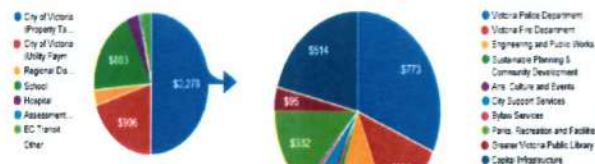
- Learn how the tax dollars are invested in the City of Victoria, based on your property's assessed value.
- Learn how funding changes to services will affect the level of service and your property tax bill.
- Learn the challenges the City faces at budget time, this means finding revenues to pay for what matters to you by either reducing funds from other services or increasing your property taxes, including finding ways to pay for programs and services that are important to taxpayers, by either reducing funds from other services or increasing your property taxes.

Let's get started!

This tool is for educational purposes. Information is not collected. Feel free to explore as many scenarios as you like.

- Move the sliders to the left or right to indicate the desired amount of tax dollars that you feel should be allocated to that service. You can simulate a budget increase or decrease, or leave the service at the 2016 approved amount.
- Leave the sliders at the spots you like the best and see the overall impact to your property taxes.
- After you have made your choices, check back to see how you did. How does your City budget impact your property taxes and overall tax levy?

Learn more about Victoria's 2016 Budget.

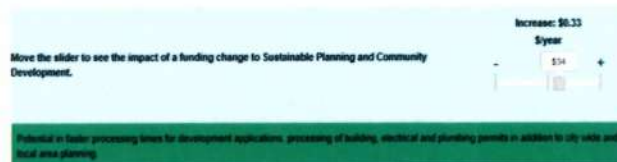


Sustainable Planning and Community Development is key to supporting quality development and economic health of the city. The department is committed to the 'triple bottom line' approach – balancing economic prosperity, social development and environmental sustainability in order to address Victoria's future.

The department has a broad range of policy, regulatory and program responsibilities including community and city-wide land use planning, urban design, heritage, planning applications including zoning, development and variance permits, demographic and other planning information services and permitting and inspection services.



Did you know...
The City of Victoria issued 3,424 permits with a construction value of \$235 million in 2015.



ARTS, CULTURE AND EVENTS [LEARN MORE](#)

Your choice

The City coordinates and leads efforts to improve and enhance the social, recreation, economic and cultural health of our community and works to create a city that is vibrant and people centered. Arts, Culture and Events supports, facilitates and coordinates arts and culture initiatives including free events, concerts and programs in Centennial Square and Cameron Sandshell. Merit events, Canada Day celebrations, public art and maintenance, First Nations Artist Forum, annual Butler Book Prize and Film Commission launch.

The City also provides for Festival Investment Grants designed to provide support to organizations producing festivals and celebrations that deliver significant economic impact, vitality and vibrancy within the city, particularly in the downtown core.



Did you know...
The City of Victoria organized over 150 free events and concerts held at Centennial Square and Deacon Hill Park and about 40,000 people attend the Canada Day Celebrations.



The budget simulator provides the taxpayer greater ability to assess how changes to the budget have different impacts.

Although the City has increased participation broadly over the past three years, we continue to add new focus areas to the process. We will continue to reach out to the business community, which represents nearly 50% of taxpayers in Victoria. We will focus on youth outreach, seeking to build a foundation for engagement in this demographic. And we will work to create a greater sense of ownership over the budget process in those who rent in Victoria, as they represent 59% of the population, but have been traditionally underrepresented in budget engagement.

Following first reading of the financial plan bylaw tentatively scheduled for November 9, it is planned that the budget materials and engagement process will commence on November 10. The draft budget and materials will be made available for public review on that date, with the Town Hall session tentatively scheduled for the week of November 27. Input will be collected until December 8, 2017, allowing four weeks of full consultation. City Council will consider the draft financial plan in conjunction with the input at the December 14, 2017 Committee of the Whole meeting.

Timeline

The following table outlines the proposed timeline for this year's process.

| Tentative Dates | Task |
|--|--|
| October 30, 31 and November 7, 2017 | Detailed presentations of draft Financial Plan |
| November 9, 2017 Council | First reading of Financial Plan bylaw |
| November 2017 | Public consultation |
| Week of November 27, 2017 | Town Hall / e-Town Hall meeting |
| December 14, 2017 Committee of the Whole | Present consultation results and seek direction on changes to Financial Plan |
| April 2018 Committee of the Whole | Final report on Financial Plan including incorporated changes; report on 2018 tax rates. |
| April 2018 Council | Second and third reading of Financial Plan bylaw; first, second and third reading of tax bylaw |
| April 2018 Council | Adoption of Financial Plan bylaw and tax bylaw |

2015 – 2018 Strategic Plan

The draft Financial Plan was developed in alignment with the 2015-2018 Strategic Plan.

Impacts to the Financial Plan

The 2018-2022 Financial Plan will replace the current year's plan.

Official Community Plan Consistency Statement

The many initiatives included within the financial plan are consistent with many policies within the Official Community Plan including support for infrastructure asset management objectives, in particular, policy 11.4 to maintain and enhance the allocation of resources for civic infrastructure repairs, upgrades and replacement

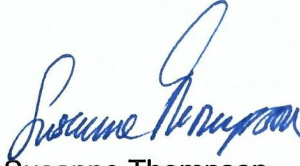
CONCLUSION

The draft Financial Plan aims to balance high quality service provision with taxpayer affordability. Council's review as well as feedback from the public will further shape the financial plan and will set the service levels for staff to implement.

Respectfully submitted,



Jo-Ann O'Connor
Manager of Financial Planning



Susanne Thompson
Director of Finance



Jocelyn Jenkyns
Acting City Manager

Attachments:

Appendix A: Examples of Cooperative Efforts between Municipalities

Appendix B: Supplementary Operating Budget Requests

Appendix C: Additional Grant Requests

Appendix D: South Island Prosperity Project – Five-Year Strategy

APPENDIX A
EXAMPLES OF COOPERATIVE EFFORTS BETWEEN MUNICIPALITIES
(not intended to be exhaustive list)

| | Cooperative Effort | Participants | Estimate of Number of Years in Place | Comments |
|-----|--|---|--------------------------------------|--|
| 1. | Area CAO Meetings | All Local Governments, School District, GVPL, CREST, Islands Trust | 28+ | Meeting - share info – approx. monthly |
| 2. | Corporate Officers Group | All Local Governments | 10+ | Meeting - share info |
| 3. | GIS/Natural Areas Atlas | All Local Governments | 55+ | CRD holds data - access to & input from all municipalities |
| 4. | Refuse Disposal & Recycling | All Local Governments | 44 | CRD delivers service |
| 5. | Regional Trunk Sewer | Oak Bay, Central Saanich, Saanich, Colwood, Esquimalt, Victoria, Langford, View Royal | 50 | CRD delivers service |
| 6. | Regional Water Supply | All Local Governments | 58+ | CRD delivers service |
| 7. | Septage Disposal | All Local Governments | 43 | CRD delivers service - regulates & contracts for regional provider |
| 8. | Stormwater Quality Management | Oak Bay, Saanich, Colwood, Esquimalt, Victoria, Langford, View Royal | 24 | CRD delivers service |
| 9. | Emergency repair clamps and couplings (underground infrastructure) | Victoria, Oak Bay, CRD, Saanich | 28+ | Reciprocal support |
| 10. | Large diameter hot tapping of water mains | Victoria, Oak Bay, CRD, Saanich | 28+ | Reciprocal support |
| 11. | Pressure test and chlorination of new water mains | Victoria, Oak Bay, CRD, Saanich | 23+ | Reciprocal support |
| 12. | Cross Border Agreements | Victoria, Oak Bay, Saanich, View Royal | 58+ | Various road maintenance, street lighting, and utility servicing (water and sewer) functions Reciprocal support |
| 13. | Snow and Ice Removal | Esquimalt, Oak Bay, Central Saanich, Highlands, View Royal, Victoria | 120 | Greater Victoria Cooperative Plan, cross jurisdictional transportation corridor snow clearing, sharing of municipal resources if required. Reciprocal support |
| 14. | E&N Rail Trail | CRD, Esquimalt, View Royal, Victoria | 20 | Now being coordinated by CRD Parks, initially this was an Esquimalt, |

| | Cooperative Effort | Participants | Estimate of Number of Years in Place | Comments |
|----|---|--|--------------------------------------|--|
| | | | | Victoria, View Royal project. CRD delivers service |
| 15 | Local water distribution | Victoria and Esquimalt | 88+ | Water distribution system – Victoria owns the system in both Victoria and Esquimalt and Victoria provides service to Esquimalt |
| 16 | Signage Fabrication Vehicle Identity / Striping | Metchosin View Royal Central Saanich City of Victoria CRD | 18+ | Fabrication of a variety of specialty signs and striping of vehicles for the purpose of identification. |
| 17 | Traffic Safety | Oak Bay, Saanich, Esquimalt, Victoria, Langford, Central Saanich, Sidney, Sooke, Highlands | | CRD appoints and funds a traffic safety Commission |
| 18 | Inflow and Infiltration Enhancement Program | All Local Governments | | CRD Service excludes Sooke and EAs under Liquid Waste Management Plans |
| 19 | Regional Source Control Program | All Local Governments | | CRD delivers service |
| 20 | Liquid Waste Management | All Local Governments | | CRD delivers service |
| 21 | SCADA – flow monitoring | CRD, Oak Bay, Esquimalt, C. Saanich, N. Saanich, Sidney, View Royal | 13+ | CRD delivers service under sewer & water |
| 22 | Finance Directors | All Local Governments | 28+ | Meetings - share info |
| 23 | Water Consumption data | All Local Governments | 11 | CRD collects & Municipalities collect & CRD collates |
| 24 | Tax Collectors meetings | All Local Governments | 20 | Meeting - share info |
| 25 | Computer training courses | All Local Governments | 14 | Reciprocal |
| 26 | PSAB Working Groups | All Local Governments | 9 | Joint project - Ad hoc groups to address Public Sector Accounting Board proposed changes |
| 27 | Engineering Geodata sharing | All Local Governments | 11 | |
| 28 | Intermunicipal Business Licences | All Local Governments | 16 | Joint service delivery - common license across region |

| | Cooperative Effort | Participants | Estimate of Number of Years in Place | Comments |
|----|--|--|--------------------------------------|---|
| 29 | Debt Service | All Local Governments | | CRD delivers service through Municipal Finance Authority (MFA) |
| 30 | Technology, software, hardware, applications, standards, policies, practices | Victoria, CRD, Nanaimo, Campbell River, Vancouver, Kamloops, Kelowna, Abbotsford, Coquitlam, Langley, North Vancouver, Delta, Richmond, Oak Bay, Central Saanich, Delta, Richmond, New Westminster, White Rock, Esquimalt, Sidney, Colwood, Langford, View Royal | 10+ | Sharing insights and experiences with other Municipal organizations Meetings to share information and joint training |
| 31 | MISA - Municipal Information Systems Association | All municipal organizations across BC | 10+ | MISA BC exists to promote greater co-operation among local government staff in the IT field by sharing information and developing common solutions on a broader and cost-effective scale Training & Courses & Conference |
| 32 | IT advice and guidance | Local Government Municipal Association | 4 | Providing IT related advice to the LGMA |
| 33 | GIS related advice and information | CRD, Victoria, Burns Lake, Sidney, Langford, Oak Bay, Esquimalt, View Royal | 8 | Requests for advice, assistance and opinions on GIS related matters. |
| 34 | GIS Municipal Group | CRD, Central Saanich, Colwood, Esquimalt, Highlands, Langford, Metchosin, North Saanich, Oak Bay, Sidney, Sooke, Victoria, View Royal | 10+ | GIS staff from CRD and Member municipalities meet every 3- 4 months to share information and expertise. |
| 35 | Greater Victoria Fire Chiefs Meetings | All local governments | 15+ | Meetings - share information & coordinate |
| 36 | Core Fire Chiefs Meeting | Oak Bay, Saanich, Victoria, Esquimalt | 11 | Meeting - share information & coordinate |
| 37 | Fire Mutual Aid Agreement | Esquimalt, Victoria, Oak Bay, Saanich | 25+ | The continued focus on integration of serving continues. |
| 38 | Greater Victoria Fire Prevention Officers Meetings | All GV Fire Departments | 25+ | |

| | Cooperative Effort | Participants | Estimate of Number of Years in Place | Comments |
|----|--|---|--------------------------------------|---|
| 39 | Local Government Emergency Programmers Advisory Committee | All local governments | 8 | |
| 40 | Esquimalt Emergency Programs | Esquimalt, Victoria/Esquimalt ESS, CFB Esquimalt, Victoria Police, Ambulance | 13 | |
| 41 | Regional Emergency Program Advisory Commission | All local governments, provincial government, DND, Hydro, Gas, Coroner, Airport authority, Utilities | | CRD Bylaw establishes staff commission to share information and collaborate |
| 42 | Critical Incident Stress Management Team | Core Fire Departments | 10+ | Joint administration |
| 43 | Automatic Aid Arrangement for High Rise Incident Response | Core Fire Departments | 9 | Automatic Aid agreements for review in 2018. Ensure cross training of responding departments and communications policies when responding out of district. |
| 44 | Fireworks Regulations | Central Saanich, Colwood, Esquimalt, Highlands, Langford, Metchosin, North Saanich, Oak Bay, Saanich, Sidney, Sooke, View Royal | 11 | |
| 45 | Tower Crane Agreement | Saanich, Victoria Fire Departments | 7 | |
| 46 | Extreme Weather Protocol | Victoria, BC Housing, VIHA, Saanich | 9+ | |
| 47 | Emergency Planning & Response, Volunteer Support | Provincial Emergency Program, All Local Governments | 25+ | Inclusion of Regional Emergency Management Program through CRD which is aligning a regional response perspective to planning and resource allocations |
| 48 | Hazardous Material Incident Response | All Local Governments Hazmat – Oak Bay Lead | 10 | CRD delivers service (funds local firefighters training for HAZMAT & provides vehicles & equipment) |
| 49 | Compensation, job evaluation, job descriptions, policies & procedures, forms, contacts and research. | 1. CRD 2. Victoria 3. Nanaimo 4. Kamloops 5. Kelowna 6. Abbotsford 7. Coquitlam 8. Langley | Nos. 1 – 22 30 years | Information sharing – ongoing communication and yearly surveys |

| | Cooperative Effort | Participants | Estimate of Number of Years in Place | Comments |
|----|--|---|--------------------------------------|--|
| | | 9. North Vancouver 10. Delta 11. Richmond 12. Greater Victoria Public Library 13. Central Saanich 14. Metro Van 15. New Westminster 16. Cowichan Valley 17. White Rock 18. Municipal Human Resources Inc. 19. City of Vancouver 20. West Kelowna 21. LGMA 22. Swan Lake 23. Colwood Fire Hall 24. Rowing Canada 25. Guelf 26. York Region 27. Town of Newmarket | Nos. 23 – 27 within the last 4 years | |
| 50 | Accommodation and Return to Work Information | Kelowna, Victoria | Within last 6 years | |
| 51 | BC Municipal Safety Association (BCMSA) | All Local Governments | 23 | Training & Courses - including conference & courses |
| 52 | Safety Training | All Local Governments | 18 | |
| 53 | Safety and Disability Management Advisory Services | All Local Governments | 18 | |
| 54 | Victoria Family Court Building/Committee | All Local Governments | 49 | CRD delivers service - statutory requirement |
| 55 | Royal Oak Burial Park | Victoria, Saanich | 93 | Joint ownership |
| 56 | Greater Victoria Public Library | Victoria, Esquimalt, Oak Bay, Saanich, Central Saanich, Colwood, Highlands, Langford, Metchosin, View Royal. | 50+ | GVPL extends service to the following First Nations in our service area: Esquimalt Nation, Sian'new (Beecher Bay) First Nation, Songhees Nation, Tsartlip First Nation, Tsawout First Nation and to the Juan de Fuca Electoral Area, via a contract for service. Joint Service Provision - Victoria's Library operated by |

| | Cooperative Effort | Participants | Estimate of Number of Years in Place | Comments |
|----|---|---|--------------------------------------|--|
| | | | | the group of municipalities |
| 57 | Health Facilities Planning Division administers a 10 year capital plan for development and enhancement of health infrastructure in the Region | All Local Governments | | CRD delivers Hospital District service to all 13 municipalities & electoral areas |
| 58 | Community Health | All Local Governments | | CRD delivers service, includes Health Regulation & Health Bylaws |
| 59 | Air spade sharing | Victoria, Oak Bay Parks | 11 | Joint purchase, shared for tree work by the two municipalities Joint Ownership of equipment for tree work |
| 60 | Staff Training | Oak Bay, VIHA, Victoria, Saanich Parks | 10 | Staff training/education, pesticide applicators training Training VIHA provides pesticide applicators training to group |
| 61 | VI Parks & Grounds Assoc | All Local Governments, SD, UVIC & Camosun | 34+ | Training - meeting - share information |
| 62 | Parks Managers Meeting | All Local Governments | 10 | Meeting - share information |
| 63 | Equipment Sharing | Saanich, Victoria, Oak Bay Esquimalt Parks and Recreation | 28+ | Reciprocal support |
| 64 | Parks Planner Meetings | All Local Governments, Parks Canada | 10 | Meeting - share Info |
| 65 | Galloping Goose/Lochside Trail Meeting | All Local Governments | 13+ | CRD Service - includes bylaw enforcement collaboration with municipalities |
| 66 | Gorge Waterway Initiative | CRD, Victoria, Saanich, Esquimalt, View Royal & NGOs | 13+ | CRD Service - includes bylaw enforcement collaboration with municipalities |

| | Cooperative Effort | Participants | Estimate of Number of Years in Place | Comments |
|----|---------------------------------------|--|--------------------------------------|---|
| | | | | |
| 67 | Recreation Integration Victoria (RIV) | Victoria, Oak Bay, Saanich, Esquimalt, Panorama, Westshore | 28 | Service supported by all municipalities for integration of persons with disabilities into recreation programs; cost share basis. Joint Service - cost shared - to integrate persons with disabilities into recreation programs |
| 68 | Intermunicipal Aquatics Coordinators | All Local Governments | 23+ | Information and program sharing meetings, 4 – 6 times per year. |
| 69 | Intermunicipal Recreation Committee | All local Governments, YM/YWCA, PISE | 18+ | Programs Involved: <ul style="list-style-type: none"> • Coast Capital Swims/Skates • GROOVY (youth programmers) • Aquatics Program – Regional meetings (Aquatic Coordinators) • Regional Annual Recreation Pass Campaign • Aquatics Bursary Program (Aquatic Coordinators) • May Pass (Active Communities GV) • Young Chefs on the Run Pass (Active Communities GV) • Active Communities Campaign |

| | Cooperative Effort | Participants | Estimate of Number of Years in Place | Comments |
|--|--------------------|--------------|--------------------------------------|---|
| | | | | <ul style="list-style-type: none"> • Healthy Food Initiatives – Thrifty Foods • LIFE Program • BC Youth Week • Regional Planning (Youth Programmers) • Fit in Fitness Website • TC 10K Run Clinics • Canadian Tire Jump Start Program • Active Parent Pass • HARA – Health and Recreation (Island Health) • Kidsport • Eat Well Get Moving (Thrifty Foods) • Prescription to Health (Active Communities GV) • Regional Drowning Prevention Campaign • Advanced Aquatics • Joint Recruitment Program • Joint Staff Training • Regional Learn to Skate Program (BCRPA 2015 award recipient) • Positive Ticketing Program in partnership |

| | Cooperative Effort | Participants | Estimate of Number of Years in Place | Comments |
|----|---|--|--------------------------------------|--|
| | | | | <ul style="list-style-type: none"> with regional police depts./RCMP • Support of annual Island Fitness Conference • Healthy Kids R Us Initiative • Regional Assessment of Drop-in Fees and Charges |
| 70 | Arts | Victoria, Esquimalt, Oak Bay, Saanich, CRD | 13+ | <ul style="list-style-type: none"> • Public art lectures series • Public art inventory |
| 71 | Regional Parks | All Local Governments | 50+ | CRD delivers service |
| 72 | Royal Theatre | Oak Bay, Saanich, Victoria | 44 | CRD delivers service |
| 73 | Arts Grants/Arts Development Office | Esquimalt, Highlands, Metchosin, Oak Bay, Saanich, Victoria, View Royal | 16 | CRD delivers service |
| 74 | Regional Parks By-Law Enforcement | CRD, Saanich, Victoria, West Shore RCMP, Langford | 13+ | |
| 75 | Sooke Regional Museum | CRD | | CRD funds service |
| 76 | Vancouver Island Development Officers Group | Vancouver Island Municipalities | 9 | Information sharing |
| 77 | Pesticide Use Reduction Education | All Local Governments | 10 | |
| 78 | Climate Action | All Local Governments | | CRD delivers service |
| 79 | Environmental Roundtable | All Local Governments | 26 | CRD delivers service |
| 80 | Regional Growth Strategy | All Local Governments | 10+ | CRD delivers service |
| 81 | Regional Housing Trust Fund | Oak Bay, Central Saanich, Saanich, Esquimalt, Sooke, Victoria, View Royal, Metchosin, North Saanich, Highlands | 43 | CRD delivers service |
| 82 | Regional Planning Services | All Local Governments | 48 | CRD delivers service |
| 83 | CRD Development & Planning Advisory (Staff) Committee | All Local Governments | 28+ | CRD delivers service - staff committee a requirement of service |
| 84 | Core Area Planning Directors Meeting | Victoria, Esquimalt, Oak Bay, Saanich, View Royal | 10+ | Meeting - share information |

| | Cooperative Effort | Participants | Estimate of Number of Years in Place | Comments |
|----|--|--|--------------------------------------|---|
| 85 | Regional Arts (Staff) Meeting | Victoria, Esquimalt, CRD and Saanich | 10 | CRD Public Art website and Landmarks Lecture Series CRD delivers service - joint project |
| 86 | Planning Lecture Series | Victoria, Saanich (and UVIC) | 11 | Training |
| 87 | Building & Plumbing Officials monthly meeting | All Local Governments | 28+ | Meeting - share information |
| 88 | Regional Information Services | All Local Governments | | CRD delivers service |
| 89 | Capital Region Emergency Services Telecommunications (CREST) 9-1-1 | All Local Governments | 7 | Joint Service provision & CRD delivers some regional funding |
| 90 | Greater Victoria Joint Purchasing Group | All Greater Victoria municipalities, school district and CRD | | Joint purchasing opportunities and information sharing |
| 91 | Metro Vancouver Municipal Purchasing Group | Lower mainland and Fraser Valley municipalities, Victoria, Saanich, Nanaimo, Campbell River, Kelowna | | Information sharing |
| 92 | Purchasing card group | Shared Services and all municipalities in BC can partake | | Co-operative purchasing opportunities |

| Supplemental Description | 2018 Ongoing | 2018 One-Time |
|---|------------------|--------------------|
| Managing Growth and New Development | | |
| Parks Planner | \$103,000 | |
| Transportation Planner | \$104,000 | |
| Secretary Planning | | \$67,000 |
| Parks Arboriculture | | \$97,000 |
| Managing Public Safety | | |
| Fire Prevention Officer | \$121,000 | |
| Managing Green Spaces | | |
| Overnight Sheltering – Support & Clean Up | | \$300,000 |
| Community Garden Program | \$15,000 | |
| Parks Natural Area Support | \$63,000 | |
| High Risk Tree Removal | | \$150,000 |
| Pioneer Square Archaeological Reporting | | \$37,000 |
| Downtown Public Realm Plan Implementation | | \$105,000 |
| Managing Public Engagement | | |
| Graphic Design Support | \$81,000 | |
| Engagement Advisor | | \$109,000 |
| Managing Accessibility | | |
| Accessibility Framework | | \$40,000 |
| Youth Initiatives | | |
| Youth Leaders in Training Program | \$20,000 | |
| Youth Strategy Liaison | | \$30,000 |
| Active Transportation | | |
| Neighbourhood Transportation Management | | \$180,000 |
| Speed Reader Boards | | \$85,000 |
| Multi-Modal Transportation Network | | |
| Street Occupancy and Parking Support | 1 FTE Only | |
| Traffic Signal Timing Update Study | | \$40,000 |
| Extra Bridge Coverage | | \$30,000 |
| Asset Management | | |
| Building Project Administrator | \$99,000 | |
| Condition Assessment Pilot Project | | \$60,000 |
| Professional Certification/Project Management | | \$50,000 |
| Managing Climate Action and Sustainability | | |
| Sustainability Waste Management Engineer | \$99,000 | |
| Step Code Implementation | | \$10,000 |
| Environmental Performance Audit | | \$50,000 |
| Managing Housing | | |
| Victoria Housing Strategy Implementation | | \$20,000 |
| Total | \$705,000 | \$1,460,000 |

Managing Growth and New Development

Strategic Objective: Strive for Excellence in Planning and Land Use

- Substantial growth in development and building permit applications (value and complexity) over the past four years
- Volumes expected to continue for at least the next 24 months
- Requires staffing resources from multiple departments
- Process improvements have supported improved turnaround times with existing staff resources, however additional resources needed to maintain service levels
- Projected additional revenues from development and permit applications of \$100,000 for 2018 will mitigate costs associated with supplement requests

2018 Supplemental Requests

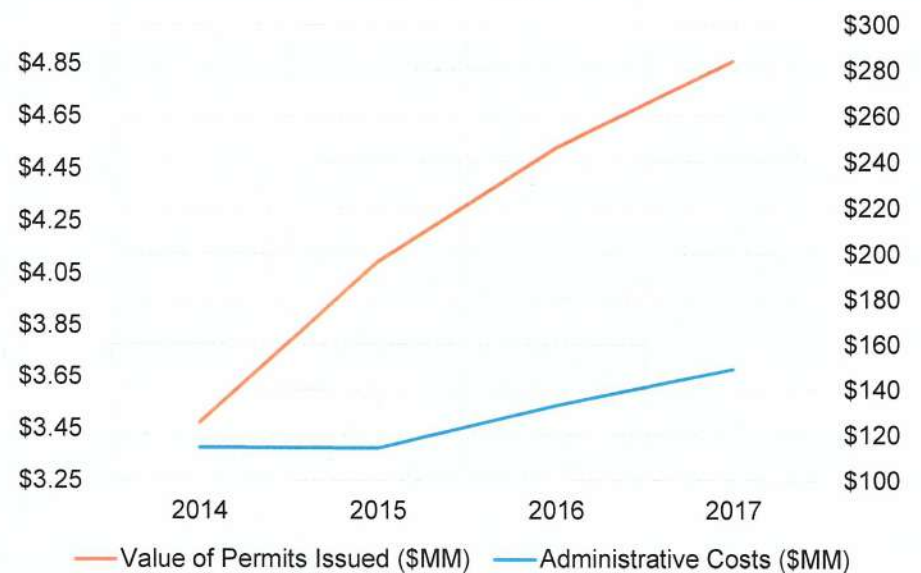
Ongoing:

- | | |
|--------------------------|-----------|
| • Parks Planner | \$103,000 |
| • Transportation Planner | \$104,000 |

One Time:

- | | |
|------------------------|----------|
| • Secretary – Planning | \$67,000 |
| • Parks Arboriculture | \$97,000 |

Permit Value vs. Administrative Costs - 2014-17(f)

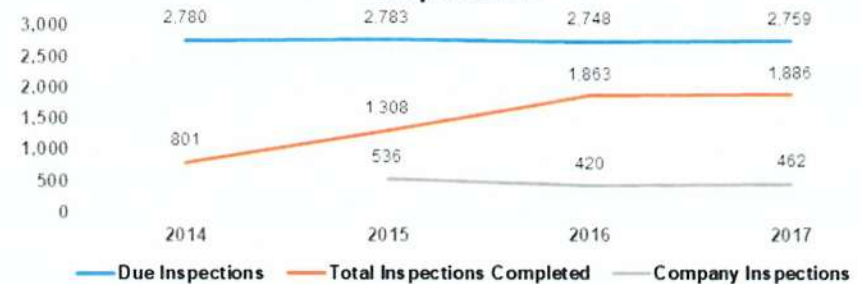


Managing Public Safety – Fire Prevention Officer

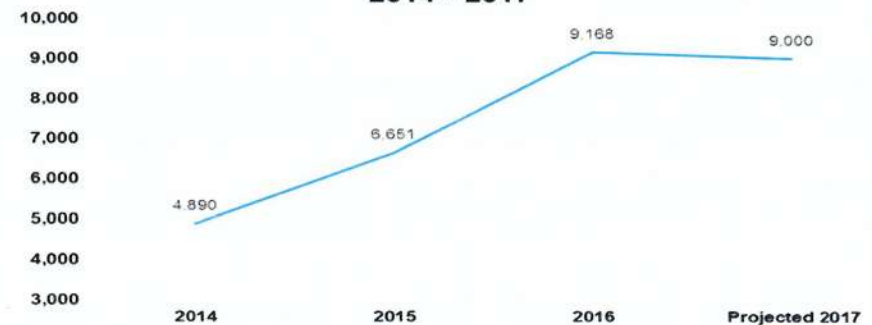
Strategic Objective: Take Climate Action and Prepare for Emergencies

- Substantial growth in development and density triggering greater demand and more complex fire inspections
- Expected increased gap between actual fire inspections completed to what should be completed as per Fire Prevention Bylaw 14-100
- Substantial growth in calls for services since 1997; directly resulting in a decline of active duty fire fighters able to complete fire inspections
- Significant increase in plan reviews, H.E.A.T Program, oil tank/burner permits and increased focus on School and Community Life and Fire Safety Education in combination with Emergency Management and Earthquake Preparedness since 2017
- Potential decline in life and property service levels to provide effective fire and life safety

Inspections Due in Comparison to Total Completed Inspections and Company Inspections



Life Safety Education Session Attendees 2014 - 2017



Managing Public Safety – Fire Prevention Officer

Strategic Objective: Take Climate Action and Prepare for Emergencies

Efficiencies Implemented

- Implementation of a company inspection program where fire fighters are cross trained to conduct commercial fire inspections during their active duty shifts

2018 Supplemental Requests

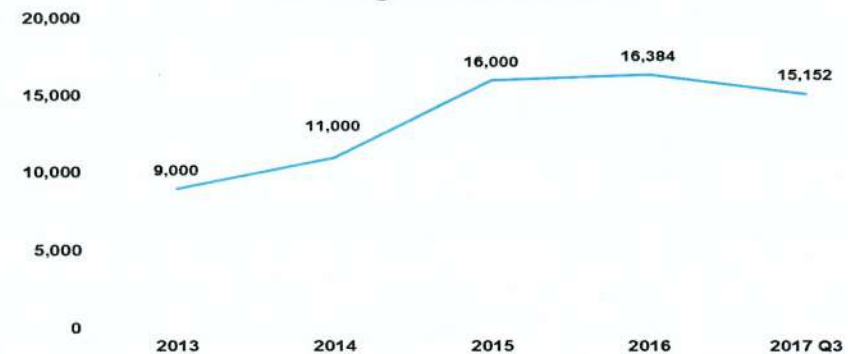
Ongoing:

- Fire Prevention Officer \$121,000

Overtime and Training Costs 2013-2017



Training Hours 2013-2017



Managing Public Green Spaces - Sheltering

Strategic Objective: Enhance and Steward Public Spaces and Food Systems

Substantial increase in Parks Bylaw Calls for Service from 2015

The Overnight Sheltering Program responds to demands associated with outdoor sheltering in parks

Costs include extended hours at washrooms at select washrooms, security patrols, cleaning support in parks, adjacent bus shelters and streets

2018 Supplemental Requests

One Time:

- Overnight Sheltering – Support & Clean Up

\$300,000

Parks Regulation Bylaw Calls for Service
(2017 data is current as of September)

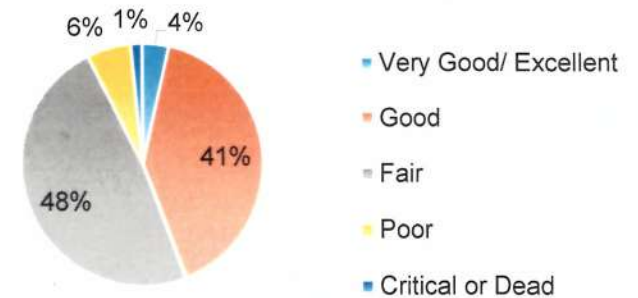


Managing Public Green Spaces

Strategic Objective: Enhance and Steward Public Spaces, Green Spaces and Food Systems

- The City's public spaces and natural assets are a key driver of livability.
- They also support the City's economic development as quality of urban spaces and parks amenities are drivers of business and worker attraction.
- Supporting this quality requires management and refurbishment of some key public spaces as well as management of 33,000 trees on City property.
- Currently there are approximately 900 trees requiring risk assessment and potential hazard mitigation.
- Approximately 400 trees will be assessed in 2018 with the removal of up to 250 trees that have been assessed as hazardous.

2017 Urban Forest Inventory Condition Rating



2018 Supplemental Requests

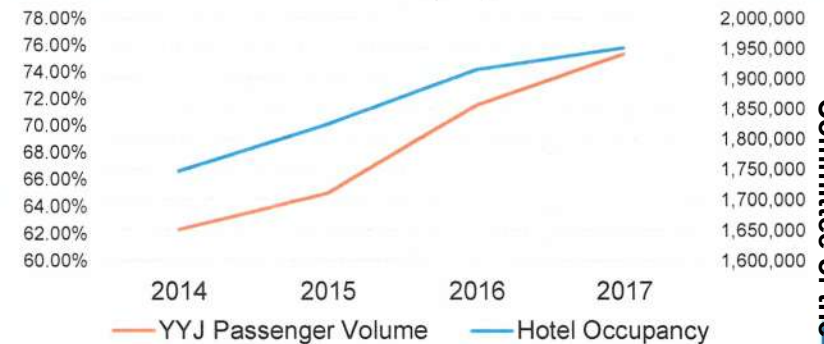
Ongoing:

- | | |
|------------------------------|----------|
| • Community Garden Program | \$15,000 |
| • Parks Natural Area Support | \$63,000 |

One Time:

- | | |
|---|-----------|
| • High Risk Tree Removal | \$150,000 |
| • Pioneer Square Archaeological Reporting | \$ 37,000 |
| • Downtown Public Realm Plan Implementation | \$105,000 |

YYJ Passenger Volumes and Hotel Occupancy - 2014-17(YTD)



Managing Public Engagement

Strategic Objective: Engage and Empower the Community

- Substantial growth in the number of Engagement Initiatives resulting in the substantial increase in the demand for graphic services
- Additional design and engagement resources will increase productivity and reduce outsourcing
- 400% growth in number of engagement activities supporting city decision making
- Additional engagement support identified by departments to complete major corporate initiatives including Neighbourhood Planning, Ship Point, Active Transportation, Climate Leadership, Crystal Pool and implement Engagement Framework

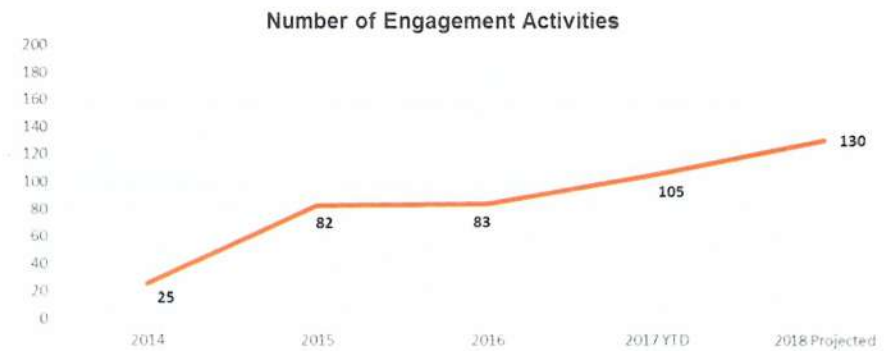
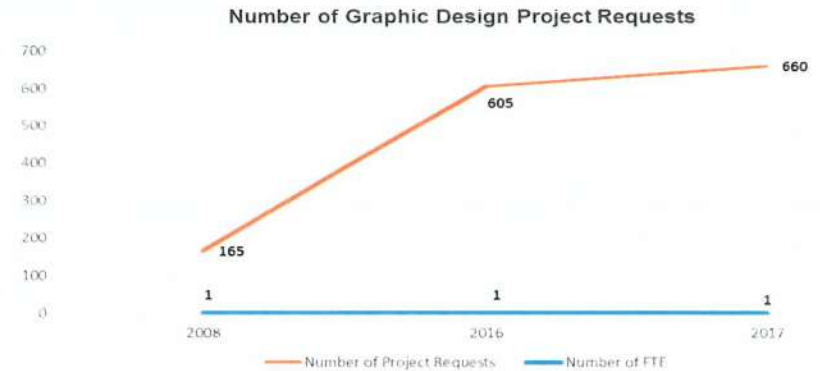
2018 Supplemental Requests

Ongoing:

- Graphic Design Support \$81,000

One Time:

- Engagement Advisor \$109,000



Managing Accessibility

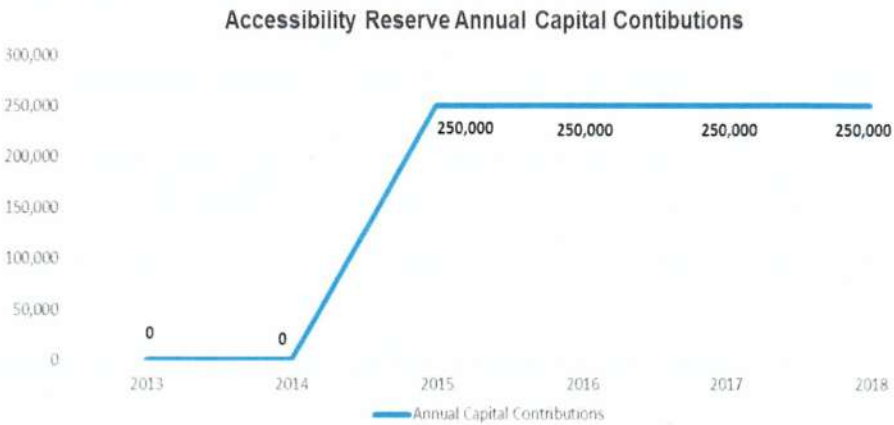
Strategic Objective: Facilitate Social Inclusion and Community Wellness

- On January 26, 2017, Council approved that staff report back with resource and timing implications regarding the recommendation that an individual be contracted/hired to work with the AWG in identifying barriers for persons with disabilities, examine existing City accessibility policies and procedures, make policy recommendations, develop an accessibility framework, and provide on-going staff training and support

2018 Supplemental Requests

One Time:

- Accessibility Framework \$40,000



Youth Initiatives

Strategic Objective: Engage and Empower the Community

- The number and percentage of Youth in Victoria has increased since the 2011 census
- Youth Leaders in Training (YLIT) is an employment readiness program for youth that helps individuals gain skills in the fields of childcare, recreation and education
- Implement the Council approved Youth Strategy, including the following:
 - Youth hiring strategy and recruitment brochure
 - Curriculum development to engage youth on what the City does, how decisions will impact them and how they can affect change in their community
 - Launch Youth Hub

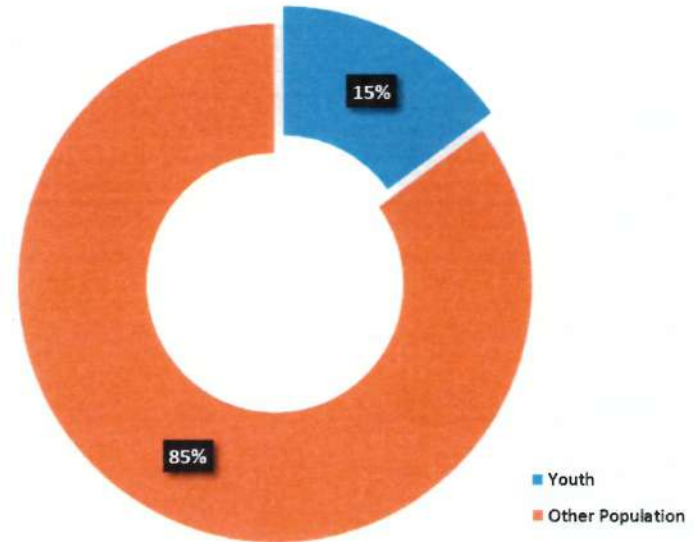
2018 Supplemental Requests Ongoing:

- | | |
|-------------------------------------|----------|
| • Youth Leaders in Training Program | \$20,000 |
|-------------------------------------|----------|

One Time:

- | | |
|--------------------------|----------|
| • Youth Strategy Liaison | \$30,000 |
|--------------------------|----------|

Percentage of Youth (Ages 12 - 24) in the
City of Victoria



Active Transportation – Managing Road Safety

Strategic Objective: Complete a Multi-Modal and Active Transportation Network

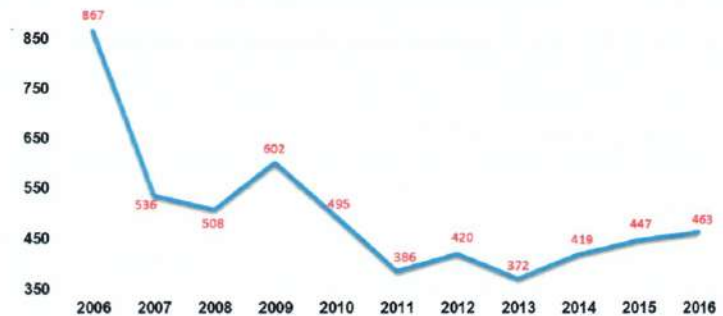
- Annual collisions trends have been rising since 2013
- Pedestrian and Bicycle collisions are on the rise
- Public requests and Council directions have identified the need for additional analysis of neighbourhood transportation analysis, prioritization , planning and implementation. To work aligns directly with the upcoming Local Area Plans
- Speed reader boards are needed to promote safer vehicle behavior throughout the community

2018 Supplemental Requests

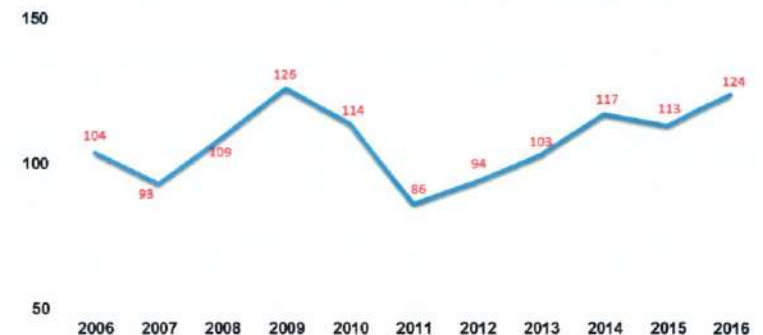
One Time:

- | | |
|---|-----------|
| • Neighbourhood Transportation Management | \$180,000 |
| • Speed Reader Boards | \$ 85,000 |

Annual Reportable Collisions



Annual Collisions - Pedestrian and Bicycles



Multi-Modal Transportation Network – Traffic and Parking

Strategic Objective: Complete a Multi-Modal and Active Transportation Network

- Review of existing traffic signal timings is a needed requirement for the City to optimize the demand imposed by changes to traffic patterns, volume, congestion and development
- Resources required to manage the training and operations throughout the transition to the new JSB Bridge
- Ongoing increase in public parking inquiries/street occupancy permits consume significant staff time
- Street Occupancy and Parking Support would improve compliance with permit applications and with set-ups that meet safety requirements

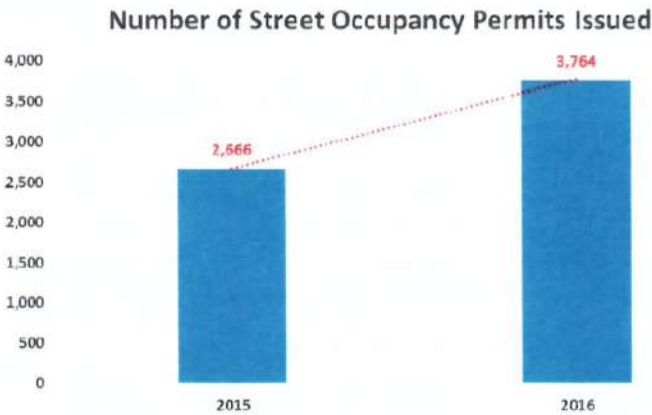
2018 Supplemental Requests

Ongoing:

- Street Occupancy and Parking Support 1 FTE
(Funded through Permit Fees)

One Time:

- Traffic Signal Timing Update Study \$ 40,000
- Extra Bridge Coverage \$ 30,000



Asset Management

Strategic Objective: Build the Financial Capacity of the Organization/Innovate and Lead

- Facilities Condition Assessment was completed in 2015 that provided investment recommendations for building systems
- Immediate priorities include several major projects across the City, including the Crystal Pool and Firehall 1 Replacement Project
- City surveys are mainly completed by physical observations and surveys of infrastructure, which can be time consuming to complete, and analyze. International best-practice uses a series of automation to quickly and accurately assess infrastructure, allowing staff more time plan and optimize city assets
- Increased demand and complexity of projects requires professional certification and training to develop project management skills resulting in enhanced service quality, delivery and asset management skills

2018 Supplemental Requests

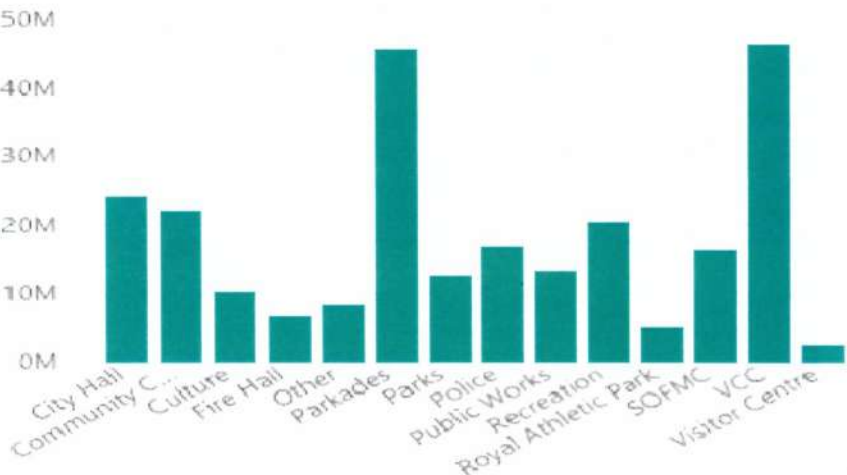
Ongoing:

- Building Project Administrator \$99,000

One Time:

- Condition Assessment Pilot Project \$60,000
- Professional Certification/Project Management \$50,000

10 Year Capital Projections - Buildings



Managing Climate Action and Sustainability

Strategic Objective: Plan for Emergencies Including Climate Change Short and Long-Term

- The development of the City’s Sustainable Waste Management Strategy has clearly identified a current shortfall in resources required to propel City-wide waste programs to reach sustainability targets and avoid risks
- Sustainable Planning and Community Development aligns with Climate initiatives to deliver step code implementation, energy efficiency strategies and sustainability performance review
- An environmental audit will define current environmental performance, risks and recommended actions to reduce risk to the natural ecosystems across public works and engineering programs. This process will also provide a framework for cross-departmental environmental impacts to define priority actions within the City.

2018 Supplemental Requests

Ongoing:

- | | |
|--|----------|
| • Sustainability Waste Management Engineer | \$99,000 |
|--|----------|

One Time:

- | | |
|-----------------------------------|----------|
| • Step Code Implementation | \$10,000 |
| • Environmental Performance Audit | \$50,000 |

Managing Housing

Strategic Objective: Make Victoria More Affordable

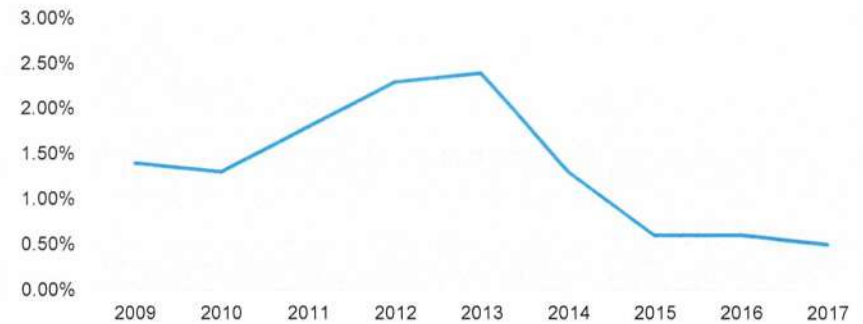
- The Victoria Housing Strategy, approved by Council in 2016, is a 10 year strategy that includes strategic directions to meet housing targets
- The Strategy also includes action items for implementation over a 3 year period
- Support implementation of action items identified in the Strategy for 2018, including the following:
 - Consideration for voluntary guidelines for post-construction accessibility features to encourage adaptable housing
 - Revisiting the secondary suite grant program to encourage accessible suites
 - Hosting workshops on various housing-related topics with external partners and stakeholders to investigate opportunities

Supplemental requests for 2018

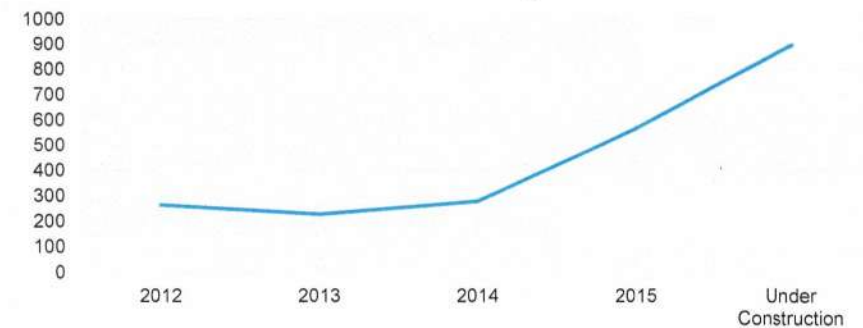
One Time:

- Victoria Housing Strategy Implementation \$20,000

Rental Vacancy Rate



Rental Unit Development





September 26, 2017

Susanne Thompson
 Director of Finance
 City of Victoria
 #1 Centennial Square
 Victoria, BC V8W 1P6

Re: 2018 Grant Funding Request

Dear Ms. Thompson,

The Victoria Heritage Foundation (VHF) was instituted by the City of Victoria in 1983 to manage the City's funding program for Heritage Designated houses. Over the years, the City and VHF have provided financial incentives to over 1,300 projects to stimulate and promote the conservation of 373 Heritage Designated houses. The Victoria Heritage Foundation is appreciative of the continued support from the City of Victoria.

VHF also undertakes educational projects including the VHF website, neighbourhood walking tour brochures and the award-winning four-volume series *This Old House: Victoria's Heritage Neighbourhoods*, in order to further knowledge and awareness of Victoria's built heritage. A great deal of this work is accomplished thanks to the contribution of over 1,000 annual volunteer hours. The costs associated with the reprinting *This Old House* and walking tour brochures are now funded from our annual operating grant.

Enclosed is a copy of VHF's 2016 Annual Report which documents in detail our yearly expenditures and budget allocations. The report was distributed to Mayor and Council and City staff in July. It can also be viewed on our website.

VHF's work makes a significant contribution to the goals and objectives set out in Victoria's *Strategic Plan 2015-18*. Relevant goals and objectives relating to the Strategic Plan are appended for reference. The work of the Victoria Heritage Foundation also supports the goals of the City's recent Victoria Housing Strategy by promoting the retention of existing housing and character homes.

2017 has been a challenging year for owners undertaking work on heritage houses and the VHF House Grants Program. Due to the current building boom, skilled trades with experience working on old houses have been in short supply. Consequently, costs have risen substantially. According to Statistics Canada's construction price index for Victoria, costs in 2016 rose by 5.1%. We believe that in order for heritage incentives to be meaningful, they need to keep pace with rising construction costs. For 2018 the Victoria Heritage Foundation is requesting a 5.1% increase to **\$220,841**.

We would be happy to answer any questions that you may have. Thank you for your consideration.

Respectfully,

Doug Koch,
 Board President

Aureleo Reyes, CPA, CACMA
 Treasurer

Brigitte Clark,
 Executive Director

cc: Jonathan Tinney, Director of Sustainable Planning & Community Development
 Andrea Hudson, Assistant Director, Sustainable Planning & Community Development
 Merinda Conley, Senior Heritage Planner, non-voting member of VHF
 Pamela Madoff, Councillor, non-voting Council liaison to VHF

Appendix

The work of the Victoria Heritage Foundation contributes to the priorities of **Victoria's Strategic Plan 2015-2018** as follows:

Innovate & Lead

- Heritage honours the past, while allowing the future to evolve
- VHF enjoys a high profile and often serves as the first point of contact for heritage-related inquiries
- VHF's award-winning website and GIS map extend the reach of the City's heritage program
- VHF collaborates with neighbourhood groups and other heritage organizations

Engage and Empower the Community

- VHF grants encourage heritage homeowners to undertake appropriate rehabilitation and inspire neighbours to do the same

Strive for Excellence in Planning & Land Use

- Existing historic neighbourhoods make for compact and sustainable land use patterns
- Heritage houses contribute to placemaking in Victoria's distinctive neighbourhoods
- VHF assists City Planners in identifying and researching potential heritage houses

Create Prosperity through Economic Development

- VHF grants leverage significant private investment
- Rehabilitation creates twice as many local skilled jobs as new construction
- Heritage is a cornerstone of sustainable cultural tourism
- Heritage supports tourism - historic hotels and B&Bs, carriage and walking tours
- Heritage houses and streetscapes are desirable locations for film productions

Make Victoria More Affordable

- Heritage houses often include affordable rental units
- Heritage houses may lend themselves to the addition of garden and secondary suites, adding density without destroying the heritage value of the house and neighbourhood
- VHF grants add to the affordability of heritage houses

Facilitate Social Inclusion and Community Wellness

- Heritage contributes to social and cultural well-being
- Attractive pedestrian-friendly streets improve quality of life and promote socialization

Enhance and Steward Public Spaces, Green Spaces and Food Systems

- Heritage neighbourhoods include mature gardens and trees, reinforcing Victoria's reputation as the City of Gardens

Complete a Multi-Modal and Active Transportation Network

- Attractive, walkable neighbourhoods close to town and amenities minimize vehicle use

Nurture Our Arts, Culture and Learning Capital

- Heritage neighbourhoods preserve the valuable legacy of the past
- VHF walking tour brochures promote awareness and appreciation of Victoria's architecture and history

Plan for Emergencies Including Climate Change Short and Long-Term

- The greenest building is the one already built
- VHF promotes educational events on seismic upgrades for heritage houses
- VHF promotes seismic upgrades through increased grant percentage



Victoria
CIVIC
HERITAGE
TRUST



Mayor and Council
City of Victoria
1 Centennial Square
Victoria BC V8W 1P6

29 September 2017

**Victoria Civic Heritage Trust
2018 Expenditure Budget
2018 Capital and Operating Direct-Award Funding Requests**

Dear Mayor Helps and Council Members:

As requested by the department of Sustainable Planning and Community Development, the Victoria Civic Heritage Trust respectfully submits our **2018 Expenditure Budget**, approved by our Board of Directors on 18 September 2017. The 2018 Capital request is the same as 2017 based on anticipated demand; the 2018 Operating request is the same as 2017 plus a 2% cost of living increase.

The VCHT experienced a sharp increase in demand in 2016 for building rehabilitation applications under the Building Incentive Program (BIP) which carried over in 2017 towards the completion and pay out of numerous projects. More than half of the building conservation projects completed in 2017 were located in Chinatown, with several new projects located in Chinatown projected in 2018. Projects approved to date in 2017 were located outside the downtown core in James Bay and Hillside; several projects located in the downtown and Fernwood are still anticipated to come forward in 2017.

In November 2017 the VCHT plans to host a special luncheon event to recognize property owners and to feature Chinatown projects recently completed using various incentive programs.

The Seismic Parapet Incentive Program introduced in 2015 has successfully completed three projects. This initiative operates through BIP using existing resources and is the first of its kind in Canada. The Seismic Parapet Incentive Program is designed as a pilot program to assess its effectiveness and owner uptake. Owner interest is solid with more projects anticipated in 2018.

In February 2017 the City of Victoria approved a city-wide expansion of the Heritage Tax Incentive Program to encourage more seismic upgrading outside the downtown core. The VCHT is working with City staff and owners on several potential projects under the newly expanded Tax Incentive Program for 2018.

At the request of Mayor Helps in April 2016 and with the support of the VCHT Board, our Executive Director served in 2016-2017 with an advocacy group initiated by Elizabeth May MP to develop a federal program proposal named "Building Resilience in Canada." Members of the advocacy group continue to work on the program proposal. Public Safety Canada has shown interest in this multi-phase proposal.

PROJECTED APPLICATIONS

In 2017 Building Incentive Program applications received and projected include **eight Building Incentive Program** and **two Design Assistance Grant** funding awards plus administration of **five extensions** and **thirteen BIP building** site visits and payouts. To date in 2017 the VCHT also reviewed **one Tax Incentive Program** application and conducted final site visits and/or financial reviews for **seven TIP buildings**.

Potential projects for 2018 based on current applications are listed on page two of the attached 2018 Expenditure Budget. This list includes heritage buildings located in various neighbourhoods in the city.

We anticipate very strong demand in 2018. Based on enquiries, VCHT projects the potential for **twenty to forty BIP applications** by 31 December 2018, not including seismic parapet program projects. All potential conservation projects are in keeping with the City's strategic goals to create a vibrant and healthy downtown.

2018 CAPITAL REQUEST

We respectfully submit our **2018 Capital** direct-award funding request of **\$420,000.00** for the purposes of Building Incentive Program funds and the City of Victoria's Heritage Tax Incentive Program. This is the same amount that was requested in 2017 (no increase since 2008). The list of potential applications in 2018 translates into a possible deficit of **-\$787,980.33** in the BIP fund by 31 December 2018 if all projects are approved, which substantiates the 2018 capital request of \$420,000.00.

2018 OPERATING REQUEST

We respectfully submit our **2018 Operating** direct-award funding request of **\$112,000.00**, which is the amount received in 2017 plus a 2% cost of living adjustment, as per last year. Please note that with the amount requested, the VCHT will continue to operate on a deficit basis as it has for a number of years.

BACKGROUND

The VCHT was established by the City of Victoria in 1989 as a civic vehicle to administer Building Incentive Program funding, and subsequently the City's Tax Incentive Program, for the conservation and rehabilitation of downtown heritage buildings and to preserve Victoria's community heritage. Modelled on Civic Trusts in Britain that are financially supported by the local municipality, the VCHT is a widely recognized organization that has produced impressive results for the City of Victoria that would not otherwise have been achieved without these programs. To date some of these accomplishments include:

- **\$151.61 million** in private investment in **147 eligible heritage buildings** through **\$5,985,685** in 273 awards of **Building Incentive Program** funds through City Capital funding;
- Average leveraging factor of **\$25.33 private investment** for every **\$1** in BIP funds awarded;
- **80 Heritage Designations** directly related to funding applications, resulting in significantly increased protection of heritage buildings and an improved downtown environment;
- Numerous awards including: **Pinnacle Award** to the City of Victoria and VCHT by the International Downtown Association for the Tax Incentive Program; **Gold CARE Award** to the City of Victoria and VCHT by the Canadian Home Builders' Association for the Tax Incentive Program; **Prince of Wales Prize** to the City of Victoria for its heritage conservation programs; **Outstanding Achievement Award** from Heritage BC and **Communication Award** from the Hallmark Society for **Test of Time**; **BCBIA "Best in the West" Award** and \$125,000.00 funding from the Canada – BC Infrastructure Works Program for the Downtown Heritage Building Lighting Program; **Outstanding Achievement Award** and \$300,000 HARP funding from the BC Heritage Trust for the Broad & Yates Street area.

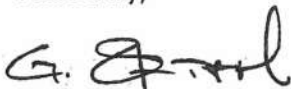
The VCHT is very proud of our strong relationship with the City of Victoria and our long record of distinguished service on behalf of the City and its residents. We look forward to continuing to work with the City of Victoria to further its strategic goals through incentive programs operated by the VCHT which successfully deal with significant community issues on multiple levels using highly cost-effective resources.

On behalf of our Board of Directors, I'd like to thank the City of Victoria for its ongoing financial commitment to Victoria's exceptional heritage programs. It is because of Council's foresight and consistent support that the City of Victoria is widely recognized as a leader in municipal heritage conservation in Canada.

More detailed program information will be included in our 2016/2017 Annual Report following year end.

We would be pleased to discuss our request with Council at any time.

Yours truly,



Greg Ovstaas
President

SOUTH ISLAND
**PROSPERITY
PROJECT**

Appendix D

Five-Year Strategy for the South Island Prosperity Project

Embargoed until September 21, 2016

South Island Prosperity Project
Strategic Plan August 2016

Together, better jobs, better communities.

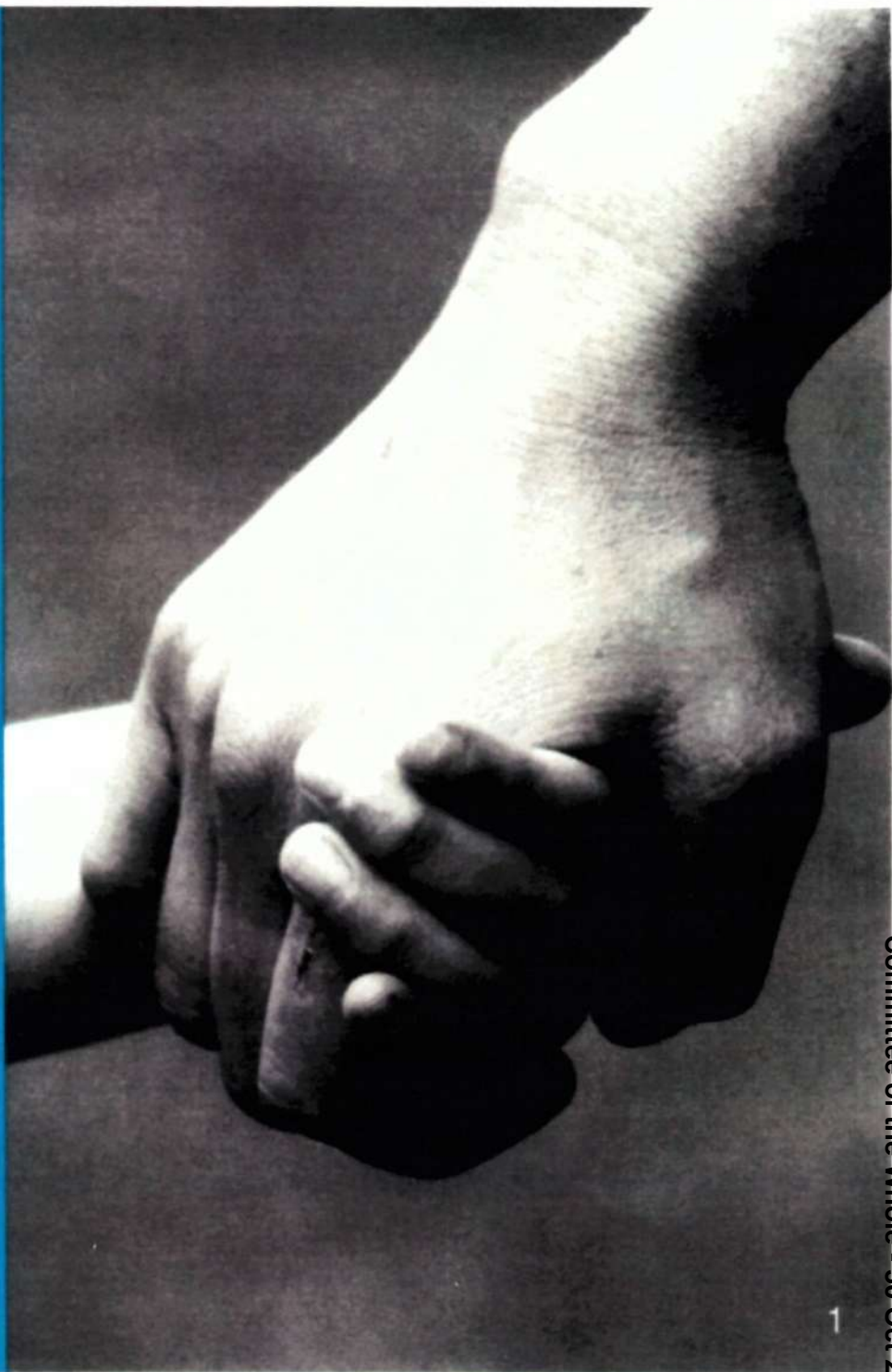
The South Island Prosperity Project is the brainchild of many brains, and many more believers. We would like to begin by acknowledging all of you.

We'd like to thank our members for trusting us to help create the future they envisioned; the Greater Victoria Chamber of Commerce for incubating us; our Board for guiding us; and the countless experts who brainstormed with us without asking anything in return.

We must celebrate the unprecedented cooperation and seamless teamwork between our local governments and the private sector - an effort that enabled this project to have the scope and mandate needed to effect real, impactful economic change.

Finally, we want to celebrate a mutual pride of place that fuels all of us. Thank you for believing in our Region, and devoting your tireless efforts to making it shine.

As we succeed, it is because of you.



INTRODUCTION

The South Island Prosperity Project was created to reach multiple complementary goals:

- To **support the growth of local entrepreneurial businesses** that bring greater employment and prosperity to our region,
- To **attract businesses** from outside the region within carefully defined sectors,
- To **enable South Island entrepreneurs** to network and work with other businesses in their region,
- To **work with First Nations and champion** economic development initiatives to create greater prosperity for their communities,
- To **grow the \$45,000-\$100,000/year job market** and enable more talent to stay in, or move to, the region,
- To do all of the above with a focus on not only growing the economy, but **enhancing our unique culture**, and safeguarding our **commitment to environmental and social responsibility**.

The South Island Prosperity Project shares many attributes with entrepreneurial businesses. We will stay true to our mission by keeping a narrow focus at the start, and showing results there first before expanding or adding new services. Just like a lean start-up company, we have started testing our business services by working with a few companies that can help us validate and co-design our Business Connector Program. Finally, we are determined to grow as our capacity builds and we will obsessively measure our impact as we progress, proving our value and being accountable at every step.

This report reprises our fundamentals (consultation process, strategic framework, key issues, etc.) and adds new information that reflects our pivots and evolution (business goals and targets, the co-design “pilot” model, etc.).

Most importantly, this report reflects the rapid evolution toward piloting our Business Connector Program, and beyond. Reading this will provide a snapshot not only of where we’re headed, but where we are in the current rollout and the specific steps we’re taking to reach our goals and targets.

THE WORK BEFORE THE WORK

For our project to effect real change, we first had to ensure it filled a real need, and was driven by real insights. These are some of the market validation measures we undertook:

- We met with every participating municipality and private sector member to determine their vision of the project.
- Additional consultations were then undertaken with sector experts, industry organizations, government agencies, First Nations leaders, academic institutions, business development consultants, and municipal and economic development staff.
- We conducted research around potential gaps and market opportunities.
- We met with businesses that might potentially become Prosperity Project clients, to understand their needs, validate assumptions, and determine what services they found the most value in.
- We did a service analysis to ensure we weren't duplicating services already being provided.
- We set a preliminary budget.



KEY ISSUES

There are a number of key issues that we have identified that will materially influence our strategy.

It's true that we boast an incredible lifestyle and have a strong, burgeoning technology sector, a highly-educated population, as well as world-class academic institutions... all essential ingredients to stay competitive in our global information age.

But the South Island region is too dependent on a few sectors. As a result, our economy is not diverse enough to attract and retain a workforce that can afford to live and thrive here. That means companies will have to leave the region or languish since they won't be able to attract, or keep, the talent they need to feed their growth.

Companies already cite that workforce issues are their top concern. This situation will only get worse if we don't actively try to influence it, as our population gets older and the workforce shrinks.

The South Island economy will keep growing with or without a strategy, but it is imperative that we plan our development to reflect our values and preserve our quality of life.

The South Island region has never significantly invested in its regional economic development. It was spending \$0.43/per capita. This project represents an increase to \$2/per capita.

This is a perfect start, but we still have a ways to go. As context, Nanaimo spends close to \$17/per capita and Halifax spends approximately \$10/per capita. A median spend for Canadian cities is approximately \$5/per capita.

Economic development doesn't work when it is driven by individuals. To succeed, we need a cohesive team.

First, we need the continued collaboration and vision of our regional municipalities.

Second, we need the continued support of the business community and general public.

Third, we need to enlist more conscripts to our cause - mentors and volunteers with a wide array of skills and experience they can leverage to grow regional businesses.

Fourth, we need to work hand-in-hand and seamlessly with our many industry partners and collaborators in the economic development field.

And, finally, we need to attract financial support and leverage the expertise of Provincial and Federal Governments.

We are many, but we have one cause: the prosperity of the people of the South Island region.

Our Purpose Statement is *"Together, Better Jobs, Better Communities"*. This means we must create prosperity that can benefit all of us. Facilitating the growth of businesses that create high-quality, household-sustaining jobs that reflect our values, we help build a brighter economic future, so more of us can stay, shop, invest, live and work here.

Our Constitutional Mandate is *to promote and facilitate regional sustainable economic development in South Vancouver Island, British Columbia, including:*

- Diversifying and strengthening the regional economy,
- Promoting better employment opportunities and increased quality of life for the citizens of the region,
- Providing support for entrepreneurs and business to increase their ability to prosper and create jobs,
- Maximizing Federal and Provincial funding for regional economic development,
- Collaborating with the initiatives and activities of regional trade associations and municipal economic development officers, and
- Raising the profile of Southern Vancouver Island as a location of choice for new business endeavours.

STRATEGIC FRAMEWORK

Our Guiding Principles are:

- Collaborate,
- Maintain an industry-led Board of Directors,
- Remain a not-for-profit,
- Be inclusive, sustainable, affordable,
- Operate an equitable funding model,
- Align with municipal economic development strategies, and
- Be accountable to our funders.

Our Governance Model:

- We have a nine member Board of Directors that is non-elected and industry-driven. This governance model gives us a direct linkage to our business clients. It is also a good check-and-balance as it clearly separates the roles and responsibilities of the Board from the funders.

GOALS AND TARGETS

With a forecasted annual operating budget of approximately \$800,000, the Prosperity Project will work over the next five years on the following goals and targets. Here are some highlights:

| GOALS | TARGETS |
|---|--|
| More second-stage entrepreneurial businesses in our program. | At least 10 new second-stage businesses (regional or 'outside') entered into our Business Connector Program Pilot in the next 6 months. |
| More private sector investment in our operations. | 30% increase in investment by corporate stakeholders by April 2017. |
| More jobs in targeted sectors. | 500 new direct jobs created over 5 year period. |
| Higher median household income. | 100 jobs created with salaries equivalent to \$80,000/year and above; 200 jobs created with salaries of \$60-80,000/year; and 200 jobs created with salaries of \$45-60,000 (i.e. over the "living wage"). |
| More Provincial, Federal and Private Sector investments in our region. | At least \$6m from Private Sector, Provincial and Federal sources invested in South Island economy and its businesses. |
| Greater participation of First Nations communities in collaborative economic development initiatives and targeted support for First Nation-owned companies. | Engage First Nation communities in dialogue around economic development initiatives and support self-directed economic development projects and initiatives. |

EFFECTIVE POSITIONING: THE 'FACE' CONCEPT

Key to our success is positioning ourselves in a way that ensures we add **value**, and our services are easily understood. Once successfully positioned, we can also begin to market the Prosperity Project more effectively, using metaphors and easy to grasp concepts.

One such concept is FACE. It **stands** for:

Facilitator

Accelerator

Connector

Eabler

Facilitator – If an entrepreneur is frustrated by roadblocks, missing **information** or lack of professional advice, we facilitate and expedite a solution.

Accelerator – We help entrepreneurs grow at an ambitious pace. Because **the** entrepreneurs have little tolerance for wasting time.

Connector – Oftentimes, the biggest barrier between entrepreneurs and rapid growth is relationships with trusted advisors and peer networks. We facilitate both.

Enabler – We eliminate the distractions entrepreneurs hate, so they can focus on what they love – running **their businesses**.

With a single-minded focus on FACE, we will help the businesses that grow our economy.

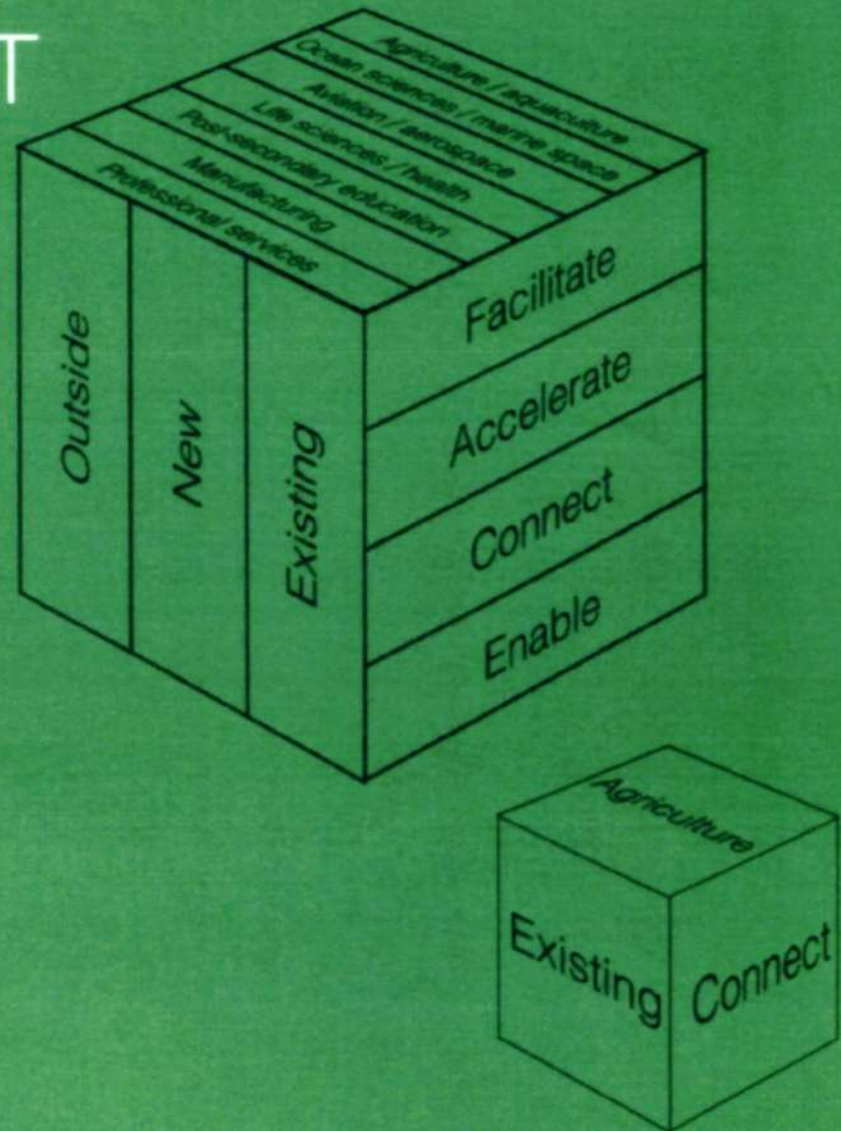
ACCELERATED UNDERSTANDING: THE CUBE CONCEPT

Imagine what we do in the context of the large cube to the right. On the top, you see the sectors we work in. On the left, the companies we help. And on the right, what we do: FACE.

This simple cube illustrates succinctly what we do, and for whom. The cube 'boxes' our services cleanly, ensuring we don't stray off mission into areas where we don't add the most value.

The mini-cube at lower right illustrates an example. We would partner perfectly with an agriculture-based company that already existed in the South Island region and needed to connect with exporting and marketing expertise.

If we do not offer services to help a specific type of business, we will make every effort to help you through our Connector Program or help an entrepreneur get you in touch with our many partners in our expanding network.



The background of the slide features a close-up photograph of several hands, painted with bright yellow and orange nail polish, holding together several interlocking puzzle pieces. The puzzle pieces are white with blue and yellow patterns. The hands are positioned around the puzzle pieces, with some fingers gripping them from the sides and others from the top and bottom. The overall composition suggests a theme of teamwork, collaboration, and solving a complex problem.

PERSONALIZED SERVICE: THE BUSINESS CONNECTOR CONCEPT

Every business we help will have individual needs. But every business will appreciate effortless, fast, personalized service. That's why we propose to provide businesses with their own Prosperity Project Business Connector, a concierge who would offer services like these:

Macro analysis – We assess the sorts of businesses that would strengthen our economy and provide the highest benefit to all.

Diagnostic – We screen individual businesses to assure their 'fitness' for our program. We understand their bottlenecks and growth opportunities.

Connect and facilitate – We assess what that business needs to succeed. We ensure the business is connected with trusted providers of solutions and other resources.

Measure - We track key metrics as the business grows and succeeds to ensure progress is as effortless as possible. We also measure customer satisfaction.

Market - We help our customers promote their success stories, promoting the South Island region to other entrepreneurs.

5 YEARS, 5 STRATEGIC PRIORITIES

1

Business Growth and Expansion – The Prosperity Project will stimulate and support the growth and retention of existing companies in our targeted sectors.

Our model for achieving this borrows from the concept of Economic Gardening. Economic Gardening is an entrepreneur-oriented approach to prosperity. The term describes economic revitalization through cultivation of local companies. Economic Gardening *targets second-stage companies* already operating in a community. It helps these existing businesses grow larger by assisting them with strategic issues and providing them with professional services and counsel.

Over the next 12 months.

- *We will complete Business Connector Program Pilot, a program that helps existing companies grow and overcome barriers to growth.*

5 YEARS, 5 STRATEGIC PRIORITIES

2

Sector Development – We will work with companies in specific sector areas. As we help local second-stage companies grow and ‘outside’ second-stage companies set up shop, we will identify the sectors that best fit our competitive advantages.

Our projects will be executed in partnership with sector, industry and government partners.

Priority sectors:

- Value-added agriculture and aquaculture,
- Ocean technology and marine space,
- Aviation and aerospace,
- Life sciences and health,
- Post-secondary education,
- Manufacturing,
- Professional services,
- Green tech.

Over the next 12 months,

- We will work directly with companies in targeted sectors in the Business Connector Program,
- We will also work with sector and industry partners on the following projects:
 - A website and marketing strategy to attract people to live and work in the region to fill recruitment gaps,
 - A study of the marine sector's supply chain and export readiness capacity,
 - A joint marketing and recruitment campaign called Education Victoria.
 - As external funding sources become available for particular sectors, we will engage in activities to strengthen those sectors.

5 YEARS, 5 STRATEGIC PRIORITIES

3

Attracting Investment and

Companies from outside the Region – With our concierge service, we will work with companies in targeted sectors that are looking to relocate to the South Island region, and encourage greater investment in our regional economy by investors outside our region.

We will develop a pool of regional ambassadors - a network of industry peers and business support professionals (e.g. municipal, provincial, private, and non-profit partners) drawn on as needed to facilitate the growth or attraction of 'outside' companies or investment.

We will track and measure attraction to the region and investigate what draws people, companies and investors to the South Island, what keeps them here, and what might cause them to leave.

Over the next 12 months,

- *We will work directly with companies and investors from outside the region, helping them integrate into the community, navigate the business landscape, and leverage local assets.*
- *To address the need for greater investment in local companies by foreign and local investors alike, we will explore (with partners) hosting a Venture Capital (VC) Conference in the next 12 months to attract investors and raise the profile for local entrepreneurs.*
- *We need more to circulate more little-told stories about the many 'faces' of the entrepreneurs in the region. The South Island is an innovative hub, full of creative and enterprising people in many sectors. We need to nurture this so more people follow suit. The Prosperity Project will start to profile the amazing stories of our entrepreneurs to promote Pride of Place, and showcase the region as an incredible place to live, work and do business to the rest of the world.*

5 YEARS, 5 STRATEGIC PRIORITIES

4

First Nations Economic Development – We will engage First Nations communities in dialogue around economic development, encouraging greater participation of First Nations communities in regional economic development initiatives, and the development of First Nations-led economic development plans for communities.

Over the next twelve months,

- *We will explore funding for First Nations economic development, and use our FACE expertise to assist First Nations entrepreneurs,*
- *We will partner with a community partner to deliver a dialogue series with First Nation communities around entrepreneurship and employment, culminating with a Roundtable dialogue that brings communities together.*
- *We will also engage in meaningful dialogue with First Nations leaders to ensure the path forward is defined by their communities to be consistent with their needs and values.*



5 YEARS, 5 STRATEGIC PRIORITIES

5

Collaboration, Communication and Research –

We will work with partners to support collaboration, communication and research around entrepreneurship.

By working with incubators and angel investors, we will be able to help meet business needs and promote a regional economic development agenda. As opportunities and needs arise, we will work with strategic partners to promote common priorities.

Over the next 12 months,

- *We will work with the University of Victoria and other strategic partners to develop a single mentor network to service the needs of entrepreneurs in the region.*
- *As the single mentor network will support incubator, accelerator and enterprise clients, we will also work with strategic partners to identify current gaps in the eco-system, seek funding, and raise awareness for needs of start-up ventures and entrepreneurs.*



LOOKING TO THE FUTURE

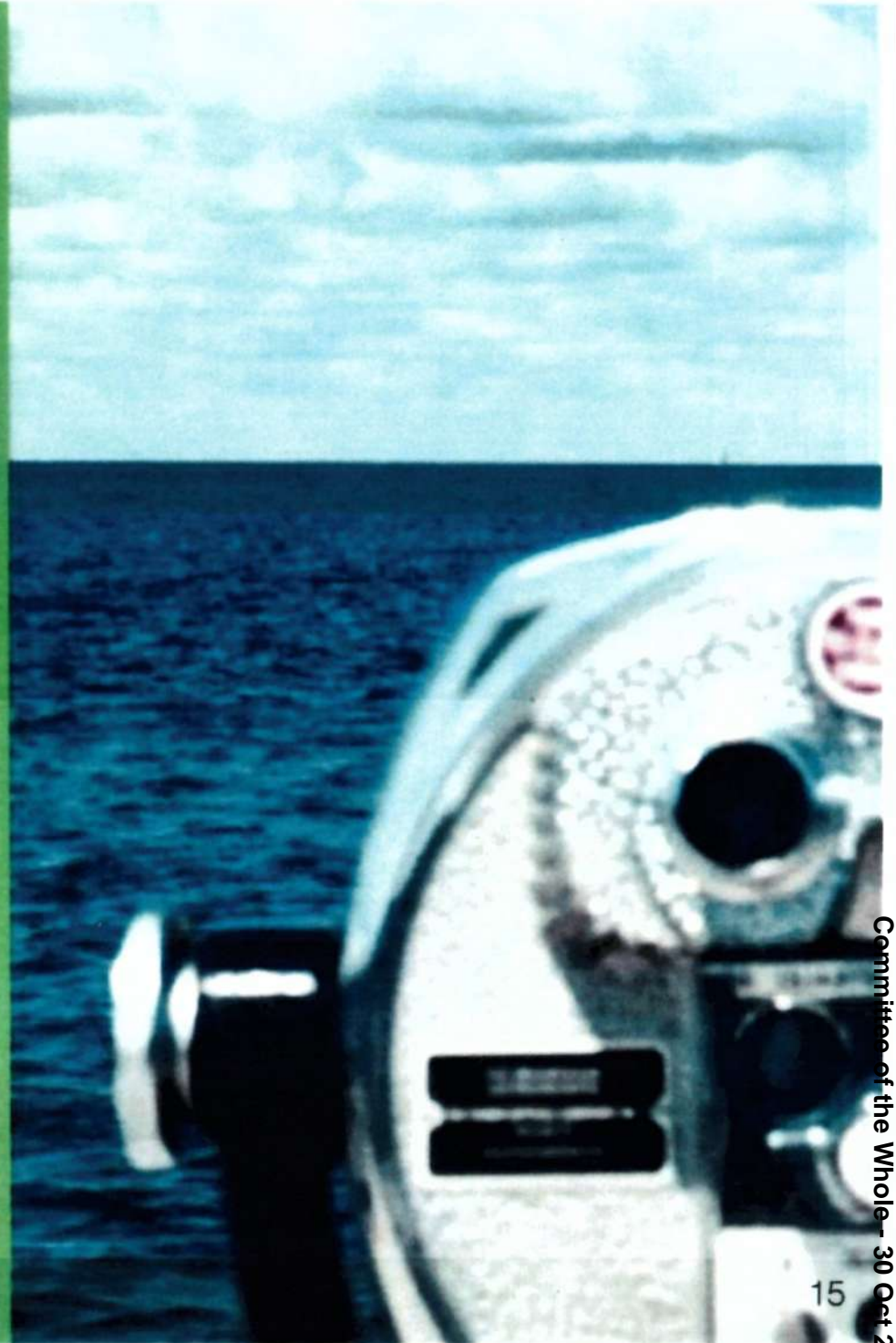
In the future that we envision, a young graduate will see a world of career possibilities in the South Island region. Whether that means taking advantage of the entrepreneur-friendly culture and programs to start a business of their own, or joining one of many growing companies for a promising career.

In the future, the South Island will boast an incredible diversity of businesses, and a robust eco-system that includes businesses, social enterprises, not-for-profits and charities. Our children and their children will have lots of reasons to stay, live, and grow their families and careers here.

In the future, people who want to start families and settle down will feel there is no better place than the South Island region. Jobs are plentiful and careers allow for lifelong advancement.

In the future, our region will grow - but in a way that remains consistent with our environmental, cultural and social values. First Nations communities fully participate and are equal partners in our robust, regional economy.

This is the future we are working toward.



OUR MEMBERS, OUR ACCOUNTABILITY

We acknowledge our accountability to our members by setting clear goals and targets, then measuring progress and communicating the results back to our membership. Every year, we will create an Annual Report, including organizational and financial metrics. We will be accountable for our performance at our Annual General Meeting and will provide members an additional opportunity every year to meet with the Board and Staff. In the first year, we will regularly communicate on our activities through newsletters to our stakeholders.

Municipal and First Nations Partners

Songhees Nation
Town of View Royal
City of Victoria
District of Oak Bay
Town of Sidney
City of Colwood
District of Central Saanich
District of Saanich
Township of Esquimalt
District of Highlands
District of North Saanich

Private Sector, Institutional and Not for Profit Partners

Butler Brothers
Greater Victoria Harbour Authority
Camosun College
Coast Capital Savings
Coastal Community Credit Union
Cube Global Storage
Greater Victoria Chamber of Commerce
Knappett Projects
VIATEC
Wilson Transportation
Ralmax
Royal McPherson Theatres Society
Royal Roads University
Tourism Victoria
University of Victoria
Victoria Foundation
Victoria Real Estate Board



CONTACT

If you have any questions, we'd be happy to chat.
Call Emilie de Rosenroll at 778-265-8128.

Or, if you'd like to pass along the good news,
you'll find more of our story at [http://
www.southislandprosperity.ca/](http://www.southislandprosperity.ca/)

SOUTH ISLAND
PROSPERITY
PROJECT



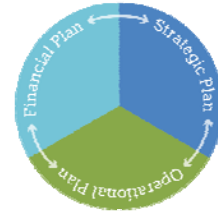
Overview

- Council sets service levels and allocates funding through the financial planning process
- Draft Financial Plan was introduced to Council on October 26
- Each department will present operating and capital budgets today and on October 31 and November 7
- Opportunity for Council to review and discuss the draft budget

- Council direction for maximum tax increase of inflation plus 1%; most recent inflation is 1.8% (August)
- Draft operating budget totals \$233.3 million and the draft capital budget totals \$43.1 million
- Proposed overall property tax increase 2.77%, including utilities 2.80%

Alignment with Strategic Plan

- At the outset of Council's term, the Strategic Plan and the Financial Plan were aligned for the first time
- Cumulative improvements to the process have been made, including foundational pieces
 - Better service level and budget information
 - Project management framework and practices
 - Technology
 - Engagement



Your Priorities. Your Budget. Your City.
Get Involved.



strategic plan

+



budget

+



input from the public

=



direction for your City

Achievements

- We are seeing results across all areas of the Strategic Plan
- Strategic Plan includes 136 actions to support 76 outcomes
- 85% of the actions have been achieved, are underway or have been paused by Council
- The remainder are incorporated into the draft financial plan



Achievements

Innovate and Lead

- Project Management Framework

Engage and Empower the Community

- Engagement Framework and Roadmap
- Youth Engagement Strategy
- Technology investment - ConnectVictoria App and Open Data Portal



Achievements

Strive for Excellence in Planning and Land Use

- Development turnaround times and transparency
- Neighbourhood planning

Launch the Development Tracker

Get up-to-date information on developments happening in your neighbourhood and community.

Launch the App



Build the Financial Capacity of the Organization

- Infrastructure investment
- Fleet modularity
- Strategic Real Estate Office
- Technology investment – electronic agendas and mobile devices



Achievements

Create Prosperity Through Economic Development

- Business Hub
- Parking ambassadors
- Mobile street vending
- Sidewalk patio regulations

Business Hub

Looking to open a business in Victoria? Start at the Business Hub!



Make Victoria More Affordable

- Victoria Housing Strategy



Achievements

Facilitate Social Inclusion and Community Wellness

- Crystal Pool and Fitness Centre
- Transgender policy

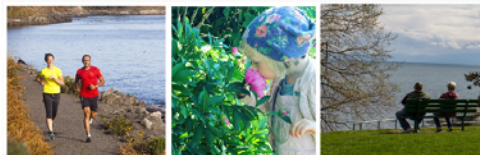
Planning for the future of Crystal Pool and Fitness Centre



Enhance and Steward Public Spaces, Green Spaces and Food Systems

- Parks and Open Spaces Master Plan
- Community gardens
- Urban agriculture

Parks and Open Spaces Master Plan



Achievements

Complete a Multi-Modal and Active Transportation Network

- Cycling network
- Traffic calming initiatives
- Signage



Nurture Our Arts, Culture and Learning Capital

- Library branch in James Bay
- Cultural Master Plan
- Indigenous Artist in Residence
- Canada 150



Achievements

Steward Water Systems and Waste Streams Responsibly

- Stormwater Utility
- Waste Management

Stormwater Management

The stormwater system helps to manage rain and runoff in our city.

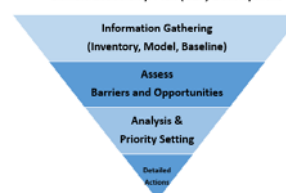


Take Climate Action and Prepare for Emergencies

- LED streetlight replacement
- Climate Action Program and Reserve
- Emergency management
 - VictoriaReady
 - Cloud based information technology
- Fire Department Headquarters



Climate Leadership Plan (CLP) Development



Continuous Improvement

- Service standards and benchmarking
 - Parks and facilities
- Assessment of staffing needs
 - Restructuring without requesting additional funding
- Efficiencies
 - WorkSafeBC claims costs
 - Fire Department scheduling
 - Strategic Real Estate Office negotiating leases
 - Collective bargaining brought in-house
- Calls for service
 - ConnectVictoria App
 - Council correspondence function
 - Pressures in Bylaw Services



Continuous Improvement

- Service integration with other municipalities
 - Ongoing cooperative efforts
 - Common communication platform for Fire Service



Service Pressures

- Additional demand on services
- Strategic review of needs, aligned with Council's policy for new or expanded services, the allocation of growth related new tax revenue, and surplus
- This year's supplementary requests are largely focused on building capacity for:
 - infrastructure planning
 - managing growth and development
 - housing and homelessness
 - public safety
 - organizational resources to support effective delivery of projects



Supplementary Requests



Managing Growth and New Development

Strategic Objective: Strive for Excellence in Planning and Land Use

- Substantial growth in development and building permit applications (value and complexity) over the past four years
- Volumes expected to continue for at least the next 24 months
- Requires staffing resources from multiple departments
- Process improvements have supported improved turnaround times with existing staff resources, however additional resources needed to maintain service levels
- Projected additional revenues from development and permit applications of \$100,000 for 2018 will mitigate costs associated with supplemental requests

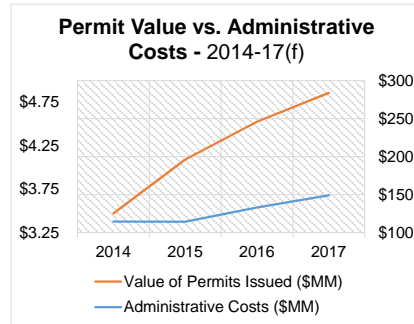
2018 Supplemental Requests

Ongoing:

- Parks Planner \$103,000
- Transportation Planner \$104,000

One Time:

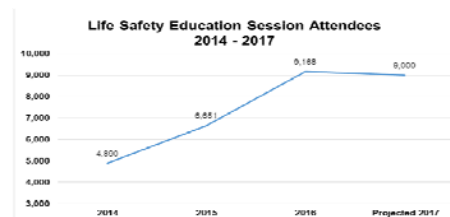
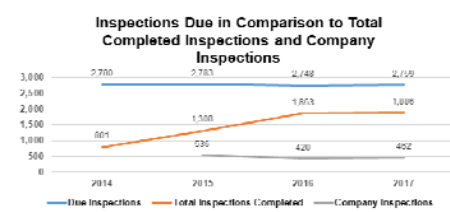
- Secretary – Planning \$67,000
- Parks Arboriculture \$97,000



Managing Public Safety – Fire Prevention Officer

Strategic Objective: Take Climate Action and Prepare for Emergencies

- Substantial growth in development and density triggering greater demand and more complex fire inspections
- Expected increased gap between actual fire inspections completed to what should be completed as per Fire Prevention Bylaw 14-100
- Substantial growth in calls for service since 1997; directly resulting in a decline of active duty fire fighters able to complete fire inspections
- Significant increase in plan reviews, H.E.A.T Program, oil tank/burner permits and increased focus on School and Community Life and Fire Safety Education in combination with Emergency Management and Earthquake Preparedness since 2017
- Potential decline in life and property service levels to provide effective fire and life safety



Managing Public Safety – Fire Prevention Officer

Strategic Objective: Take Climate Action and Prepare for Emergencies

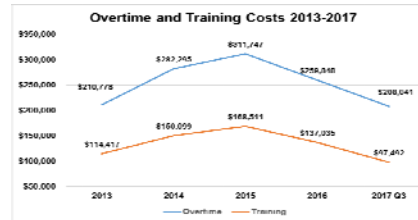
Efficiencies Implemented

- Implementation of a company inspection program where fire fighters are cross trained to conduct commercial fire inspections during their active duty shifts

2018 Supplemental Requests

Ongoing:

- Fire Prevention Officer \$121,000



Managing Public Green Spaces - Sheltering

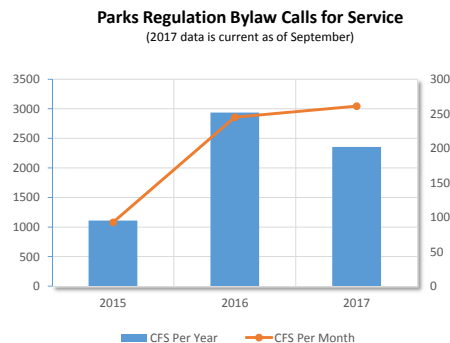
Strategic Objective: Enhance and Steward Public Spaces and Food Systems

- Substantial increase in Parks Bylaw Calls for Service from 2015
- The Overnight Sheltering Program responds to demands associated with outdoor sheltering in parks
- Costs include extended washroom hours at select parks, security patrols, cleaning support, adjacent bus shelters and streets

2018 Supplemental Requests

One Time:

- Overnight Sheltering – Support & Clean Up \$300,000



Managing Public Green Spaces

Strategic Objective: Enhance and Steward Public Spaces, Green Spaces and Food Systems

- The City's public spaces and natural assets are a key driver of livability
- They also support the City's economic development as quality of urban spaces and parks amenities are drivers of business and worker attraction
- Supporting this quality requires management and refurbishment of some key public spaces as well as management of 33,000 trees on City property
- Currently there are approximately 900 trees requiring risk assessment and potential hazard mitigation
- Approximately 400 trees will be assessed in 2018 with the removal of up to 250 trees that have been assessed as hazardous

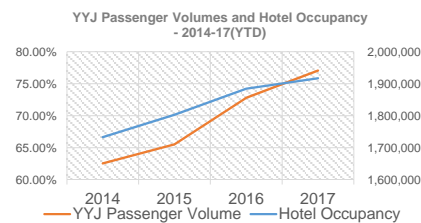
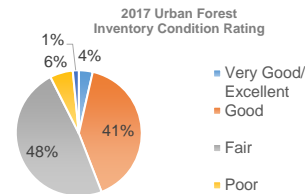
2018 Supplemental Requests

Ongoing:

- | | |
|------------------------------|----------|
| • Community Garden Program | \$15,000 |
| • Parks Natural Area Support | \$63,000 |

One Time:

- | | |
|---|-----------|
| • High Risk Tree Removal | \$150,000 |
| • Pioneer Square Archaeological Reporting | \$ 37,000 |
| • Downtown Public Realm Plan Implementation | \$105,000 |



Managing Public Engagement

Strategic Objective: Engage and Empower the Community

- Substantial growth in the number of Engagement Initiatives resulting in the substantial increase in the demand for graphic services
- Additional design and engagement resources will increase productivity and reduce outsourcing
- 400% growth in number of engagement activities supporting city decision making
- Additional engagement support identified by departments to complete major corporate initiatives including Neighbourhood Planning, Ship Point, Active Transportation, Climate Leadership, Crystal Pool and implement Engagement Framework

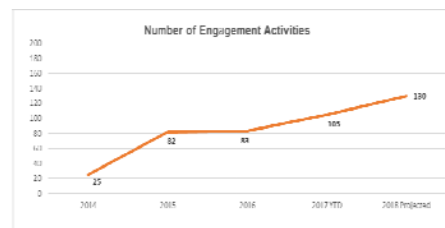
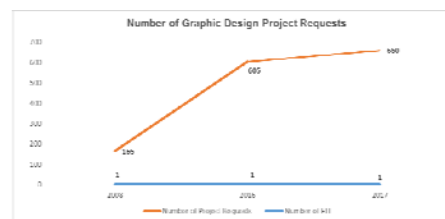
2018 Supplemental Requests

Ongoing:

- | | |
|--------------------------|----------|
| • Graphic Design Support | \$81,000 |
|--------------------------|----------|

One Time:

- | | |
|----------------------|-----------|
| • Engagement Advisor | \$109,000 |
|----------------------|-----------|



Managing Accessibility

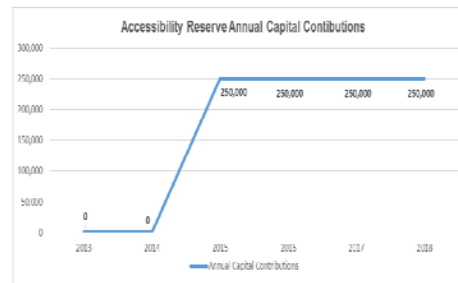
Strategic Objective: Facilitate Social Inclusion and Community Wellness

- On January 26, 2017, Council approved that staff report back with resource and timing implications regarding the recommendation that an individual be contracted/hired to work with the AWG in identifying barriers for persons with disabilities, examine existing City accessibility policies and procedures, make policy recommendations, develop an accessibility framework, and provide on-going staff training and support

2018 Supplemental Requests

One Time:

- Accessibility Framework \$40,000



Youth Initiatives

Strategic Objective: Engage and Empower the Community

- The number and percentage of Youth in Victoria has increased since the 2011 census
- Youth Leaders in Training (YLIT) is an employment readiness program for youth that helps individuals gain skills in the fields of childcare, recreation and education
- Implement the Council approved Youth Strategy, including the following:
 - Youth hiring strategy and recruitment brochure
 - Curriculum development to engage youth on what the City does, how decisions will impact them and how they can affect change in their community
 - Launch Youth Hub

2018 Supplemental Requests

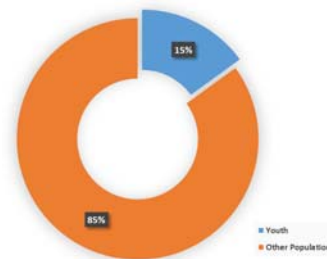
Ongoing:

- Youth Leaders in Training Program \$20,000

One Time:

- Youth Strategy Liaison \$30,000

Percentage of Youth (Ages 12 - 24) in the City of Victoria



Active Transportation – Managing Road Safety

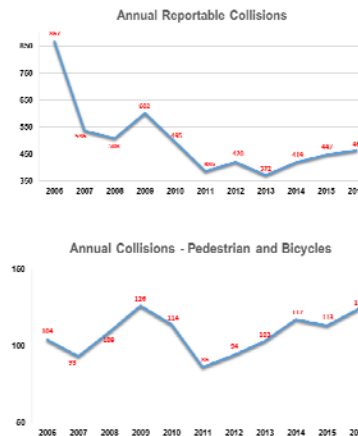
Strategic Objective: Complete a Multi-Modal and Active Transportation Network

- Annual collisions trends have been rising since 2013
- Pedestrian and Bicycle collisions are on the rise
- Public requests and Council direction have identified the need for additional analysis of neighbourhood transportation analysis, prioritization, planning and implementation. The work aligns directly with the upcoming Local Area Plans
- Speed reader boards are needed to promote safer vehicle behavior throughout the community

2018 Supplemental Requests

One Time:

- Neighbourhood Transportation Management \$180,000
- Speed Reader Boards \$85,000



Multi-Modal Transportation Network – Traffic and Parking

Strategic Objective: Complete a Multi-Modal and Active Transportation Network

- Review of existing traffic signal timings is a needed requirement for the City to optimize the demand imposed by changes to traffic patterns, volume, congestion and development
- Resources required to manage the training and operations throughout the transition to the new JSB Bridge
- Ongoing increase in public parking inquiries/street occupancy permits consume significant staff time
- Street Occupancy and Parking Support would improve compliance with permit applications and with set-ups that meet safety requirements

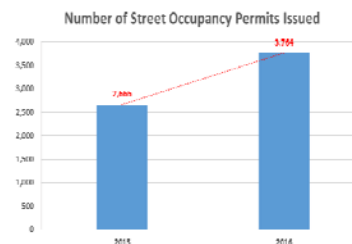
2018 Supplemental Requests

Ongoing:

- Street Occupancy and Parking Support 1 FTE
(Funded through Permit Fees)

One Time:

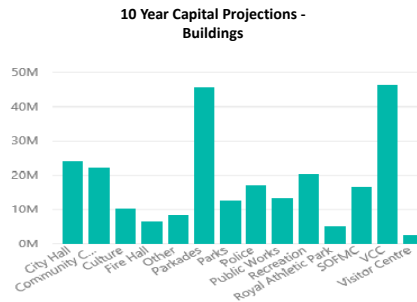
- Traffic Signal Timing Update Study \$ 40,000
- Extra Bridge Coverage \$ 30,000



Asset Management

Strategic Objective: Build the Financial Capacity of the Organization/Innovate and Lead

- Facilities Condition Assessment was completed in 2015 that provided investment recommendations for building systems
- Immediate priorities include several major projects across the City, including the Crystal Pool and Firehall 1 Replacement Project
- City surveys are mainly completed by physical observations and surveys of infrastructure, which can be time consuming to complete, and analyze. International best-practice uses a series of automation to quickly and accurately assess infrastructure, allowing staff more time to plan and optimize city assets
- Increased demand and complexity of projects requires professional certification and training to develop project management skills resulting in enhanced service quality, delivery and asset management skills



2018 Supplemental Requests

Ongoing:

- Building Project Administrator \$99,000

One Time:

- Condition Assessment Pilot Project \$60,000
- Professional Certification/Project Management \$50,000

Managing Climate Action and Sustainability

Strategic Objective: Plan for Emergencies Including Climate Change Short and Long-Term

- The development of the City's Sustainable Waste Management Strategy has clearly identified a current shortfall in resources required to propel City-wide waste programs to reach sustainability targets and avoid risks
- Sustainable Planning and Community Development aligns with Climate initiatives to deliver step code implementation, energy efficiency strategies and sustainability performance review
- An environmental audit will define current environmental performance, risks and recommended actions to reduce risk to the natural ecosystems across public works and engineering programs. This process will also provide a framework for cross-departmental environmental impacts to define priority actions within the City

2018 Supplemental Requests

Ongoing:

- Sustainability Waste Management Engineer \$99,000

One Time:

- Step Code Implementation \$10,000
- Environmental Performance Audit \$50,000

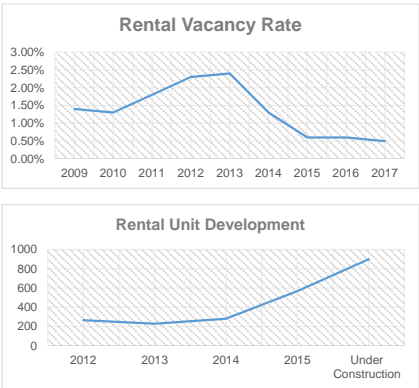
Managing Housing

Strategic Objective: Make Victoria More Affordable

- The Victoria Housing Strategy, approved by Council in 2016, is a 10 year strategy that includes strategic directions to meet housing targets
- The Strategy also includes action items for implementation over a 3 year period
- Support implementation of action items identified in the Strategy for 2018, including the following:
 - Consideration for voluntary guidelines for post-construction accessibility features to encourage adaptable housing
 - Revisiting the secondary suite grant program to encourage accessible suites
 - Hosting workshops on various housing-related topics with external partners and stakeholders to investigate opportunities

Supplemental requests for 2018

- One Time:**
- Victoria Housing Strategy Implementation \$20,000



Finance



DEPARTMENT SUMMARY

Finance

Core Services/Service Areas

- Financial Planning
- Accounting Services
- Information Technology
- Revenue Services
- Supply Management
- Parking Services



DEPARTMENT SUMMARY

Finance

Budget Summary

| | |
|----------------------------|-------------------|
| 2018 Base Expenditures | 15,850,149 |
| 2018 One Time Expenditures | 0 |
| 2018 Proposed Expenditures | <u>15,850,149</u> |
| 2017 Base Expenditures | 14,923,288 |
| 2017 One Time Expenditures | 30,000 |
| 2017 Approved Expenditures | <u>14,953,288</u> |
| Base Budget Change | 926,861 |
| Change by % | 6.21% |
| 2018 Base Revenues | 16,882,800 |
| 2018 One Time Revenues | 0 |
| 2018 Proposed Revenues | <u>16,882,800</u> |
| 2017 Base Revenues | 16,012,800 |
| 2017 One Time Revenues | 30,000 |
| 2017 Approved Revenues | <u>16,042,800</u> |
| Base Budget Change | 870,000 |
| Change by % | 5.43% |
| 2018 FTE | 102.26 |
| 2017 FTE | 102.26 |
| Change | 0 |
| Change by % | 0.00% |

Expanded summaries on pages 516, 541



DEPARTMENT SUMMARY

Finance

Proposed Initiatives for 2018

- Social Procurement Pilot and Framework
- Provide financial advice and support for:
 - Johnson Street Bridge replacement
 - Fire Station No. 1 replacement
 - Crystal Pool and Wellness Centre replacement
- Parking equipment and customer service improvements:
 - Replace parkade gates, security system and pay stations
 - Pilot parkade entry system – entry by smart phone app
- Technology improvements:
 - Online applications for business licences and dog licences
 - Electronic records management solution
 - Continue rollout of asset management solution
 - Continue rollout of business intelligence tools
 - Continue rollout of project management tools
 - Continue rollout of Office 365 collaboration tools



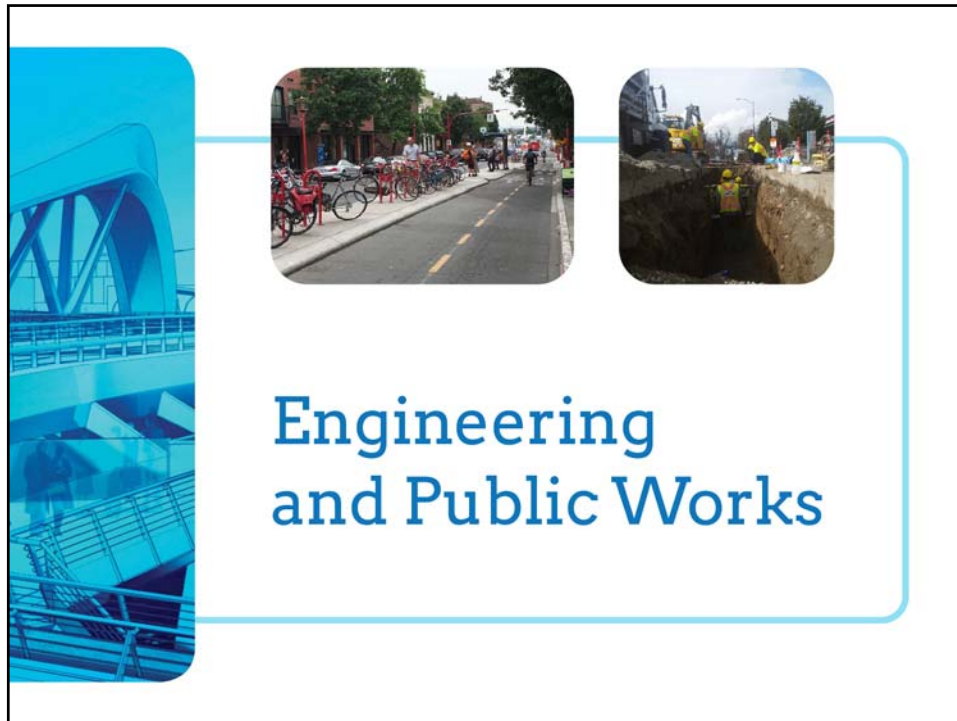
DEPARTMENT SUMMARY

Finance

Draft Financial Plan Document

Operating Budget pages 507-574

Capital Budget pages 1047-1051, 1065-1066, 1091



DEPARTMENT SUMMARY

Engineering and Public Works

Core Services/Service Areas

- **Engineering:**
 - Utilities: Design, engineering and asset management for water, sewer and stormwater systems
 - Engineering Corporate Services: Structural, coastal, GIS, assets and climate action programs
- **Transportation:** Engineering, design, construction, planning and operations in support of all transportation assets and network systems
- **Public Works:** Operation, maintenance and construction of all City infrastructure assets in the following groups:
 - Streets: Roads and bridges, concrete, electrical and traffic signals
 - Underground Utilities: Sewer, storm and water operations, maintenance and construction
 - Above-Ground Infrastructure: Fabrication, maintenance and management of all City public assets that are not underground
 - Fleet Management: Management, maintenance of all City fleet assets, including VicPD and support to VFD
 - Sanitation, Solid Waste, Street Cleaning and Special Events support and after hours response
 - Public Works Support Services



DEPARTMENT SUMMARY

Engineering and Public Works

Budget Summary

Engineering and Public Works
excluding Utilities

| | |
|----------------------------|-------------------|
| 2018 Base Expenditures | 14,094,685 |
| 2018 One Time Expenditures | 12,000 |
| 2018 Proposed Expenditures | <u>14,106,685</u> |
| 2017 Base Expenditures | 13,938,105 |
| 2017 One Time Expenditures | 789,416 |
| 2017 Approved Expenditures | <u>14,727,521</u> |
| Base Budget Change | 156,580 |
| Change by % | 1.12% |
| 2018 Base Revenues | 857,923 |
| 2018 One Time Revenues | 12,000 |
| 2018 Proposed Revenues | <u>869,923</u> |
| 2017 Base Revenues | 856,423 |
| 2017 One Time Revenues | 639,416 |
| 2017 Approved Revenues | <u>1,495,839</u> |
| Base Budget Change | 1,500 |
| Change by % | 0.18% |



DEPARTMENT SUMMARY

Engineering and Public Works

Utilities

| | |
|----------------------------|-------------------|
| 2018 Base Expenditures | 37,557,533 |
| 2018 One Time Expenditures | 0 |
| 2018 Proposed Expenditures | <u>37,557,533</u> |
| 2017 Base Expenditures | 36,542,672 |
| 2017 One Time Expenditures | 187,000 |
| 2017 Approved Expenditures | <u>36,729,672</u> |
| Base Budget Change | 1,014,861 |
| Change by % | 2.78% |
| 2018 Base Revenues | 37,557,533 |
| 2018 One Time Revenues | 0 |
| 2018 Proposed Revenues | <u>37,557,533</u> |
| 2017 Base Revenues | 36,542,672 |
| 2017 One Time Revenues | 187,000 |
| 2017 Approved Revenues | <u>36,729,672</u> |
| Base Budget Change | 1,014,861 |
| Change by % | 2.78% |
| 2018 FTE | 273.72 |
| 2017 FTE | 273.72 |
| Change | 0 |
| Change by % | 0.00% |

Expanded summaries on pages 265, 267,
345, 363, 381, 431, 469



DEPARTMENT SUMMARY

Engineering and Public Works

Proposed Initiatives for 2018

- Major Street Rehabilitation (\$1.75m)
- Critical water, sewer and storm system upgrades, repairs and replacements (\$14m)
- Repairs and Upgrades to Point Ellice (Bay Street) Bridge (TBD)
- Wharf Street Complete Streets Upgrades (\$2m)
- Belleville Street Sidewalk and Plaza improvements
- New Crosswalks, upgrades (in addition to work via implementation of the cycling network)
- Sidewalk and pathway repairs, reconstruction and upgrades (>\$800k)
- Bike Master Plan – Phase I completion (downtown)
- Johnson Street Bridge completion
- Critical fleet asset replacement (\$2.6m)
- Ross Bay Seawall and Dallas Road Ballustrade Design
- Program Delivery:
 - Asset Management Program
 - Accessibility Framework Development
 - Sustainable Mobility / Transportation Strategy
 - Sustainable Waste Management Strategy
 - Climate Leadership Strategy Implementation
 - David Foster Harbour Pathway Program



DEPARTMENT SUMMARY

Engineering and Public Works

Draft Financial Plan Document

Operating Budget pages 247-506

Capital Budget pages 961-983, 995-1018, 1061-1064, 1071-1090



DEPARTMENT SUMMARY

Parks, Recreation and Facilities

Core Services/Service Areas

Parks

- Manage and maintain 207 hectares of park and open spaces, including 137 parks:
 - 72 hectares of natural areas
 - Ross Bay Cemetery
 - 33,000 trees on public land
 - 40 playgrounds, 23 tennis courts, 12 dog off-leash areas, a skate park, bike park
 - 500 flower and shrub beds, 1,300 hanging baskets, and nine rain gardens
 - 17 public washrooms
 - Litter pick-up and garbage collection
 - 208,063 m² of boulevards
- Plan and design park spaces and features
- Participate in development permit review, tree permit applications and public realm projects across the city



DEPARTMENT SUMMARY

Parks, Recreation and Facilities

Core Services/Service Areas

Recreation

- Operation of Crystal Pool and Fitness Centre
- Administer the Leisure Involvement for Everyone (LIFE) program for low-income residents
- Deliver community programs at Save-On-Foods Memorial Centre (SOFMC)
- Administration of bookings for sport fields, sport courts and Royal Athletic Park
- Youth Services
- Partner with Community and Seniors Centre operators in program delivery



DEPARTMENT SUMMARY

Parks, Recreation and Facilities

Core Services/Service Areas

Facilities

- Oversee maintenance of the City's inventory of approximately 109 buildings and parking lots, totaling 1.9 million square feet of floor space
- Project manage facility related capital investments
- Long-term planning and analysis of building use, structures and systems
- Oversight of the security program



DEPARTMENT SUMMARY

Parks, Recreation and Facilities

Budget Summary

| | |
|----------------------------|-------------------|
| 2018 Base Expenditures | 20,464,945 |
| 2018 One Time Expenditures | 119,750 |
| 2018 Proposed Expenditures | <u>20,584,695</u> |
| 2017 Base Expenditures | 20,299,318 |
| 2017 One Time Expenditures | 745,109 |
| 2017 Approved Expenditures | <u>21,044,427</u> |
| Base Budget Change | 165,627 |
| Change by % | 0.82% |
| 2018 Base Revenues | 2,678,951 |
| 2018 One Time Revenues | 119,750 |
| 2018 Proposed Revenues | <u>2,798,701</u> |
| 2017 Base Revenues | 2,652,857 |
| 2017 One Time Revenues | 334,109 |
| 2017 Approved Revenues | <u>2,986,966</u> |
| Base Budget Change | 26,094 |
| Change by % | 0.98% |
| 2018 FTE | 176.81 |
| 2017 FTE | 176.81 |
| Change | 0 |
| Change by % | 0.00% |

Expanded summaries on pages 618, 619, 659, 685, 711, 733



DEPARTMENT SUMMARY

Parks, Recreation and Facilities

Proposed Initiatives for 2018

Recreation

- Crystal Pool and Wellness Centre Replacement Project



DEPARTMENT SUMMARY

Parks, Recreation and Facilities

Draft Financial Plan Document

Operating Budget pages 607-746

Capital Budget pages 987-994, 1019-1044, 1069



Victoria Fire Department



DEPARTMENT SUMMARY

Victoria Fire Department

Core Services/Service Areas

- **Fire Suppression:** 24 hour emergency response to citizens in support of emergency and non-emergency incidents, including harbour response
- **Fire Prevention:** Conducts fire inspections, delivers public fire safety education, and provides 24 hour fire investigation response
- **Mechanical:** Professional, cost-effective and efficient emergency and non-emergency maintenance of fire apparatus, specialty equipment, marine vessels and fleet. Regional fleet maintenance facility. Specialized training relating to vehicle operations, equipment use and marine vessel operation.
- **Harbour Response:** 24 hour emergency harbour response with the Fire Boat Protector and Rapid Response Marine vessel for rescue, environmental and inter-departmental responses





DEPARTMENT SUMMARY


Victoria Fire Department

Core Services/Service Areas

- **Communication:** 24 hour emergency and non-emergency communications, and monitoring the Public Works after hours line
- **Training:** Responsible for the facilitation and delivery of all training associated with fire department and emergency response to members of the department
- **Administration:** Office of the Fire Chief, two Deputy Fire Chiefs and administrative professionals
- **Emergency Management:** Responsible for training City staff and coordinating an emergency response in the event of a disaster. Responsible for facilitation of Emergency Social Services programs in post incident situations

| | |
|---|---|
|  | <div>DEPARTMENT SUMMARY</div> <div>Victoria Fire Department</div> |
| Budget Summary | |
| 2018 Base Expenditures | 16,933,870 |
| 2018 One Time Expenditures | 0 |
| 2018 Proposed Expenditures | 16,933,870 |
| 2017 Base Expenditures | 16,579,168 |
| 2017 One Time Expenditures | 81,700 |
| 2017 Approved Expenditures | 16,660,868 |
| Base Budget Change | 354,702 |
| Change by % | 2.14% |
| 2018 Base Revenues | 79,000 |
| 2018 One Time Revenues | 0 |
| 2018 Proposed Revenues | 79,000 |
| 2017 Base Revenues | 78,000 |
| 2017 One Time Revenues | 81,700 |
| 2017 Approved Revenues | 159,700 |
| Base Budget Change | 1,000 |
| Change by % | 1.28% |
| 2018 FTE | 123.09 |
| 2017 FTE | 123.09 |
| Change | 0 |
| Change by % | 0.00% |
| Expanded summary on page 778 | |

| | |
|---|---|
|  | <div>DEPARTMENT SUMMARY</div> <div>Victoria Fire Department</div> |
| Proposed Initiatives for 2018 | |
| <ul style="list-style-type: none">Emergency Management Renewal | |



DEPARTMENT SUMMARY

Victoria Fire Department

Draft Financial Plan Document

Operating Budget pages 773-834
Capital Budget pages 1055-1060





Legislative and Regulatory Services



DEPARTMENT SUMMARY

Legislative and Regulatory Services

Core Services/Service Areas

- **Legislative Services:** administrative support and governance advice to Council and Council Committees; official records of Council and Committees of Council; policy analysis; grant applications strategic support; maintain, consolidate and revise City bylaws; administer civic elections and referenda
- **Archives and Records Management:** records management; coordinate and assist with Freedom of Information requests and privacy impact assessments as required under the *Freedom of Information and Protection of Privacy Act*; printing facility and mail room; City Archives
- **Bylaw and Licensing Services:** bylaw enforcement, compliance and investigations; business licence reviews and compliance checks



DEPARTMENT SUMMARY

Legislative and Regulatory Services

Budget Summary

| | |
|----------------------------|-----------|
| 2018 Base Expenditures | 3,053,904 |
| 2018 One Time Expenditures | 10,000 |
| 2018 Elections | 279,000 |
| 2018 Proposed Expenditures | 3,342,904 |
| 2017 Base Expenditures | 3,035,936 |
| 2017 One Time Expenditures | 40,000 |
| 2017 Approved Expenditures | 3,075,936 |
| Base Budget Change | 17,968 |
| Change by % | 0.58% |
| 2018 Base Revenues | 247,350 |
| 2018 One Time Revenues | 10,000 |
| 2018 Proposed Revenues | 257,350 |
| 2017 Base Revenues | 247,350 |
| 2017 One Time Revenues | 40,000 |
| 2017 Approved Revenues | 287,350 |
| Base Budget Change | 0 |
| Change by % | 0.00% |
| 2018 FTE | 21.88 |
| 2017 FTE | 21.88 |
| Change | 0 |
| Change by % | 0.00% |

Expanded summary on page 165



DEPARTMENT SUMMARY

Legislative and Regulatory Services

Proposed Initiatives for 2018

- Archived Material Digitization
- Records Management System
- Election/Referendum



DEPARTMENT SUMMARY

Legislative and Regulatory Services

Draft Financial Plan Document

Operating Budget pages 157-178





DEPARTMENT SUMMARY

Engagement

Core Services

- **Engagement:** leadership and implementation of engagement processes, citizen and budget surveying, engagement tools and techniques and the Great Neighbourhoods initiatives
- **Communications:** graphic design, communications planning and implementation to support City services and programs
- **Customer Service:** front line customer service, victoria.ca, employee communications, and physical customer service areas

| | | |
|---|-----------|------------------------------|
|  | | DEPARTMENT SUMMARY |
| | | Engagement |
| Budget Summary | | |
| 2018 Base Expenditures | 1,855,994 | |
| 2018 One Time Expenditures | 0 | |
| 2018 Proposed Expenditures | 1,855,994 | |
| 2017 Base Expenditures | | 1,850,718 |
| 2017 One Time Expenditures | 30,000 | |
| 2017 Approved Expenditures | 1,880,718 | |
| Base Budget Change | 5,276 | |
| Change by % | 0.29% | |
| 2018 FTE | | 15.00 |
| 2017 FTE | | 15.00 |
| Change | | 0 |
| Change by % | | 0.00% |
| | | Expanded summary on page 137 |

| | | |
|---|--|---|
|  | | DEPARTMENT SUMMARY |
| | | Engagement |
| Proposed Initiatives for 2018 | | |
| | | <ul style="list-style-type: none">• Implementation of Public Engagement Road Map• Victoria.ca redevelopment• Implementation of Youth Strategy |



DEPARTMENT SUMMARY

Engagement

Draft Financial Plan Document

Operating Budget pages 133-156



Human Resources



DEPARTMENT SUMMARY

Human Resources

Core Services/Service Areas

- Talent management (attracting, retaining and developing)
- Strategic workforce planning
- Employee and labour relations
- Compensation and benefits
- Health, safety and wellness
- Learning and development



DEPARTMENT SUMMARY

Human Resources

Budget Summary

| | |
|----------------------------|------------------|
| 2018 Base Expenditures | 1,886,988 |
| 2018 One Time Expenditures | 0 |
| 2018 Proposed Expenditures | <u>1,886,988</u> |
| 2017 Base Expenditures | 1,910,393 |
| 2017 One Time Expenditures | 0 |
| 2017 Approved Expenditures | <u>1,910,393</u> |
| Base Budget Change | (23,405) |
| Change by % | -1.23% |
| 2018 FTE | 11.00 |
| 2017 FTE | 11.00 |
| Change | 0 |
| Change by % | 0.00% |

Expanded summary on page 579



DEPARTMENT SUMMARY

Human Resources

Proposed Initiative for 2018

- Corporate Learning Needs Assessment
- Corporate Orientation Program
- Implement People + Performance

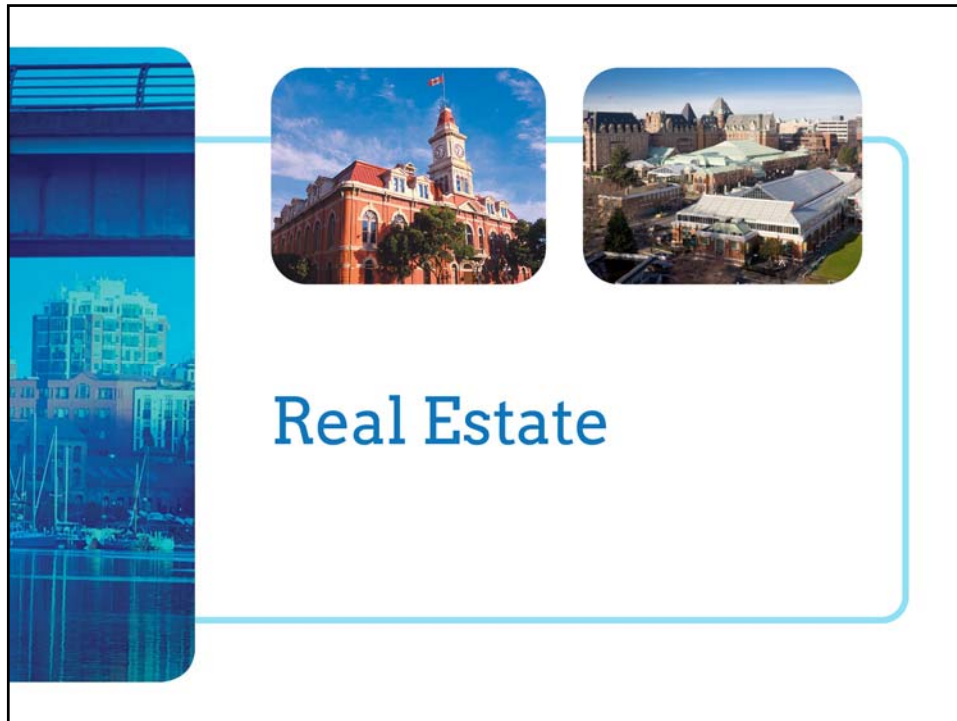


DEPARTMENT SUMMARY

Human Resources

Draft Financial Plan Document

Operating Budget pages 575-596



DEPARTMENT SUMMARY

Real Estate

Core Services/Service Areas

- Manage all aspects of the City's real estate holdings based on an established real estate philosophy and strategy, based on a triple bottom line perspective
- Provide strategic advice and direction related to real estate transactions involving City interests
- Conduct investigations and obtain appraisals on proposed acquisitions and sales, and negotiate all aspects of those transactions
- Negotiate and ongoing contract management of all lease agreements, licenses of use, easements, statutory rights-of-way and other property-related agreements



DEPARTMENT SUMMARY

Real Estate

Core Services/Service Areas

- Development and ongoing management of a comprehensive real estate inventory
- Respond to enquiries from applicants, their agents and City departments about City-owned property
- Work with the development community to identify opportunities to leverage the City's real estate holdings
- Monitor local real estate industry data and trends



DEPARTMENT SUMMARY

Real Estate

Budget Summary

| | |
|----------------------------|-----------|
| 2018 Base Expenditures | 1,568,213 |
| 2018 One Time Expenditures | 0 |
| 2018 Proposed Expenditures | 1,568,213 |
| 2017 Base Expenditures | 1,565,903 |
| 2017 One Time Expenditures | 48,600 |
| 2017 Approved Expenditures | 1,614,503 |
| Base Budget Change | 2,310 |
| Change by % | 0.15% |
| 2018 Base Revenues | 1,751,085 |
| 2018 One Time Revenues | 0 |
| 2018 Proposed Revenues | 1,751,085 |
| 2017 Base Revenues | 1,738,150 |
| 2017 One Time Revenues | 48,600 |
| 2017 Approved Revenues | 1,786,750 |
| Base Budget Change | 12,935 |
| Change by % | 0.74% |
| 2018 FTE | 3.00 |
| 2017 FTE | 3.00 |
| Change | 0 |
| Change by % | 0.00% |

Expanded summary on page 182



DEPARTMENT SUMMARY

Real Estate

Proposed Initiatives for 2018

- Real Estate Strategic Plan
- Securement of David Foster Harbour Pathway Land Interests
- Completion of Apex Land Competition
- Operational Procedures Improvement
- Review of commercial leasing rates to maximize revenue



DEPARTMENT SUMMARY

Real Estate

Draft Financial Plan Document

Operating Budget pages 179-194



DEPARTMENT SUMMARY

Arts, Culture and Events

Core Services/Service Areas

- Special event liaison and permitting
- Film permitting, Film Commission liaison and coordination support
- Special Event Technical Committee
- Festival Investment Grant program
- Festival Equipment Loan coordination and maintenance
- Noise bylaw exemptions, special occasion licences, block party permits
- Public art commissioning and maintenance
- Poet Laureate and Youth Poet Laureate programs
- Marketing and promotional support for programming and festivals
- Community development support to arts and culture organizations



DEPARTMENT SUMMARY

Arts, Culture and Events

Budget Summary

| | |
|----------------------------|-----------|
| 2018 Base Expenditures | 1,384,807 |
| 2018 One Time Expenditures | 207,500 |
| 2018 Proposed Expenditures | 1,592,307 |
| 2017 Base Expenditures | 1,354,957 |
| 2017 One Time Expenditures | 435,800 |
| 2017 Approved Expenditures | 1,790,757 |
| Base Budget Change | 29,850 |
| Change by % | 2.20% |
| 2018 Base Revenues | 203,250 |
| 2018 One Time Revenues | 207,500 |
| 2018 Proposed Revenues | 410,750 |
| 2017 Base Revenues | 202,000 |
| 2017 One Time Revenues | 195,800 |
| 2017 Approved Revenues | 397,800 |
| Base Budget Change | 1,250 |
| Change by % | 0.62% |
| 2018 FTE | 7.29 |
| 2017 FTE | 7.29 |
| Change | 0 |
| Change by % | 0.00% |

Expanded summary on page 95



DEPARTMENT SUMMARY

Arts, Culture and Events

Proposed Initiatives for 2018

- Arts and Culture Master Plan Implementation



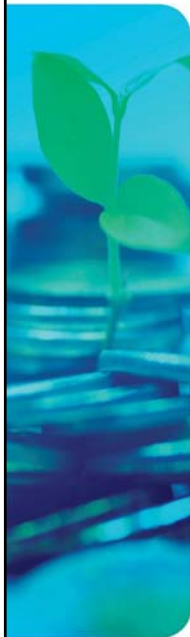
DEPARTMENT SUMMARY

Arts, Culture and Events

Draft Financial Plan Document

Operating Budget pages 91-122

Capital Budget page 986, 1053



Economic Development



DEPARTMENT SUMMARY

Economic Development

Core Services/Service Areas

- Streamlining business processes and barriers within City Hall for businesses and social enterprises
- Provide customer service to new and established businesses within the Business Hub
- Support innovation, creativity and collaboration between the City and community and business stakeholders to increase business investment in Victoria



DEPARTMENT SUMMARY

Economic Development

Budget Summary

| | |
|----------------------------|----------------|
| 2018 Base Expenditures | 250,000 |
| 2018 One Time Expenditures | 25,000 |
| 2018 Proposed Expenditures | <u>275,000</u> |
| 2017 Base Expenditures | 250,000 |
| 2017 One Time Expenditures | 245,000 |
| 2017 Approved Expenditures | <u>495,000</u> |
| Base Budget Change | 0 |
| Change by % | 0.00% |
| 2018 Base Revenues | 0 |
| 2018 One Time Revenues | 25,000 |
| 2018 Proposed Revenues | <u>25,000</u> |
| 2017 Base Revenues | 0 |
| 2017 One Time Revenues | 0 |
| 2017 Approved Revenues | <u>0</u> |
| Base Budget Change | 0 |
| Change by % | 0.00% |
| 2018 FTE | 1.00 |
| 2017 FTE | 1.00 |
| Change | 0 |
| Change by % | 0.00% |



DEPARTMENT SUMMARY

Economic Development

Proposed Initiatives for 2018

- Business Hub
- City Studio
- Trade Mission



DEPARTMENT SUMMARY

Economic Development

Draft Financial Plan Document

Operating Budget pages 123-132



DEPARTMENT SUMMARY

Victoria Conference Centre

Core Services/Service Areas

- Sell, manage and service conference, special events, meeting and trade and consumer shows in Victoria
- Liaison for destination management and business development with business, tourism and hospitality industry partners on the Victoria Conference Optimization Network (VCON)



DEPARTMENT SUMMARY

Victoria Conference Centre

Budget Summary

Victoria Conference Centre (VCC)

| | |
|----------------------------|-----------|
| 2018 Base Expenditures | 3,568,591 |
| 2018 One Time Expenditures | 0 |
| 2018 Proposed Expenditures | 3,568,591 |

| | |
|----------------------------|-----------|
| 2017 Base Expenditures | 3,503,818 |
| 2017 One Time Expenditures | 0 |
| 2017 Approved Expenditures | 3,503,818 |
| Base Budget Change | 64,773 |
| Change by % | 1.85% |

| | |
|------------------------|-----------|
| 2018 Base Revenues | 3,987,405 |
| 2018 One Time Revenues | 0 |
| 2018 Proposed Revenues | 3,987,405 |

| | |
|------------------------|-----------|
| 2017 Base Revenues | 3,739,138 |
| 2017 One Time Revenues | 0 |
| 2017 Approved Revenues | 3,739,138 |
| Base Budget Change | 248,267 |
| Change by % | 6.64% |



DEPARTMENT SUMMARY

Victoria Conference Centre

VCC Event Costs Paid by Clients

| | |
|----------------------------|-----------|
| 2018 Base Expenditures | 3,460,000 |
| 2018 One Time Expenditures | 0 |
| 2018 Proposed Expenditures | 3,460,000 |

| | |
|----------------------------|-----------|
| 2017 Base Expenditures | 3,460,000 |
| 2017 One Time Expenditures | 0 |
| 2017 Approved Expenditures | 3,460,000 |
| Base Budget Change | 0 |
| Change by % | 0.00% |

| | |
|------------------------|-----------|
| 2018 Base Revenues | 3,460,000 |
| 2018 One Time Revenues | 0 |
| 2018 Proposed Revenues | 3,460,000 |

| | |
|------------------------|-----------|
| 2017 Base Revenues | 3,460,000 |
| 2017 One Time Revenues | 0 |
| 2017 Approved Revenues | 3,460,000 |
| Base Budget Change | 0 |
| Change by % | 0.00% |

| | |
|-------------|-------|
| 2018 FTE | 13.62 |
| 2017 FTE | 13.62 |
| Change | 0 |
| Change by % | 0% |

Expanded summary on page 201



DEPARTMENT SUMMARY

Victoria Conference Centre

Draft Financial Plan Document

Operating Budget pages 195-246

Capital Budget page 1067



Sustainable Planning and Community Development



DEPARTMENT SUMMARY

Sustainable Planning and Community Development

Core Services/Service Areas

Community Planning:

- City-wide and Local Area Planning
- Current Policy and Regulatory Initiatives
- Heritage Policy, Programs and Applications
- Housing Policy and Administration of the Housing Reserve Fund
- Urban Design and Public Realm Planning

Development Services:

- Zoning/Rezoning including Community Association Land Use Committee processes
- Development and Variance Permits including support to Community Association Land Use Committees, Advisory Design Panel and Board of Variance
- Heritage Alteration Permits, Heritage Designations and Tax Incentive Program Applications



DEPARTMENT SUMMARY

Sustainable Planning and Community Development

Core Services/Service Areas

Permits and Inspections:

- Regulation and inspection of new development to ensure compliance with the BC Building Code
- Processing, administration and related inspections for building, plumbing, electrical, sign and liquor licence permit applications



DEPARTMENT SUMMARY

Sustainable Planning and Community Development

Budget Summary

| | |
|----------------------------|-----------|
| 2018 Base Expenditures | 4,839,289 |
| 2018 One Time Expenditures | 393,750 |
| 2018 Proposed Expenditures | 5,233,039 |
| 2017 Base Expenditures | 4,833,488 |
| 2017 One Time Expenditures | 1,131,552 |
| 2017 Approved Expenditures | 5,965,040 |
| Base Budget Change | 5,801 |
| Change by % | 0.12% |
| 2018 Base Revenues | 2,928,750 |
| 2018 One Time Revenues | 393,750 |
| 2018 Proposed Revenues | 3,322,500 |
| 2017 Base Revenues | 2,915,000 |
| 2017 One Time Revenues | 604,552 |
| 2017 Approved Revenues | 3,519,552 |
| Base Budget Change | 13,750 |
| Change by % | 0.47% |
| 2018 FTE | 43.43 |
| 2017 FTE | 43.43 |
| Change | 0 |
| Change by % | 0.00% |

Expanded summary on page 752



DEPARTMENT SUMMARY

Sustainable Planning and Community Development

Proposed Initiatives for 2018

- New Neighbourhood Plans for Fernwood, North Park, Rockland, as well as North and South Jubilee
- Updates to the Downtown Core Area Plan
- Ongoing implementation of the Housing Strategy
- Finalization of the Ship Point Master Plan
- Implementation of Visual Victoria
- Ongoing Development/Permit Application Process Improvements



DEPARTMENT SUMMARY

Sustainable Planning and Community Development

Draft Financial Plan Document

Operating Budget pages 747-772

Capital Budget page 985



Legal Services



DEPARTMENT SUMMARY

Legal Services

Core Services/Service Areas

- Provide legal advice to Council, City Manager and City staff
- Negotiate, prepare and oversee execution of contracts, leases and agreements authorized by Council
- Provide legal assistance related to land-use and development
- Assistance with real estate transactions
- Represent the City in legal proceedings
- Draft, revise and consolidate City bylaws and assist City staff in bylaw interpretation and application of bylaws and applicable provincial legislation
- Monitor changes and developments in laws affecting City and provide proactive advice to mitigate impacts on the City



DEPARTMENT SUMMARY

Legal Services

Budget Summary

| | |
|----------------------------|---------|
| 2018 Base Expenditures | 741,615 |
| 2018 One Time Expenditures | 0 |
| 2018 Proposed Expenditures | 741,615 |
| 2017 Base Expenditures | 737,615 |
| 2017 One Time Expenditures | 0 |
| 2017 Approved Expenditures | 737,615 |
| Base Budget Change | 4,000 |
| Change by % | 0.54% |
| 2018 FTE | 4.00 |
| 2017 FTE | 4.00 |
| Change | 0 |
| Change by % | 0.00% |



DEPARTMENT SUMMARY

Legal Services

Draft Financial Plan Document

Operating Budget pages 597-605



Corporate



DEPARTMENT SUMMARY

Corporate

Core Services/Service Areas

- Grants
- Taxation
- Insurance
- Debt
- Reserves



DEPARTMENT SUMMARY

Corporate

Budget Summary

| | |
|----------------------------|-------------------|
| 2018 Base Expenditures | 43,662,642 |
| 2018 One Time Expenditures | 0 |
| 2018 Proposed Expenditures | <u>43,662,642</u> |
| 2017 Base Expenditures | 40,998,524 |
| 2017 One Time Expenditures | 2,270,809 |
| 2017 Approved Expenditures | <u>43,269,333</u> |
| Base Budget Change | 2,664,118 |
| Change by % | 6.50% |
| 2018 Base Revenues | 23,855,327 |
| 2018 One Time Revenues | 0 |
| 2018 Proposed Revenues | <u>23,855,327</u> |
| 2017 Base Revenues | 23,583,092 |
| 2017 One Time Revenues | 3,960,809 |
| 2017 Approved Revenues | <u>27,543,901</u> |
| Base Budget Change | 272,235 |
| Change by % | 1.15% |

Expanded summary on page 837, 838



DEPARTMENT SUMMARY

Corporate

Draft Financial Plan Document

Operating Budget pages 835-896

Recommendations

**On November 7, staff will recommend that Council:**

1. Direct staff to bring forward the Five-year Financial Plan Bylaw, 2018 to the November 9 Council meeting for consideration of first reading prior to commencing public consultation
2. Direct staff to bring forward bylaws outlining solid waste, stormwater and water utility user fee increases to the November 9 Council meeting for consideration of first, second and third readings
3. Approve the following allocations of assessment growth (non-market change) property tax revenue:
 - a. \$500,000 to the Buildings and Infrastructure Reserve as per the Financial Sustainability Policy
 - b. \$87,000 to maintain the correspondence coordinator position (as directed by Council during 2017 financial planning process)
 - c. Direct staff to bring forward options for the use of the remainder upon completion of public consultation

Recommendations, continued



4. Direct staff to bring forward options for the use of 2017 surplus upon completion of public consultation
5. Direct staff to bring forward options for funding supplementary budget requests upon completion of public consultation
6. Allocate \$2,450,000 of the annual gas tax funding to the Storm Drain Brick Main project and direct staff to bring forward options for the allocation of the remainder upon completion of public consultation
7. Create a direct-award grant for seniors outreach funded by a reallocation of \$30,000 from the Strategic Plan Grant program
8. Approve the direct-award grants as outlined in this report

Recommendations, continued



9. Direct staff to bring forward options for funding increased grant requests upon completion of public consultation
10. Approve adding 1.0 FTE carpenter currently managed through auxiliary staffing and funded through existing budgets

Timeline

| Tentative Dates | Task |
|--|--|
| October 30, 31 and November 7 | Detailed presentations of draft Financial Plan |
| November 9 Council | First reading of Financial Plan bylaw |
| November | Public consultation |
| Week of November 27 | Town Hall / e-Town Hall meeting |
| First meeting in January 2018 Committee of the Whole | Present consultation results and seek direction on changes to Financial plan |
| April 2018 Committee of the Whole | Final report on Financial Plan including incorporated changes; report on 2018 tax rates. |
| April 2018 Council | Second and third reading of Financial Plan bylaw; first, second and third reading of tax bylaw |
| April 2018 Council | Adoption of Financial Plan bylaw and tax bylaw |