AGENDA - SPECIAL COMMITTEE OF THE WHOLE

Monday, November 4, 2019, 8:00 A.M.

COUNCIL CHAMBERS, CITY HALL, 1 CENTENNIAL SQUARE

The City of Victoria is located on the homelands of the Songhees and Esquimalt People

Pages

A. APPROVAL OF AGENDA

B. CONSENT AGENDA

C. READING OF MINUTES

D. UNFINISHED BUSINESS

E. LAND USE MATTERS

F. STAFF REPORTS

F.1 2020 Draft Financial Plan 1

Link to the *2020 Draft Financial Plan*

Continued from the Special Committee of the Whole meeting of October 31, 2019:

F.1.a Corporate

- Operating Budget: pages 577 - 620

F.1.b Supplemental Presentations

Motion referred from the October 31, 2019 Special Budget meeting:

That this be referred to November 4, 2019 to be considered following the supplementary items relating to arts and culture:

That Council direct staff to report back on the implications of funding car free day in 2020.

F.1.c Engineering and Public Works

- Operating Budget: pages 201 - 344
- Capital Budget: pages 761 - 769, 773 - 776, 790 - 800, 803 - 805, 835 - 837, 841 - 857

G. NOTICE OF MOTIONS

H. NEW BUSINESS

I. ADJOURNMENT OF COMMITTEE OF THE WHOLE

CITY OF VICTORIA

Committee of the Whole Report
For the Meeting of October 17, 2019

To:	Committee of the Whole	**Date:**	October 3, 2019
From:	Susanne Thompson, Deputy City Manager and Chief Financial Officer		
Subject:	2020-2024 Draft Financial Plan		

RECOMMENDATION

That Council receive this report for information and further consideration on December 5, 2019.

EXECUTIVE SUMMARY

Through the annual financial planning process, Council sets service levels and allocates funding to deliver the City's over 200 programs and services, to invest in infrastructure upgrades, and to achieve the City's Strategic Plan. For Council's consideration, the draft financial plan maintains current services at current service levels incorporating efficiencies achieved as a matter of course.

Council has provided direction to incorporate an equity lens in decision making. A separate report seeking further direction regarding the approach for an equity lens, which can range broadly in its application, is on the agenda for the October 17, 2019 Committee of the Whole meeting. Although an equity lens is not currently in place, a number of program areas, such as recreation and engagement, use inclusion considerations in program and event delivery. In addition, Council recently approved the Transgender, Non-Binary and Two Spirit Inclusion Action Plan; and struck a number of committees/working groups including for renters, seniors and peer informed community wellness. Staff recognize that Council's direction is for a more comprehensive equity approach and this will be developed going forward. In the meantime, this report outlines how guiding documents, such as master plans that include a number of prioritization criteria, inform the projects and programs brought forward for Council's consideration as part of the financial planning process. For awareness, attached as Appendix A to this report are maps providing a geographic view of some of the City's current infrastructure.

Four sessions have been scheduled (October 21, 31, November 4 and 15) where staff will provide detailed budget presentations and answer any questions Council may have. On December 5, 2019, Council direction will be sought on new property tax revenue from new development, 2019 surplus, utility rate increases, supplementary requests, and direct-award and other grants.

Council direction on a maximum tax increase of inflation plus 1% was provided through the Strategic Plan. The Consumer Price Index for Victoria (CPI) has ranged from 2.3% - 2.8% so far this year. The July CPI, when this draft plan was developed, was 2.4%, resulting in a maximum tax increase target of 3.4%. The draft financial plan introduced today totals approximately $258.7 million for operating and $42.1 million for capital. The proposed budget would result in a tax increase of 3.35%

(1.42% for operating, 0.72% for increased capital investment, 0.06% for the Greater Victoria Public Library, and 1.31% for VicPD plus 0.20% for the full-year cost of the six new officers approved by the Province in 2019, less new property tax revenue from new development to fund capital -0.36%).

Although Council direction relates to tax increases only, the draft financial plan also outlines user fee increases and clearly shows the impact to households and businesses for both utility fees and property taxes. Including utility user fees, the proposed total increase is 3.32% for the average residential property and 3.26% for the typical business.

During the strategic planning and 2019 financial planning processes, a number of resolutions were passed directing staff to bring forward items for consideration during this year's process as outlined in Appendices C and D. Staff are also bringing forward supplementary requests to address capacity challenges in a number of areas as outlined in Appendix B.

The draft financial plan and supporting consultation documentation will be available online by October 17, 2019. Following Council deliberation and adjustments, first reading of the Financial Plan Bylaw is scheduled to take place on November 15 signalling that Council is satisfied that the plan is ready to receive public input. A Town Hall/e-Town Hall meeting is scheduled on November 21. Upon completion of the public consultation, 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 15, staff will recommend that Council:

1. Direct staff to bring forward the Five-year Financial Plan Bylaw, 2020 to the November 15, 2019 daytime Council meeting for consideration of first reading.
2. Direct staff to bring forward bylaws outlining solid waste, sewer utility, water utility and stormwater utility user fee increases to the November 28, 2019 Council meeting for consideration of first, second and third readings.
3. Approve the following allocations of new property tax revenue from new development:
    a. $500,000 to the Buildings and Infrastructure Reserve as per the Financial Sustainability Policy
    b. $234,333 to fund a permanent increase in community and senior centre operating funding
    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 2019 surplus upon completion of public consultation.
5. Direct staff to bring forward options for funding supplementary budget requests upon completion of public consultation.
6. Approve the direct-award grants as outlined in this report.
7. Approve other grants as outlined in this report.
8. Direct staff to bring forward options for funding increased grant requests upon completion of public consultation.

PURPOSE

The purpose of this report is to introduce the draft 2020-2024 Financial Plan for Council's review and discussion prior to consideration of first reading of the 2020 Five Year Financial Plan Bylaw to initiate 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.

In addition, the City's Strategic Plan sets a maximum property tax increase of inflation plus 1%.

As part of the strategic planning process and the 2019 financial planning process, Council provided direction to either include items within the 2020 draft financial plan or to report back as part of the 2020 financial planning process. In addition, a number of reports throughout the year have referred consideration of funding to the 2020 financial planning process. These inclusions have been made and the items referred for consideration are included as appendices to this report.

The financial plan focuses on priorities and outcomes, outlining services and capital projects including costs, revenues and benefits of each. This 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.

Guiding Documents and Inclusion Considerations

The following section provides background information on how existing guiding documents inform the draft financial plan. The intent is to highlight what currently takes place, which could be a starting point for determining what could be improved upon in the context of developing/using an equity lens. The section below is not exhaustive, but provides a snapshot

Service Delivery

The City provides many services to its citizens. The following are examples of some of the considerations taken into account when shaping program delivery for a few of the City's public-facing services.

Recreation

The programs and services delivered through the City's various recreation assets are critical to addressing the overall health and wellness needs of residents of all ages and abilities. The majority of programs and services are delivered through a neighbourhood-based delivery model, whereby not-for-profit societies are supported by the City with funding and facilities, to identify and meet the needs of citizens at the local level. In addition, staff at the Crystal Pool and Fitness Centre also seek input from and collaborate with patrons and stakeholders to tailor program and service offerings for both residents in the local neighbourhood and others in the community, in City facilities and parks. For the past several years, the LIFE initiative has been administered by the City in partnership with

municipalities throughout Greater Victoria to reduce financial barriers to participation for residents with low income.

Engagement

The City is committed to clear, open and transparent two-way communication between the City and the public, with the ability for public input to effect change. Effective engagement means taking everything heard under consideration as decisions are made. The City's commitment to the community is to listen and review the feedback received with equal consideration as part of the City's decision-making process. When new projects are being developed or changes are being considered to plans, policies, programs and services, we want to hear from those who are impacted. We also want to hear from those who have passion and experience in the areas we're working on. Opportunities to provide this feedback are diverse and wide-ranging. From open houses to online surveys, the City seeks a variety of ways to stay engaged with residents that also reduces barriers to participation. For example, childminding is now provided for Council meetings, and new Town Halls provide an opportunity for participants to lead discussions with Council. The City's annual Engagement Summit allows residents to inform us on how we can continue to refine our engagement activities to reduce barriers and increase public participation.

Strategic Real Estate

Based on current direction from City Council, the Strategic Real Estate department manages the real estate portfolio and makes decisions regarding the acquisition, disposition and use of land, based on the triple bottom line approach that takes into account the economic, social and/or environmental returns from the transaction. Through this balanced approach, multiple outcomes can be secured because the City values social and environmental benefits generated through the use of land equally with economic benefits. A balanced approach, taking into consideration all three types of returns, is important for long term sustainability and leveraging the use of land to provide its maximum benefit. For example, economic returns from commercially leased properties help provide funding for City projects and services that deliver social benefits to a wide range of the community. Beyond economic use, the City also chooses to make use of land to directly generate social benefits to ensure a wider group of the public receives benefit. These social benefits can be realized in a number of different ways and by various groups (e.g. non-profits and community groups) who would not be able to operate and deliver their services, or participate in their activities, if they had to incur the economic cost of land necessary for their activities. Recent efforts by the City to support multiple affordable housing and transitional shelter projects, affordable childcare space, community centres, society spaces and community gardens are examples where City real estate is provided throughout the community at nominal rates (no economic return) to deliver social initiatives supporting the City's strategic direction. Finally, the City can also evaluate real estate decisions with respect to environmental impacts as another form of social benefits. Recent examples of this can take the form of protecting fragile ecosystems through acquiring land, to remediating contaminated land as part of converting it to community use or economic development.

Business and Community Relations

Economic Development, Arts Culture & Events, Neighbourhood Team and Victoria Conference Centre are all very public-facing and on a daily basis require staff to assist and work holistically with all residents, businesses, and organizations. The Business Hub operates with an 'open door' policy and welcomes anyone looking to start a business or require assistance working through the City's business processes. The Neighbourhood Team manages the My Great Neighbourhood Grant program that is open to any Victoria resident. They also attend all 13 Neighbourhood Association monthly meetings and are a conduit for an exchange of information between the City and residents. The Victoria Conference Centre is 1 of 20 convention facilities in Canada and welcomes any type of conference, meeting, event or consumer show. The Arts, Culture & Events team

evaluate the majority of new initiatives based on the Create Victoria Implementation Framework as a guiding reference for prioritizing projects. The public art projects are vetted by both the Art in Public Places Committee and an Inter-Departmental Public Art Technical Team. Staff use City planning documents such as Neighbourhood Plans, Parks and Open Space Master Plans, stakeholder input (AIPP and staff) to determine project feasibility and priorities.

Infrastructure Investment

The majority of the City's infrastructure investment is guided by asset master plans as well as the City's Official Community Plan, Neighbourhood Plans, regional plans and the Strategic Plan. These master plans use a range of criteria to determine priorities.

Underground utilities (sewer, storm drains and water) have 20-year asset master plans in place. Asset management planning, and lifecycle costing and analysis include:

- Risk assessment and service delivery
- Condition assessment and remaining design life
- Capacity requirements including future population growth
- Enhance resiliency to meet climate change, tsunami and seismic hazards
- Reduce inflow and infiltration to sewers
- Optimizing energy use

Additional factors taken into account are:

- Coordination with transportation or other right-of-way improvements (bundle projects)
- Number and location of other projects in neighbourhood in consideration of social impacts – network traffic flows

For transportation projects, there are many and varied programs and services provided including crosswalks, sidewalks, road paving and traffic calming. Each program considers a number of criteria, but the overall principles for all transportation projects are:

- Road safety
- Use of standards, established criteria and best practice
- Consistency of implementation to maintain system integrity
- Promoting projects fairly and equitably with the most impact and greatest benefits
- Fiscal responsibility and prudence
- Coordination opportunities

The Parks and Open Spaces Master Plan was developed through city-wide consultation with residents and other stakeholders, to assess community needs and examine investment priorities. The goals of the Plan include a focus on serving the needs of all citizens (*Foster Engaging Experiences for Everyone*).

The ongoing maintenance work relating to "grey" and "green" assets in parks and open spaces is primarily driven by condition assessment data, which provides an objective measure of the state of assets in these public spaces. In recent years, staff have noted that the condition of assets in low-income areas of the city have required additional investment and attention, resulting in major projects in locations such as Cecelia Ravine Park.

The City's investments in buildings are typically based on a few key factors, including data relating to the physical condition of these assets and systems, as well as the service priorities of occupants of these buildings. In the past three years, increased focus has been directed to quantifying and

addressing physical accessibility needs, as well as energy performance, in line with the City's overall strategic plans. Over the next several months, a long-term Facilities Master Plan will be developed, resulting in a road map for decision-making and investments in these assets, based on Council's new strategic principles and goals.

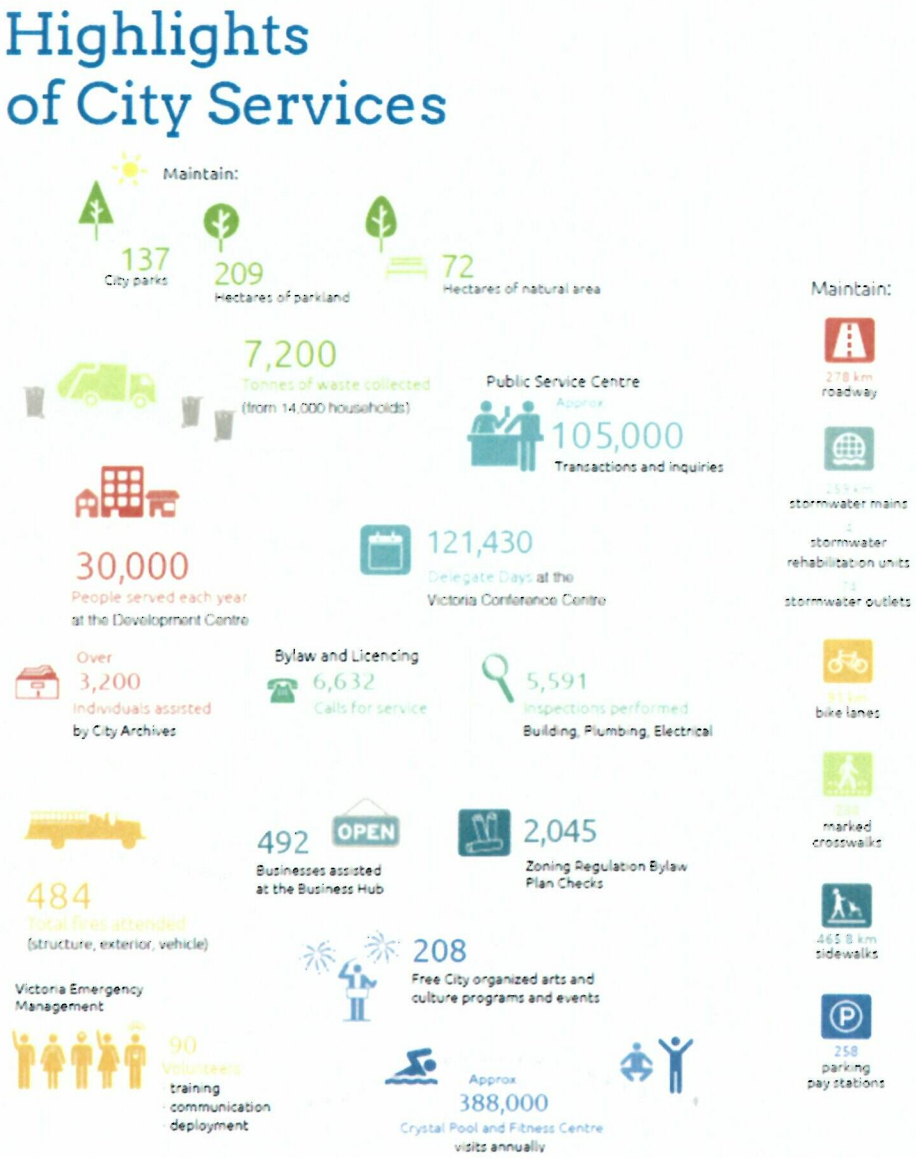
ISSUES & ANALYSIS

Operating Budget

Overview

The draft 2020 operating budget totals $258.7 million, resulting in a proposed overall increase in property taxes of $4.68 million or 3.35%. Including utility user fees, the proposed increase is 3.32% for residential and 3.26% for business.

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



The draft financial plan maintains services at current services levels. The main cost drivers are salary increases, capital investment, insurance, training and development, hydro, and software licencing agreements. These increases have been offset in part by increased revenues from recreation and property leases.

The following table summarizes the budget cost drivers and proposed property tax increase for 2020:

	Tax Increase	
Property Tax Impact	**Dollars $**	**Percentage %**
Cost Drivers		
Salaries and Benefits	1,748,932	1.25%
Insurance	118,720	0.08%
Training and Development	100,886	0.07%
Software Licencing	81,872	0.06%
Hydro	58,285	0.04%
Fuel	42,135	0.03%
Asphalt	24,000	0.02%
Police Late Night Task Force	16,150	0.01%
Natural Gas	12,470	0.01%
Grants		
Inflation Growth	28,232	0.02%
Community and Senior Centres Operating Funding	234,333	0.17%
New Property Tax Revenue from New Development	(234,333)	-0.17%
Operating Impacts from Capital Projects		
Johnson Street Bridge Operations	45,000	0.03%
Johnson Street Bridge Public Realm	39,000	0.03%
Expense Savings		
Crystal Garden Retail Water - direct billing to lessee	(33,710)	-0.02%
Revenue Increase		
Recreation Fees	(111,741)	-0.08%
Lease Revenue	(83,814)	-0.06%
PILT Revenue	(15,000)	-0.01%
Dog Licenses	(15,000)	-0.01%
Capital Investment		
Street Upgrades	500,000	0.36%
Building and Infrastructure Reserve	500,000	0.36%
New Property Tax Revenue from New Development	(500,000)	-0.36%
Other Changes	(72,395)	-0.05%
City Total	**2,484,022**	**1.78%**
Police Operations	1,589,271	1.14%
Six Officers Approved by Province in 2019	283,004	0.20%
Capital Reserve Increase	234,404	0.17%
Police Total	**2,106,680**	**1.51%**
Greater Victoria Library	**90,504**	**0.06%**
Total Property Tax	**4,681,206**	**3.35%**

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

	2018 FTE	2019 FTE	2020 Draft FTE	2019 to 2020 Draft Change
Business and Community Relations	25.91	25.91	25.91	0.00
Bylaw Services	10.00	10.00	10.00	0.00
City Manager's Office	7.00	7.00	7.00	0.00
Corporate Initiatives	0.00	2.00	2.00	0.00
Engagement	12.00	11.00	11.00	0.00
Engineering and Public Works	279.72	296.72	300.72	4.00
Finance	84.26	85.07	85.07	0.00
Human Resources	11.00	13.00	13.00	0.00
Information Systems	19.00	23.00	23.00	0.00
Legal Services	4.00	4.00	4.00	0.00
Legislative Services	12.88	9.88	9.88	0.00
Mayor's Office	0.00	1.00	1.00	0.00
Parks, Recreation and Facilities	179.75	187.75	194.68	6.93
Real Estate	3.00	5.00	5.00	0.00
Sustainable Planning and Community Development	43.43	44.43	44.43	0.00
Victoria Fire Department	124.09	124.09	124.09	0.00
Total	**816.04**	**849.85**	**860.78**	**10.93**

Notes:

Engagement and Sustainable Planning and Community Development have 1 FTE each reallocated to Corporate Initiatives
Legislative Services 3 FTE's from records management and archives have reallocated to Information Systems

In 2019, Council approved adding a number of positions to advance initiatives including for affordable housing, urban forest, climate action, strategic real estate and sustainable transportation.

In addition, during the 2019 financial planning process Council passed the following motion:
"That Council adopts the policy that the FTE count indicated in the Financial Plan for each department / division / business unit is approximate, meaning that the FTE count will not be interpreted in a restrictive manner to prevent in-house delivery of services, subject to expenditures not exceeding the maximum budgeted amount for the relevant department / division / business unit."

Subsequent to that direction, 10.93 FTEs have been added funded within exiting budgets or through related revenue increases for recreation, underground utilities, surface infrastructure and public works.

The current full-time employee equivalent count, excluding VicPD, is 860.78. 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. Should Council approve any supplementary requests or fund additional Strategic Plan initiatives, additional FTEs would be added.

Utilities

The major cost driver for the City's utilities is the CRD bulk water, salaries and capital investment. Staff are proposing to bring forward bylaws for rate increases to the November 28 Council meeting for consideration of first, second and third readings followed by adoption at the December 12 Council meeting. Bringing the bylaws forward in this manner will authorize the increases to come into effect on January 1, 2020. Further details for each utility is provided below.

The proposed Water Utility budget results in a user fee revenue increase of $847,022 or 3.97% as outlined in the following table:

Water Cost Driver		Dollars $	Percentage %
CRD Bulk Water	$	766,969	3.59%
Salaries, materials & equipment		80,053	0.37%
Total	**$**	**847,022**	**3.97%**

The proposed Sewer Utility budget results in a user fee revenue increase of $181,085 or 2.28% as outlined in the following table:

Sewer Cost Driver		Dollars $	Percentage %
Transfer to Capital	$	122,000	1.53%
Salaries, materials & equipment		59,085	0.74%
Total	**$**	**181,085**	**2.28%**

The Solid Waste program proposes a user fee revenue increase of $109,447 or 3.39% as outlined in the following table:

Solid Waste Cost Driver		Dollars $	Percentage %
Salaries, materials & equipment	$	109,447	3.39%
Total	**$**	**109,447**	**3.39%**

The proposed Stormwater Utility budget results in a revenue increase of $116,117 or 1.69% as outlined in the following table:

Stormwater Cost Driver		Dollars $	Percentage %
Transfer to Capital	$	59,000	0.86%
Salaries, materials & equipment		57,117	0.83%
Total	**$**	**116,117**	**1.69%**

Greater Victoria Public Library (GVPL)

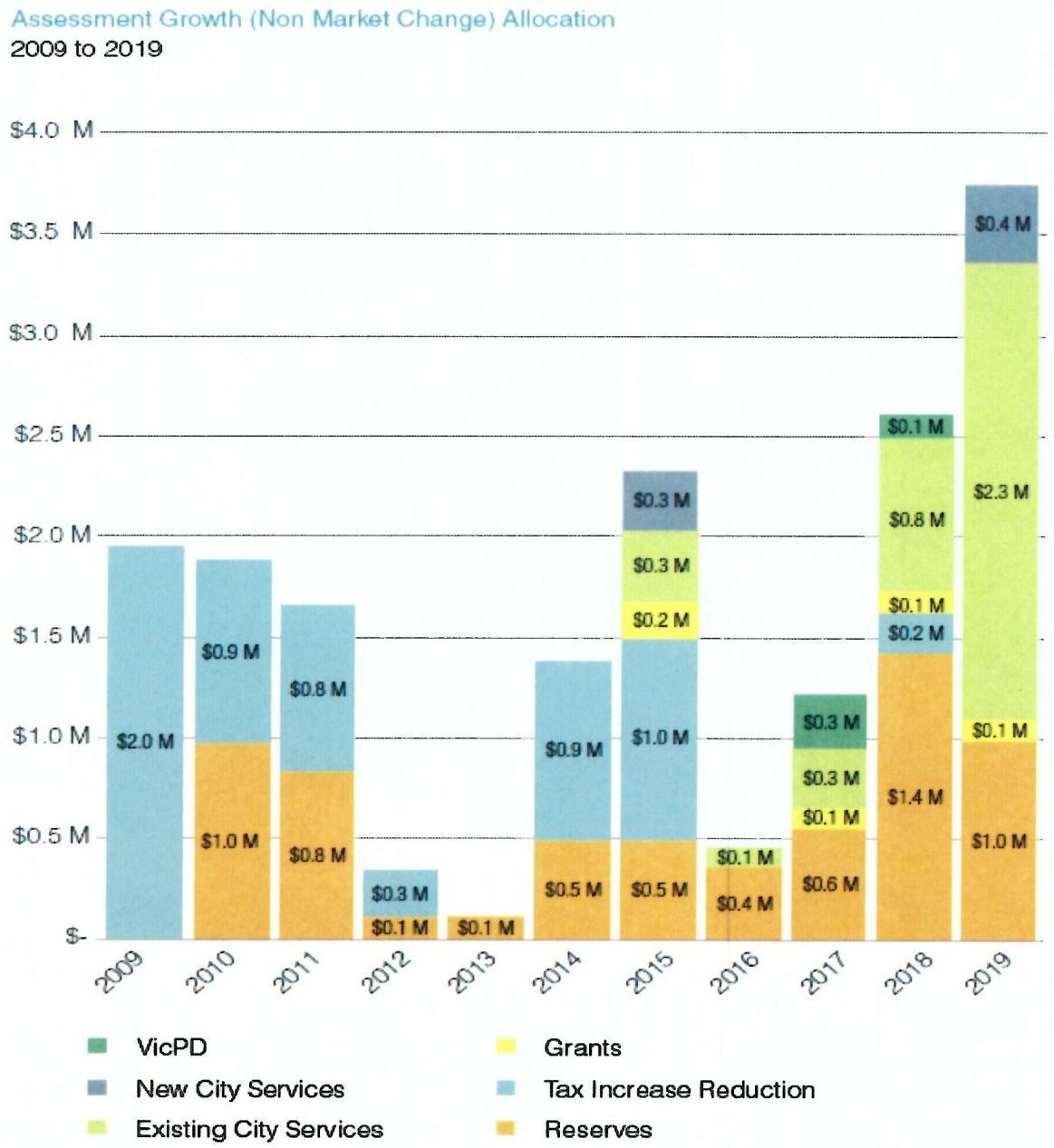
The City's share of the GVPL's operating and facility maintenance budget request, and the City's lease and building costs for its branches is $5.54 million, which is an increase of approximately $90,500. The Library Board is scheduled to consider the 2020 budget on October 22, 2019.

New Property Tax Revenue from New Development (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 permanently increase funding for community and seniors centre grants ($234,333 – subject to report back from the centre operators).

Any additional new property tax revenue from new development has not been factored into the draft 2020 Financial Plan. A conservative early estimate for total new property tax revenue from new development, based on information provided by BC Assessment, is $2.5 million. However, this is based on incomplete information this early in the year and this amount will likely change before it is finalized in March 2020. BC Assessment will be providing a revised estimate before Council makes funding allocation decisions in December. The final amount will not be known until the end of March when BC Assessment has finalized the assessment roll for the year.

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 portion of this new revenue has been used to fund new services as illustrated in the graph below:



Council could consider using this revenue to fund strategic plan items, fund supplementary requests, fund additional capital projects, address feedback from public consultation, transfer additional funds to reserve, or reduce taxes. The current reserve contribution to the Buildings and Infrastructure Reserve is $8.1 million plus the proposed addition of $500,000 for a total of $8.6 million in 2020; the estimated unallocated balance at the end of 2019 is $30.4 million.

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

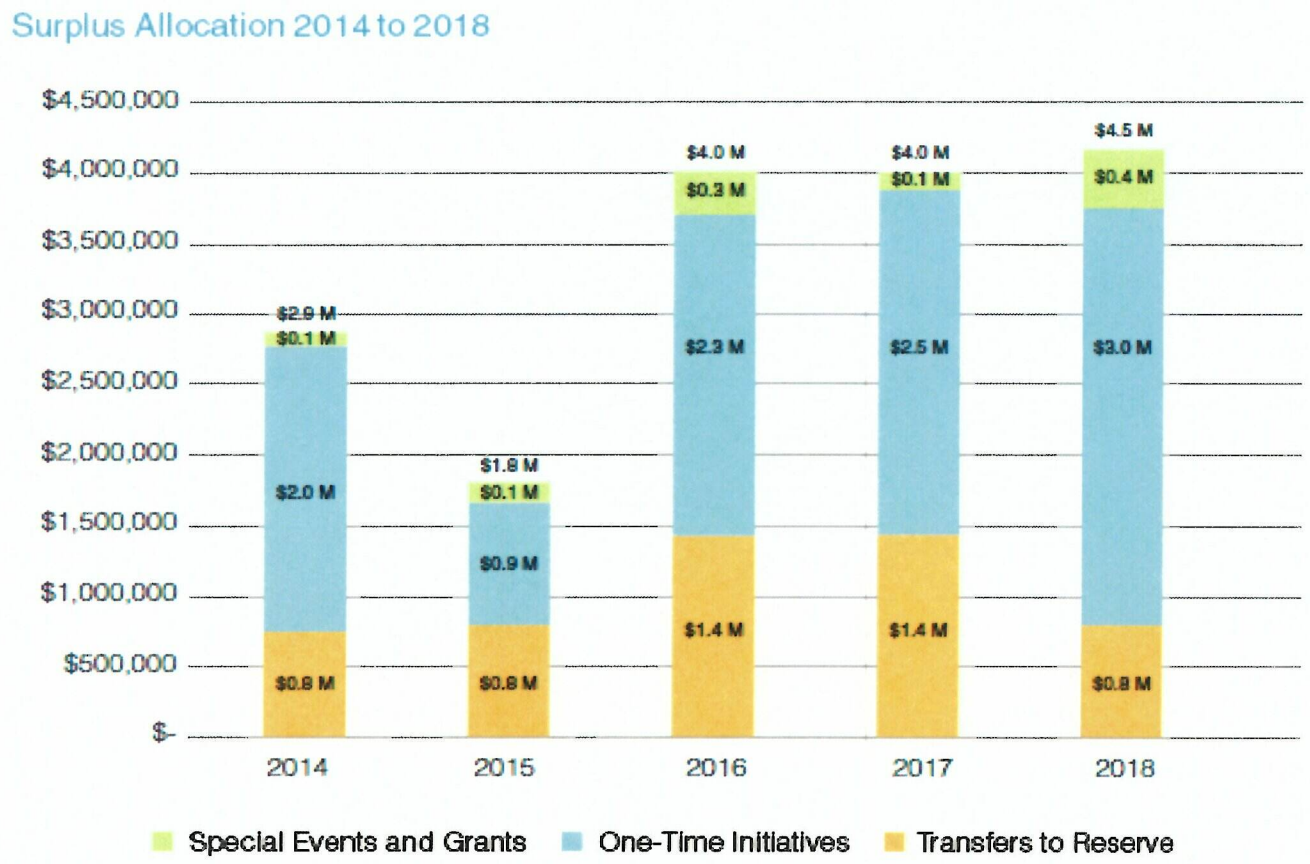
2015		2016		2017		2018		2019	
Reduce Property Tax Increase	$1,000,000	Real Estate Function	$60,000	Police Budget	$277,000	Buildings and Infrastructure Reserve	$885,286	Urban Forest Management Plan	$858,000
Buildings and infrastructure Reserve	$500,000	Buildings and infrastructure Reserve	$365,000	Buildings and infrastructure Reserve	$250,000	James Bay Library Operating	$345,000	Buildings and Infrastructure Reserve	$623,545
Community Garden Volunteer Grants	$36,000			Accessiblity Reserve	$250,000	James Bay Library Capital	$198,000	Real Estate Function	$250,000
Interdisciplinary Team	$300,000			Real Estate Function	$135,000	Property Tax Decrease	$197,234	Houseplexes and Townhomes Planners	$240,000
Downtown Community Centre Funding	$50,000			Tree Care	$128,000	Fire Prevention Officer	$121,000	James Bay Library Capital	$239,000
Increase Community Centre Funding	$100,000			Greening of Fleet	$61,722	Police Civilians	$114,814	Transportation Planner	$200,000
Solid Waste Garbage Collection and Waste Separation	$55,000			New Gymnasium - 950 Kings Rd	$49,000	Transportation Planner	$104,000	Disability Coordinator	$128,500
Village Centre Beautification (Banners)	$10,000			Arts and Culture Support	$25,000	Park Planner	$103,000	Vehicle and Heavy Equipment Reserve	$123,545
Traffic Calming	$100,000			Community Garden Volunteer Coordinator	$6,000	Building Project Administrator	$99,000	Climate Grant Writer	$117,000
Sidewalk Maintenance Upgrades	$80,000			Distribution of Mulch to Community Garden Operators	$6,000	Sustainability Waste Management Engineer	$99,000	Mayor's Office Support	$114,000
Real Estate Function	$101,000			Victoria Heritage Foundation Grant	$5,125	Correspondence Coordinator	$87,000	Climate Outreach Specialist	$106,000
Total	**$2,332,000**	**Total**	**$425,000**	Victoria Civic Heritage Trust Grant	$2,153	Graphic Design Support	$81,000	New/Expanded Community Centres	$106,000
				Medallion Challenge Trophy	$500	Parks Natural Areas Support	$63,000	Business Analyst - Information Systems	$102,000
				Total	**$1,195,500**	Festival Investment Grant	$50,000	Talent Specialist	$96,500
						Community Garden Program	$15,000	Asset Management Technician	$85,500
						Victoria Heritage Foundation	$10,716	LIFE Program Extension	$74,000
						Food Systems North Park Neighbourhood Association	$6,000	Indigenous Artist in Residence	$72,000
						Victoria Heritage Trust	$2,186	Festival Investment Grant	$50,000
						Victoria Community Association Network Grant	$900	Community Garden Program	$30,160
						Community Garden Volunteer Coordinator Grants Inflation	$864	Strategic Plan Grants	$20,000
						Total	**$2,583,000**	Youth Leaders in Training (YLIT)	$20,000
								Support Department Overhead	$19,000
								Mayor's Travel Budget	$15,000
								Town Hall Meetings	$12,000
								Council Catering	$10,000
								Living Wage	$9,000
								Constituency Funds	$8,000
								Urban Food Table	$6,000
								Community Input Process	$5,000
								My Great Neighbourhoods Grant	$3,000
								Victoria Civic Heritage Trust Grant	$2,250
								Poet Laureate Program	$2,000
								Total	**$3,747,000**

2019 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 2019 year is not yet complete and the amount of the 2019 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 2019 surplus be made once the consultation on the draft Financial Plan is complete.

The following graph and table outline the surplus allocation for the past five years:



2014		2015		2016		2017		2018	
Victoria Housing Reserve	$ 750,000	Buildings and Infrastructure Reserve	$ 552,721	Buildings and Infrastructure Reserve	$ 1,440,209	Buildings and Infrastructure Reserve	$ 482,609	Victoria Housing Reserve	$ 750,000
Buildings and Infrastructure Reserve	$ 500,000	Parks Overnight Sheltering Support and Clean-Up	$ 313,000	Accelerated Local Area Planning (2018-2019)	$ 500,000	Vehicles and Heavy Equipment Reserve	$ 482,608	Zero Waste Strategy	$ 400,000
Accessibility Capital Fund	$ 250,000	Accessibility Capital Fund	$ 250,000	South Island Prosperity Project (SIPP)	$ 220,000	Greenways Acquisition Fund Reserve	$ 482,608	Overnight Sheltering -- Support & Clean Up	$ 362,000
Emergency Management	$ 250,000	Crosswalk Projects	$ 200,000	Vulnerable Population Pilot Project	$ 204,891	Victoria Housing Strategy Implementation	$ 250,000	Housing Initiatives	$ 300,000
Parks Master Plan	$ 250,000	Arboriculture (Urban Forest Mgmt Plan Implementation)	$ 128,500	Parks Overnight Sheltering	$ 200,000	South Island Prosperity Project	$ 220,000	Traffic Calming Initiatives	$ 250,000
Expediate Local Area Plans	$ 200,000	Cultural Plan	$ 116,000	Parks Infrastructure	$ 158,000	Mental Health Integration	$ 216,575	Accessibility Framework	$ 250,000
UBCM Conference	$ 155,000	Senior Parks Planner	$ 103,000	High Risk Tree Removal	$ 150,000	Overnight Sheltering -- Support & Clean Up	$ 200,000	Citizens' Assembly	$ 250,000
Centennial Square Washroom Upgrades	$ 125,000	Real Estate Function Consulting	$ 100,000	Canada 150 Festivities	$ 150,000	Neighbourhood Transportation Management	$ 180,000	South Island Prosperity Project	$ 220,000
Dallas Road Split Rail fence	$ 125,000	Broad Street Mall Repairs	$ 15,000	Songhees and Esquimalt First Nations Long House	$ 110,000	High Risk Tree Removal	$ 150,000	MSP Premiums	$ 200,000
Strategic Objectives Account (unallocated)	$ 109,318	Sidewalk Power-Washing	$ 15,000	Parks Planning Temporary Support	$ 103,000	Heritage Planner (2 year term)	$ 120,000	Community Centre Funding	$ 170,424
Storage-Homeless Persons' Belongings	$ 45,000	India Mela and Dragon Boat Society 80% FIG Grants	$ 11,200	Victoria Housing Strategy Implementation	$ 100,000	Engagement Advisor	$ 109,000	Public Washroom - South End of Douglas St	$ 150,000
Concrete and Brick Pavers Intersection Maintenance	$ 37,000	Traffic and Parking Improvements	$ 8,000	Correspondence Coordinator	$ 87,000	Downtown Public Realm Plan Implementation	$ 105,000	Tree Preservation Bylaw	$ 110,000
Strategic Plan Grants - additional funding	$ 36,164	City of Victoria Youth Council Additional Request	$ 6,000	Install Symbol of Lekwungen People	$ 75,000	Community Benefit Hub (2 year)	$ 100,000	Parks Planner	$ 107,250
Western Canada Music Awards Grant	$ 25,000	Total	$ 1,818,421	Adaptive Management Framework	$ 55,000	Downtown sidewalk cleaning & snow removal	$ 99,500	Planner - Development Services	$ 107,250
Strategic Plan Grants (unspent 2014 Greenways)	$ 25,000			Temporary Moveable Child Friendly Play Feature In Centennial Square	$ 50,000	Parks Arboriculture	$ 97,000	Neighbourhood Led Neighbourhood Planning	$ 100,000
Island Transformations Railway Crossing Study	$ 4,000			City Studio (2018-2019)	$ 50,000	Speed Reader Boards	$ 85,000	Reconciliation Training	$ 76,350
VCAN Support	$ 1,100			Public Works Master Plan	$ 50,000	International Ice Hockey Federation World Junior Hockey Championship	$ 70,000	Support Department - Engagement	$ 75,000
VCAN Support 2016 - First 6 Months	$ 900			Seasonal Special Events Traffic Control Support	$ 50,000	Secretary Planning	$ 67,000	Secretary - Planning	$ 72,500
Total	$ 2,888,482			Solid Waste Management Strategy	$ 50,000	Condition Assessment Pilot Project	$ 60,000	Secretary - Legislative Services	$ 72,500
				City's Truth and Reconciliation Commission Calls to Action Task Force	$ 50,000	Inclusion Policy and Program	$ 60,000	Support Department - Legal Services	$ 65,000
				Car Free Day (2018-2020)	$ 45,000	Environmental Performance Audit	$ 50,000	Senior Centre Funding	$ 63,900
				Development Services Temporary Support	$ 42,000	Professional Certification/Project Management	$ 50,000	55+ Games BC 2021	$ 55,000
				Zoning Updates	$ 30,000	Witness Reconciliation Program	$ 50,000	Victoria 2020 Fracophone Games	$ 50,000
				Youth Strategy	$ 30,000	Accessibility Framework	$ 40,000	Our Place extended hours	$ 50,000
				2017 Canadian Capital Cities Organization Annual Conference	$ 20,000	Traffic Signal Timing Update Study	$ 40,000	Buildings and Infrastructure Reserve	$ 48,326
				Temporary installation of table tennis and chess tables in Centennial Square	$ 11,000	Pioneer Square Archaeological Reporting	$ 37,000	Youth Strategy Coordinator	$ 30,000
				Victoria Community Association Network	$ 1,200	Extra Bridge Coverage	$ 30,000	Best Practices in Respectful Facilitation Training & Engagement	$ 30,000
				Fairfield Community Centre - Insurance Administration	$ 500	Single-Use Checkout Bag Regulation	$ 30,000	Greenway Plan and Design Standard	$ 30,000
				Total	$ 4,032,800	Youth Strategy Liaison	$ 30,000	Government Street Pedestrian Only	$ 25,000
						Youth Leaders in Training Program	$ 20,000	Rental Initiatives	$ 20,000
						Step Code Implementation	$ 10,000	Municipal Alcohol Policy - Late Night Task Force	$ 15,000
						Ending Violence Association of BC	$ 2,500	Childcare at City Hall for Public Hearings	$ 11,000
						Total	$ 4,026,400	MacDonald Statue	$ 10,000
								Council Conflict of Interest	$ 10,000
								Childcare Strategy	$ 5,000
								Late Night Task Force (Harassment)	$ 2,500
								Total	$ 4,544,000

A conservative early estimate of the 2019 surplus is $3 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. The numbers assume Council approves a 3.35% tax increase and distributes the tax increase evenly between residential and commercial taxpayers. These estimates were calculated based on 2019 assessed property values and 2019 estimated water usage and actuals will differ as assessed values will change in

2020. Also, these numbers reflect average increases and individual properties will see different increases depending on individual property assessed value changes.

Estimated Average Residential	2020	2021	2022	2023	2024
Property Taxes ($805,000 assessed value)	$85	$82	$72	$72	$75
Water Utility - 80 units	17	15	11	11	12
Sewer Utility - 80 units	4	3	4	11	1
Solid Waste - 120 litre bin	8	5	4	5	5
Stormwater Utility	2	5	7	5	5
Estimated Increase in $	$116	$110	$98	$104	$98
Estimated Increase in %	3.32%	3.05%	2.64%	2.73%	2.50%

Estimated Typical Small Business	2020	2021	2022	2023	2024
Property Taxes ($644,000 assessed value)	$237	$228	$199	$201	$209
Water Utility - 80 units	17	15	11	11	12
Sewer Utility - 80 units	4	3	4	11	1
Stormwater Utility	5	10	16	11	12
Business Licence	-	-	-	-	-
Estimated Increase in $	$263	$256	$230	$234	$234
Estimated Increase in %	3.26%	3.07%	2.68%	2.65%	2.59%

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; 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 corporate-wide prioritization process is undertaken. The supplementary requests for 2020 address capacity challenges in a number of areas as outlined in the table below:

Supplemental Request	On-Going	One Time
Managing Growth and New Development		
Secretary - Planning	$ 72,500	
Secretary - Legislative Services	$ 80,500	
Planner - Development Services	$ 113,500	
Planner - Parks	$ 113,500	
Strategic Plan Support Services		
Resources Requirements for Legal Services		$ 84,500
Resource Requirements for Engagement		$ 75,000
Short-Term Rentals		
Bylaw Position	$ 73,000	
Bylaw Position	$ 93,500	
Asset Management		
Asset Management Position	$ 89,000	
Managing Public Spaces		
Parks Clean Up	$ 362,000	
Centennial Square	$ 35,000	
Bylaw Position	$ 93,500	
Health and Safety		
Health and Safety Position	$108,000	
Youth Initiatives		
Support Program Implementation		$ 30,000
Tree Care		
Tree Planting		$ 140,000
Protocol		
Sister City Delegations		$ 60,000
Heritage		
Position - Heritage 0.5 FTE	$ 50,000	
Total	**$ 1,284,000**	**$ 389,500**

It is anticipated that the positions related to short-term rentals can be funded through the short-term rental licence revenue. Additional details on each are attached as Appendix B.

The public consultation process may result in additional funding needs. Possible funding sources are 2019 surplus, new property tax revenue from new development, 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 2020 totals $42.1 million. The following chart outlines the proposed capital investment:

Capital Expenditures by Category

2020 Budgeted Category Expenditures ($42.1 million)

16%	Sanitary Sewers
15%	Stormwater
13%	Waterworks
13%	Complete Streets
12%	Equipment
9%	Active Transportation
8%	Facilities
7%	Street Infrastructure
4%	Police
1%	Retaining Walls and Railings
1%	Contingency
1%	Parks

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

Each budget request includes both the capital cost and the ongoing additional operating costs and FTE requirements. 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 have sufficient funding levels for the near future but may require funding increases beyond that (sewers), some projects are shaped through consultation with the community (park upgrades), some require additional analysis to determine the required funding levels (equipment and surface infrastructure such as street and traffic lights) and some fall short of recommended levels (facilities, roads and fleet).

A facilities condition assessment was completed in 2015 and a Facilities Master Plan was initiated in 2019; both will inform future investment needs and long-term funding strategies.

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 $500,000 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 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 $11.1 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 2020, based on the investment needs identified above, it is recommended that $500,000 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 grants and debt, which is consistent with the City's debt policy.

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 2019. 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. 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 2019 will be completed:

Description	Unallocated Balance at Dec 31, 2019	2020 Budget Transfers In	2020 Budget Transfers out	Projected Balance Dec 31, 2020
Capital Reserves				
Equipment & Infrastructure				
Police				
Police Vehicles, Equipment & Infrastructure	907,573	1,155,000	1,730,000	332,573
Police Emergency Response Team	347,894	10,000	32,000	325,894
City				-
City Equipment	10,419,436	1,602,500	1,520,000	10,501,936
City Vehicles & Heavy Equipment	4,004,084	1,890,743	2,452,000	3,442,827
City Buildings & Infrastructure	30,436,928	9,014,832	4,047,000	35,404,760
Accessibility Capital	963,966	250,000	-	1,213,966
Parking Services Equipment and Infrastructure	9,962,191	3,553,427	260,000	13,255,618
Multipurpose Equipment and Infrastructure	758,323	142,000	-	900,323
Recreation Facilities Equipment and Infrastructure	1,164,243	28,300	-	1,192,543
Archives Equipment	32,062		-	32,062
Artificial Turf Field	1,197,314	99,465	-	1,296,779
Gas Tax	5,639,535	3,666,000	4,473,000	4,832,535
Water Utility Equipment and Infrastructure	22,230,796	1,770,000	-	24,000,796
Sewer Utility Equipment and Infrastructure	26,820,855	609,407	1,466,000	25,964,262
Stormwater Utility Equipment and Infrastructure	2,459,862	100,000	-	2,559,862
Tax Sale Lands Fund	1,874,956	50,000	-	1,924,956
Parks and Greenways Acquisition Fund	2,167,917			2,167,917
Tree Conservation	446,746		45,290	401,456
Local Amenities Reserve	203,600			203,600
Development Cost Charges	12,635,787		1,388,000	11,247,787
Downtown Core Area Public Realm Improvements	216,180			216,180
Total Capital Reserves	134,890,248	23,941,674	17,413,290	141,418,633
Operating Reserves				
Financial Stability Reserves				
City	8,087,108	205,000	454,000	7,838,108
Police	590,785			590,785
Debt Reduction	41,573,802	3,147,368		44,721,170
Insurance Claims	4,003,695			4,003,695
Water Utility	865,658			865,658
Sewer Utility	814,334			814,334
Stormwater Utility	429,134			429,134
Victoria Housing Reserve	3,230,915	250,000		3,480,915
Climate Action Reserve	400,390	313,961	105,000	609,351
Art in Public Places	382,467	150,000	200,500	331,967
Heritage Buildings Seismic Upgrades	150,411			150,411
Development Stabilization Reserve	1,880,449			1,880,449
Total Operating Reserves	62,409,148	4,066,329	759,500	65,715,977
Total City Reserves [1]	**197,299,396**	**28,008,003**	**18,172,790**	**207,134,609**

1. Additional interest revenue earned will be allocated throughout each Reserve at year-end

The City currently has $69.3 million in outstanding debt. 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 that Council has set aside for the replacement of Fire Department Headquarters. There are some smaller debt issues 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	2020 Total
2022	102	Burnside Gorge Community Centre	163,644
2022	102	City Hall Accessibility	162,992
2023	103	Parkades	137,594
2024	105	Parkades	130,394
2024	105	Crystal Gardens	249,198
2025	110	Parkades	493,694
2031	115	Johnson Street Bridge Replacement (CMHC)	743,242
2033	79	Multipurpose Arena	375,514
2033	80	Multipurpose Arena	435,514
2034	81	Multipurpose Arena	435,514
2034	130	Johnson Street Bridge Replacement	1,475,097
2036	139	Johnson Street Bridge Replacement	320,186
2037	142	Johnson Street Bridge Replacement	659,671

Allocation of Annual Gas Tax Funding

The City receives annual funding from the Federal Government through their gas tax program. The expected amount for 2020 is $3.67 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 2019, 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 2020, the gas tax funding available is $4.83 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, recreation projects such as the Crystal Pool Replacement and bike lanes. The draft capital plan can be delivered with existing resources. Adding additional projects would be a challenge due to staff capacity; therefore, no allocation from this reserve is proposed for 2020.

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. Once completed, this plan will inform future capital plans. A condition assessment of all parks assets was 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 Topaz Park improvements, design work underway will determine required budgets and can be incorporated into the capital plan once completed.

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 a motion to set aside $110,000 in funding for a future longhouse in Beacon Hill Park. The funding is set aside in reserve until the First Nations are ready to proceed.

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. Over the last two years, Council has directed a few grants to be allocated outside of the established programs and these have been grouped under "other grants". Per Council direction, the majority of grants have been increased by inflation.

The Victoria Heritage Foundation has requested additional funding of 2.7% or $5,962. The Victoria Civic Heritage Trust have indicated they may be requesting additional funding, but have yet to submit a request.

The proposed funding for the direct-award grants is as follows. The last column indicates the additional request.

Organization	Type of Grant	2019 Final Budget	2020 Budget	Change	Additional Requests
Victoria Civic Heritage Trust	Building Incentive	420,000	420,000	0	
Victoria Civic Heritage Trust	Operating	114,250	114,250	0	TBD
Victoria Heritage Foundation	Operating	220,841	220,841	0	5,962
Recreation Integration Victoria	Operating	33,213	33,213	0	
Victoria Youth Council	Operating	26,000	26,000	0	
Quadra Village Community Centre	Operating	75,000	75,000	0	
Quadra Village Community Centre	Youth Programming	8,659	8,875	216	
Quadra Village Community Centre	Lease Grant	43,200	44,064	864	
Fernwood Community Centre	Operating	75,000	75,000	0	
Fernwood Community Centre	Youth Programming	8,659	8,875	216	
Vic West Community Association	Operating	75,000	75,000	0	
Vic West Community Association	Youth Programming	8,659	8,875	216	
Vic West Community Association	Facility (janitorial)	35,566	36,277	711	
Fairfield Community Place	Operating	75,000	75,000	0	
Fairfield Community Place	Youth Programming	8,659	8,875	216	
Fairfield Community Place	Facility (janitorial, recycling)	47,234	48,179	945	
Fairfield Community Place	Liability Insurance	5,500	5,610	110	
Fairfield Community Place	Youth Outreach	15,000	15,000	0	
Cook Street Village Activity Centre	Operating	75,000	75,000	0	
Cook Street Village Activity Centre	Facility (strata fees)	18,062	18,423	361	
Victoria Silver Threads	Operating	75,000	75,000	0	
Victoria Silver Threads	Facility (lease)	122,389	122,389	0	
Burnside Gorge Community Centre	Operating	75,000	75,000	0	
Burnside Gorge Community Centre	Youth Programming	8,659	8,875	216	
Burnside Gorge Community Centre	Youth Outreach	10,000	10,000	0	
James Bay Community School Centre	Operating	75,000	75,000	0	
James Bay Community School Centre	Youth Programming	8,659	8,875	216	
James Bay Community School Centre	Facility (janitorial, recycling)	55,236	56,341	1,105	
James Bay New Horizons	Operating	75,000	75,000	0	
James Bay New Horizons	Facility (janitorial)	27,961	28,520	559	
Oaklands Community Centre	Operating	75,000	75,000	0	
Oaklands Community Centre	Youth Programming	8,659	8,875	216	
Oaklands Community Centre	Facility (janitorial)	17,265	17,611	345	
Cool Aid Downtown Community Centre	Operating	75,000	75,000	0	
Seniors Outreach	Operating	30,000	30,000	0	
Victoria Community Association Network	Operating	918	918	0	
Blanshard (Hillside Quadra)	Per capita base (0.75 times population)	5,684	5,826	142	
Burnside/Gorge	Per capita base (0.75 times population)	5,105	5,233	128	
Downtown (incl Harris Green)	Per capita base (0.75 times population)	4,129	4,233	103	
Fairfield Gonzales	Per capita base (0.75 times population)	12,343	12,652	309	
Fernwood	Per capita base (0.75 times population)	7,358	7,542	184	
James Bay	Per capita base (0.75 times population)	9,032	9,258	226	
North Jubilee	Per capita base (0.75 times population)	2,418	2,478	60	
North Park	Per capita base (0.75 times population)	2,680	2,747	67	
Oaklands	Per capita base (0.75 times population)	5,346	5,479	134	
Rockland	Per capita base (0.75 times population)	2,755	2,824	69	
South Jubilee	Per capita base (0.75 times population)	1,734	1,778	43	
Vic West	Per capita base (0.75 times population)	5,758	5,902	144	
		2,192,591	**2,200,714**	**8,123**	

Note: In 2019, the operating funding for the eight community centres and three senior centres were provided one-time increased funding of $21,300 each for a total budget of $75,000 each. As per Council direction, on-going funding for the same budget amount has been applied to 2020 budget

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 continued to increase 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. Since 2015, these numbers have increased significantly, with more than 1,500 participating last year.

Efforts in 2019 will continue to increase engagement and the diversity of input. Through an improved budget document, summary materials in print and online, and the e-Town Hall format, more people are participating than ever before and greater dialogue is occurring about the budget.

Although the City has increased participation broadly over the past four years, we continue to work on reaching traditionally under-represented groups and reducing barriers to participation to ensure feedback on the Financial Plan represents an accurate reflection of the community, to the greatest extent possible. We will place a particular focus on connecting with renters in Victoria, as they represent 59% of the population but have participated less than those who own a home, likely due to a misconception that the budget is only connected to property taxes. We will continue to work with the City of Victoria Youth Council to encourage youth to participate in this important engagement process. We will also continue to reach out to the business community, which pays nearly 50% of taxes in Victoria.

The draft budget and materials will be made available for public review in October, and the Budget Town Hall and e-Town Hall is scheduled for November 21. An online survey will also be conducted. City Council will consider the draft financial plan in conjunction with public input at the December 5 Committee of the Whole meeting.

Timeline

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

Dates	Task
October 21, 31, November 4 and 15, 2019	Detailed department presentations of draft Financial Plan, outline Supplemental requests and Strategic Plan and Financial Plan motions
November 15, 2019 Daytime Council	First reading of Financial Plan bylaw
November 2019	Public consultation
November 21, 2019	Town Hall / e-Town Hall meeting
December 5, 2019 Committee of the Whole	Present consultation results and seek direction on changes to Financial Plan and Strategic Plan
April 2020 Committee of the Whole	Final report on Financial Plan including incorporated changes; report on 2020 tax rates
April 2020 Council	Second and third reading of Financial Plan bylaw; first, second and third reading of tax bylaw
April 2020 Council	Adoption of Financial Plan bylaw and tax bylaw

OPTIONS & IMPACTS

Accessibility Impact Statement

Initiatives within the Financial Plan support accessibility improvements.

Strategic Plan

The draft Financial Plan is aligned with the Strategic Plan and contains funding for many of the action items within the Strategic Plan. Appended to this report are funding requirements for additional Strategic Plan action items for Council's consideration during this year's financial planning process.

Impacts to Financial Plan

The 2020-2024 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.

CONCLUSIONS

The 2020-2024 balances many competing priorities and supports the many services and programs provided throughout the city. Council's review, and feedback from the public will further shape the financial plan

Respectfully submitted,

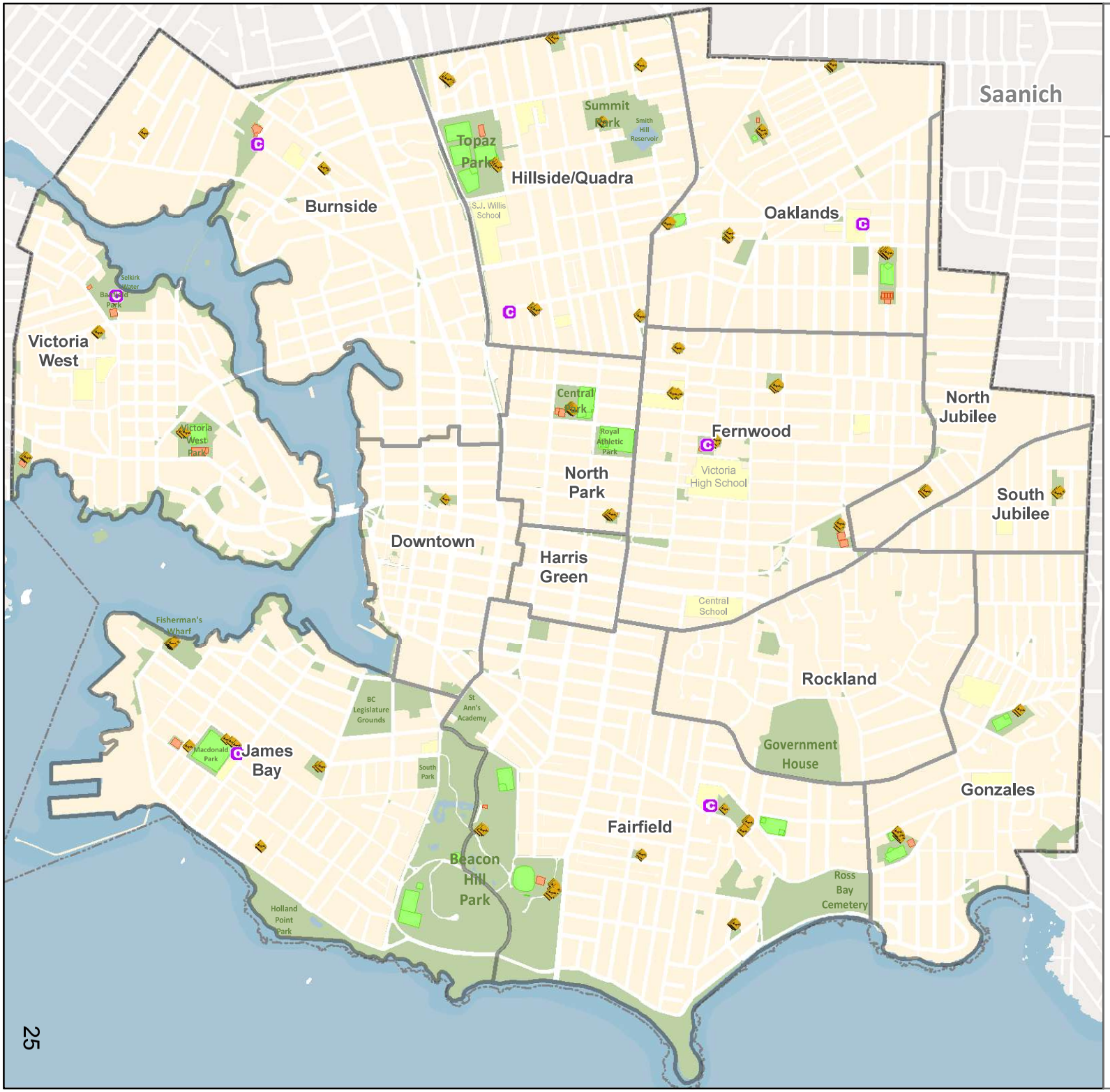
Jo-Ann O'Connor
Deputy Director of Finance

Susanne Thompson
Deputy City Manager and Chief Financial Officer

Report accepted and recommended by the City Manager: Jocelyn Jenkins

Date: Oct 15, 2019

List of Attachments
Appendix A – Maps of Current City Infrastructure
Appendix B – Supplementary Requests
Appendix C – Strategic Plan Resource Requirement Assessment
Appendix D – Financial Plan Motions



CITY OF VICTORIA

Parks, Playgrounds, and Community Centres

- Neighbourhood Boundaries
- Community Centres
- Playground Equipment
- Sport Court
- Sport Field
- Parks

N

Date: 10/11/2019

0 95 190 380 570 760 Meters

CITY OF VICTORIA

Bike Lanes and Pathways

- Footpaths
- Park Paths
- Parks
- Neighbourhood Boundaries

Bike Lanes

- AAA off street pathway
- Buffered bike lane
- Bus and bike lane combined
- Conventional bike lane
- Protected bike lane
- Signed bike route

N

Date: 10/10/2019

0 95 190 380 570 760 Meters

CITY OF VICTORIA

Underground Mains

- Neighbourhood Boundaries
- Sewer Mains
- Storm Drain Mains
- Water Mains
- Parks

N

Date: 10/10/2019

0 95 190 380 570 760 Meters

Appendix B

2020 Financial Plan

Supplementary Budget Requests

1

Managing Growth and New Development

BACKGROUND:

- There has been steady growth in development activity over the past few years.
- Since June 2017, there has been a 33% increase in the number of complex/large scale development proposals either currently being processed or that are in the preliminary planning phases.
- The change in City regulations regarding garden suites has resulted in one staff spending approximately 50% of their time on these files, compared to 80 hours/year was spent on this function in previous years.

ISSUE TO BE SOLVED:

- The strong development market and streamlined processes, such as the delegated garden suite approval process has increased work loads for staff.

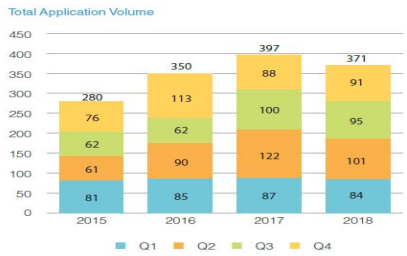
BENEFITS:

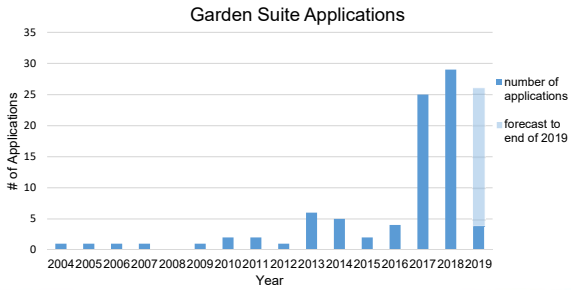
- Additional resources will help with maintaining current service levels.

2020 Supplemental Requests

Ongoing:

- Secretary - Planning $ 72,500
- Secretary - Legislative Services $ 80,500
- Planner - Development Services $113,500
- Planner - Parks $113,500





2

Strategic Plan Support Services

BACKGROUND:

- During the 2019 Financial Planning process, Council approved one time funding from 2018 surplus for legal and engagement resources to support the 2019 Strategic Plan Actions.
- Council also directed staff to bring forward resource requirements for legal and engagement services to be considered as part of the 2020 Financial Planning process to support new 2020 Actions.

ISSUE TO BE SOLVED:

- To address capacity challenges associated with new action items in the Strategic Plan.

BENEFITS:

- To provide sufficient support resources to line departments to meet the demands of the 2019-2020 Strategic Plan Action items.

2020 Supplemental Requests

One-Time:

- Resource Requirements for Legal Services $84,500
- Resource Requirements for Engagement $75,000

CITY OF VICTORIA

3

Short-Term Rentals

BACKGROUND:

- In 2018, Council adopted a Short-Term Rental Regulation Bylaw and directed enforcement.
- Bylaw services have spent considerable time on compliance and enforcement and investigations are complex.
- Short-Term Rental licenses have increased from 528 in 2018 to 701 to date in 2019.

ISSUE TO BE SOLVED:

- Continued enforcement of the Short-Term Rental Bylaw and compliance.

BENEFITS:

- A robust Short-Term Rental program that promotes compliance and an enforcement strategy to identify non-compliant operators.

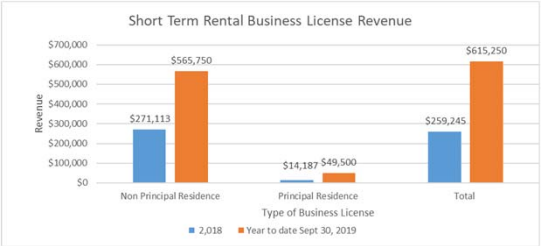
2020 Supplemental Requests

On-Going:

- Bylaw Position $73,000
- Bylaw Position $93,500

*Could be funded from the Short Term Rental License Revenue

Short Term Rental – Licence Type	Number of Licences
NON-PRINCIPAL RESIDENT - OWNER	353
NON-PRINCIPAL RESIDENT - TENANT	22
PRINCIPAL RESIDENT - OWNER	298
PRINCIPAL RESIDENT - TENANT	28
TOTAL	701



CITY OF VICTORIA

4

Asset Management

BACKGROUND:

- Victoria owns and manages over $2 billion in physical assets (i.e. infrastructure) including water, sewage, drainage, transportation, parks, buildings and vehicles.
- The Community Charter states that one of the four purposes of a municipality is to "provide for stewardship of public assets of its community".
- Asset Management is an integrated corporate-wide approach for stewarding existing and new assets in order to maximize their value, reduce risks and provide sustainable levels of service to the community.

ISSUE TO SOLVE:

- The City requires additional staff capacity to develop, implement, and support the corporate asset management program.

BENEFITS:

- Staff productivity, streamlined business processes, improved financial reporting and evidence-based decision making are expected to be realized. The ultimate goal of the City's asset management program is to realize sustainable service delivery.

2020 Supplemental Requests

Ongoing:

- Asset Management Position $ 89,000

5

Managing Public Spaces

BACKGROUND:

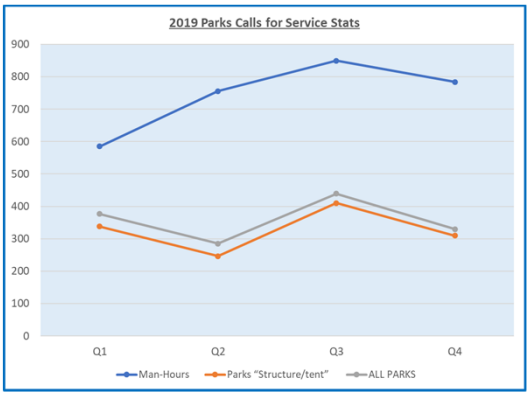
- The Overnight Sheltering Program responds to demands associated with outdoor sheltering in parks. Costs include extended hours at select washrooms, security patrols and cleaning support in parks.
- As of January 2019, Police no longer provided accompaniment to Bylaw Services for the daily parks and public space patrol.
- Currently there is a janitorial service gap in Centennial Square evenings and weekend.

ISSUE TO BE SOLVED:

- City bylaw staff perform the parks and public space patrol 7 days a week but now involves two bylaw officers instead of one.
- To allow individuals to interact safely and respectfully in public spaces and to improve the cleanliness of Centennial Square.

BENEFITS:

- Funding for public space on-going services will reduce risks to the health and safety of those using public spaces, City staff, as well as reduce damage to vegetation and ecosystems.



2020 Supplemental Requests On-Going

- Overnight Sheltering – Support & Clean Up $362,000
- Bylaw Position $93,500
- Centennial Square $35,000

6

Health and Safety

BACKGROUND:

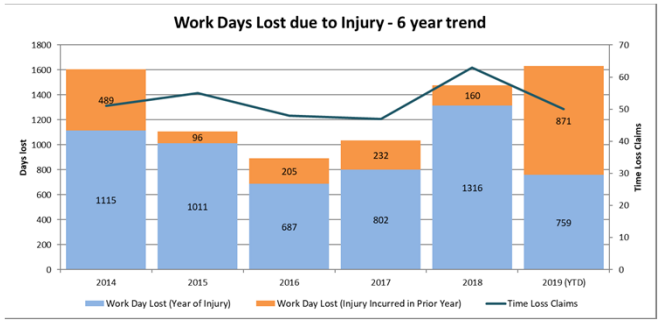
- The City has experienced an increase in the number of Worksafe BC (WSBC) time loss claims since 2017.
- Recent safety investigations have identified key contributing factors and recommended actions to safeguard employees, contractors and the public.

ISSUE TO BE SOLVED:

- Reduce risk of injury for employees, contractors and the public.
- Implement recommendations to improve safety program including resources, training and hazard/risk assessment.

BENEFITS:

- Additional support for leaders to ensure worker health and safety
- Fewer injury claims will lead to cost savings through lower WCB premiums and lower the cost of replacement staffing.



2020 Supplemental Requests

Ongoing:

- Health and Safety Position $108,000

7

Youth Initiatives

BACKGROUND:

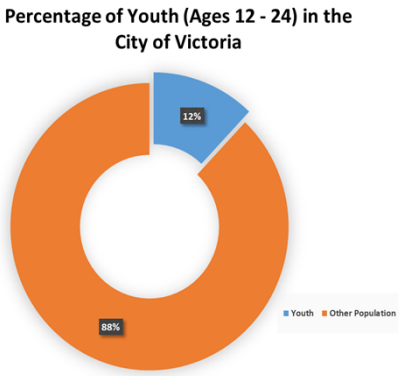
- A Youth Strategy has been adopted to better engage and include youth in community and local government initiatives.

ISSUE TO BE SOLVED:

- Support ongoing implementation of the Council approved Youth Strategy, including activities to connect with youth to ensure their voices are part of the conversation about civic issues and decisions that directly affect them.

BENEFITS:

- Fulfill commitments in the Youth Strategy



2020 Supplemental Requests

One Time:

- Youth Program Implementation $30,000

8

Tree Care

BACKGROUND:

- There has been steady growth in development activity over the past few years.
- Any bylaw protected tree that has been removed due to construction is replaced at a 2:1 ratio.
- A young tree takes 5 to 7 years to establish.

ISSUE TO BE SOLVED:

- When a property owner removes a bylaw protected tree, the capital cost to plant a replacement tree on public land is paid for by the property owner. However, the cost to establish and maintain the tree is not. This cost is currently not funded in the financial plan.

BENEFITS:

- Additional resources will ensure that young trees planted in 2019 will be established and maintained over the next five years.

2020 Supplemental Requests

One Time:

- Tree Planting $140,000

9

Protocol

BACKGROUND:

- Next year marks the City of Victoria milestone anniversaries with Suzhou, China, Morioka, Japan and Khabarovsk, Russia. The City would like to invite our twin cities to celebrate these relationships on Victoria Day Weekend in May of 2020.

ISSUE TO BE SOLVED:

- The City requires additional funding for the protocol budget to support the anniversary celebrations.

BENEFITS:

- Ongoing relationship building while providing and sharing educational, cultural and economic opportunities and experiences.

2020 Supplemental Requests

One Time:

- Sister City Delegations $60,000

10

Heritage

BACKGROUND:

- Community Planning currently has a 0.5 FTE Heritage Planner position.
- This position was upgraded to 1 FTE for a 2-year term. This term is nearing completion and the position will revert back to half time.

ISSUE TO BE SOLVED:

- It is very challenging to recruit for a half time position specializing in heritage conservation planning. The Senior Heritage Planner in Development Services is devoted to processing heritage-related development applications, heritage designations, TIP applications and acting as staff liaison to Council's Heritage Advisory Panel, with no capacity to work on project-based heritage initiatives.

BENEFITS:

- Upgrading this position to 1 FTE would lead to successful recruitment to support the City's Heritage Program by having one staff person dedicated to advancing citizen-led heritage conservation areas, on-going additions to the Heritage Register, supporting long range planning with heritage conservation considerations and assisting with high application volumes.

2020 Supplemental Requests

On-Going:

- Heritage Position (0.5 FTE) $50,000

11

2020 Strategic Plan Assessment of Resource Requirements

The following document provides an assessment of human and financial resources required to continue to implement the 2019-2022 Strategic Plan. In cases where additional resources are likely required but unknown at this time, these actions items have been included in this document for tracking and to indicate where for further requests that are anticipated to come forward.

Strategic Plan Objective #1: Good Governance and Civic Engagement			
Topic (Lead Dept)	Actions	Description/Comments	New Resource Requirements
Performance Measurement (CI) Note: See related information in Attachment D	Develop a measurement and monitoring program for Strategic Plan Outcomes (2019) Implement a Measurement and Monitoring process for Strategic Plan Outcomes (2020)	As outlined in a report to the Committee of the Whole on October 17, 2019, this Action requires a new position to undertake research/performance measurement function to assess the outcome measures, as well as develop and implement an on-going process to collect existing data and new data where information is not currently tracked or available. The position will also support the proposed service improvement function and help support expansion of quarterly and annual report measures. One-time funding is for BC Stats to design and disseminate a new bi-annual Community/Citizen Satisfaction and Wellness Survey, improved Annual Business Survey and introduce a new Employee Work Environment survey for $100,000 in 2020.	1.0 FTE ($107,900) $100,000 (One-Time)
Public Hearings (LS)	Allow people to make video submissions to public hearings and requests to address Council (2020) Hold public hearing only council meetings (2020)	These Action items can be accommodated within existing budget in Legislative Services.	$0
Lobbyist Registry (LS)	Create a lobbyist registry (2020)	As approved on July 11, 2019: *"That Council direct staff to convene a workshop in the first quarter of 2020 to identify criteria for the proposed lobbyist registry."* Once the scope of the registry is known, funding requirements will be brought forward to Council for consideration if required.	TBD
Community Input Process (ENGAGE)	Develop and implement processes for convening the community and gathering input on what the community is interested in giving input on - not only engaging when City Hall has a question for the community (2020)	Through the 2019 Financial Plan deliberations, $5000 was allocated to this action from new assessed revenue. No further funding is required.	$0

Strategic Plan Objective #1: Good Governance and Civic Engagement			
Topic (Lead Dept)	Actions	Description/Comments	New Resource Requirements
Service Delivery Improvement (CI) Note: See related information in Attachment D	Improve service delivery through learning and input from frontline city workers (Lean Process). (2020) Welcoming diversity and fostering a spirit of inclusion and equity in everything we do (Council Declaration of Values)	As outlined in a report to the Committee of the Whole on October 17, 2019 this Action requires two positions to undertake a service improvement function, that will also address the implementation of an equity framework, as well as further the Corporate Plan priority of improving interactions with community through on-line, telephone and in person inquires and transactions	2.0 FTE ($264,200)
Town Halls (ENGAGE)	Begin holding four town halls per year, one per quarter to engage residents, youth, business, organized labour and other stakeholders, including a quarterly check-in with Council on these topics (2019-2022)	On-going funding of $12,000 was allocated to town halls in 2019. No further funding required.	$0
Development Services (SPCD) Note: See related Motion in Appendix D	Streamline and make more consistent planning and permitting processes (On-Going) Work with the Songhees and Esquimalt Nations on Economic Development Projects (Objective 2, Action 11 (On-Going)) Mandate green shore practices on waterfront development (Objective 6, Action 9 (2020)) Increase protection for shoreline areas and Garry Oak ecosystem including the shoreline between Gonzales Bay and Ross Bay and the shoreline along Gorge Waterway (Objective 6, Action 14 (2020))	There are multiple actions that collectively require a new FTE in Sustainable Planning and Community Development to support ongoing development process streamlining, implementation of new regulations to support Climate Action and local area planning goals (green shores and shoreline protection), and creating capacity to facilitate a future development application in Rock Bay by the Songhees and Esquimalt Nations. This position would also support a number of Council priorities outside of this objective, including future improvements to Schedule C (off-street parking regulations), ongoing zoning bylaw improvements and manage emerging issues related to the City's regulatory framework. This work can be accommodated more efficiently and effectively by creating an internal resource rather than piecemeal contracting-out of projects which would also be more costly.	1.0 FTE ($142,500)

Strategic Plan Objective #2: Reconciliation and Indigenous Relations			
Topic	Action	Comments	New Resource Requirements
Reconciliation Training (HR)	Develop and implement an ongoing, mandatory training program for Council and all City staff, and to have the cognitive portion of the training for all City staff and the experiential portion of the training for those interested participants first (2019 – On-going to 2022)	Funding for 2019 training is being funded through a one-time allocation of $76,350 from surplus. Additional funding required for 2020-2022 is as follows: 2020 - $136,900 2021 - $118,700 2022 - $37,500 Budget includes launching experiential learning in 2020. Experiential learning launch will occur after the appointment of the Indigenous Relations Function and the Indigenous Elders in Residence so we may benefit from their advice.	$136,900 (One-Time)
Truth and Reconciliation Dialogues (Council-Mayor's Office)	Create the Victoria Reconciliation Dialogues (2019)	Funding required to support the City Family and the Esquimalt and Songhees nations to engage community in the City's reconciliation initiatives to cover costs of outside venues, advertising, catering, honoraria, venues, etc.	$80,000 (One-Time)
Indigenous Relations Function Indigenous Elders in Residence (Council)	Establish an Indigenous Relations Function (2020) Appoint Indigenous Elders in Residence to provide advice on municipal programs, initiatives and operations (2020)	As approved on July 11, 2019: "That Council consult with the Esquimalt and Songhees Nations as per the direction in the Strategic Plan to get their ideas on what these look like and get that information back no later than October 2020" Once these discussions have taken place, resource requirements will be included in the Financial Plan discussions.	TBD

Strategic Plan Objective #3: Affordable Housing			
Topic	Action	Comments	New Resource Requirements
Housing Ambassador (SPCD)	Create a Small Scale Housing Ambassador to make it easier for property owners and homeowners to create affordable housing (10 units or less) (2020)	The Small Scale Housing Ambassador would provide additional assistance for small scale developers ("one-time-only" applicants) of housing such as garden suites, secondary suites and conversions by providing enhanced support to better understand the planning, servicing and construction process.	1.0 FTE ($107,900)
Tenant Housing Ambassador (SPCD)	Create a Tenant Housing Ambassador to make it easier for renters to navigate the Tenant Assistance Policy, Standards of Maintenance Bylaw and other issues (2020)	The Tenant Housing Ambassador could support implementation of the Tenant Assistance Policy and Standards of Maintenance Bylaw. While this position may create redundancies within existing community support services and the Residential Tenancy Branch which holds the legal jurisdiction over residential tenancy in the Province, the City's Tenant Assistance Policy has required significant staff resources to manage. Creating this position would help redirect existing staff resources to implementation of the Victoria Housing Strategy.	1.0 FTE ($107,900)
Missing Middle Housing (SPCD)	Consider a comprehensive amendment to the Zoning Bylaw to permit all "Missing Middle" housing forms without need for rezoning or development permit. This builds on the 2019 Action "Houseplexes and Townhouses: Undertake a city-wide planning exercise to identify suitable locations for houseplexes and townhouses." (2020)	$160,000 one-time funding was allocated through Surplus in 2019 for this and other housing related initiatives. No further resources are being requested in 2020.	$0

Strategic Plan Objective #4: Prosperity and Economic Inclusion			
Topic	Action	Comments	New Resource Requirements
Living Wage Employer Certification (HR)	Apply for certification as a Living Wage Employer (2019)	As approved by Council in February 2019: *"Allocate $9,000 for 2019 from new assessed revenue and move consideration of balance of funding to the 2020 financial planning process"* No additional funding is required in 2020. The Living Wage will be applied to the City's contracts for security services when they expire and are retendered in 2021.	$0
Industrial Zones (SPCD)	Talk with industrial landowners, managers, users, about industrial land – its use, zoning, taxation, etc. – review industrial land use and values every 5 years. Development of new zones will be completed using existing staff resources as part of current work program (2020)	New zoning regulations will be prepared for the Rock Bay area. This initiative is part of on-going implementation of the Downtown Core Area Plan and the Burnside Gorge Neighbourhood Plan. The development of new industrial zones will include engagement and consultation with industrial land owners and businesses, as well as BC Assessment to better understand the potential impacts updated zoning will have on land values. This work can be undertaken within existing budget.	$0
"Pop-Up" Businesses and Art Exhibits (BCR)	Create a program to encourage "pop-up" businesses and art exhibits in vacant retail and office space (2020)	There is a need to determine the City's role in this initiative. Due to the regulatory environment and risk associated with occupying private spaces (insurance, logistics etc.), it may be preferable that the DVBA or other entity assume overall coordination and management with the City playing a facilitation role (connecting building owners, lease agents and interested artists), with the organizing body.	Up to $50,000 (On-Going)
Development Summit (SPCD)	Hold an Annual Development Summit and continue to improve processing times and process improvements, and build a better understanding of the development process (On-Going)	In 2019, $15,000 one-time funding was allocated for a Housing Summit. As an on-going action item, staff are requesting this funding be on-going starting in 2020.	$15,000 (On-Going)
Arts and Culture (Create Victoria) (BCR)	Support arts, culture and innovation venues and spaces (On-Going)	Create Victoria Strategic Priority #1 provides goals, objectives and action items to implement this action. This action requires staffing (1.0 FTE), as well as one-time funding of $100,000 investment to establish Cultural Infrastructure Grant program and $25,000 to develop Cultural Spaces Roadmap to serve as a guide for cultural space planning.	1.0 FTE ($113,400) + $100,000 (One-Time) + $25,000 (One-Time)

Strategic Plan Objective #4: Prosperity and Economic Inclusion			
Topic	Action	Comments	New Resource Requirements
Create Jobs for the Future 2041 Action Plan (Council – Mayor's Office)	Create Jobs for the Future 2041 Action Plan (2019)	Once an action plan is developed, funding may be requested to support: a. Work with the Downtown Victoria Business Association to develop a Downtown Retail Strategy b. Explore the creation of a Legacy Business Program that specifically protects and highlights longstanding local businesses that are being priced out of our neighbourhoods c. Explore ways for businesses in Victoria to become living wage employers d. Continue work to support entrepreneurs and small businesses e. Support playmaking entrepreneurs — food trucks, more patio spaces	TBD
Technology Advisory Committee (Council – Mayor's Office and Council)	Create a tech advisory committee to better integrate tech and the city at a strategic level (2020)	The tech industry will participate in the Mayors roundtable discussion to support the creation of the EcDev action plan. No funding requirements have been identified at this time.	$0
Predatory Lending (Council – Mayor's Office and Council)	Explore land use and business licence agreement regulations to limit predatory lending and pay-day loans and work with the Province with respect to limiting pay-day loans and predatory lending (2020)	Once direction on this item is provided, funding requirements will be brought forward to Council for consideration	TBD

Strategic Plan Objective #5: Health, Well-Being and a Welcoming City			
Topic	Action	Comments	New Resource Requirements
Trans Inclusion Policy (HR)	Develop a Trans Inclusion Policy (2019)	On September 5, 2019 Council approved the TNB2S+ Inclusion Action Plan. The Plan actions include the creation of "a dedicated Diversity and Inclusion Recreation role and evaluate further staffing needs over time." Staff recommend creating an Accessibility and Inclusion Recreation Coordinator to lead a new Accessibility and Inclusion section in the Recreation division. The creation of this section will allow for Accessibility, Leisure Access and TNB2S+ goals to be actioned in parallel to each other consistent with the guiding direction in the Action Plan to "address the ways in which multiple identities impact on lived experience, including indigenous people, people with disabilities and other marginalized communities". The Plan actions include the creation of "a TNB2S+ Community Liaison role to nurture partners, scope projects and generally support a community-led and peer-informed approach to implementing actions within this plan." The Plan actions include "providing gender diversity training for all staff, including Senior Management, Mayor, and Council." Phase 1 launch in 2020 will target Senior Management, Mayor and Council and key customer service roles.	1.0 FTE* ($52,000) * Some funding for position being re-allocated internally from other program areas 1.0 FTE ($107,900) + $28,000 (One-Time)
Accessibility Framework (EPW)	Develop and implement an Accessibility Framework (2019)	Staff are bringing forward a report to Council in November 2019 to introduce the proposed Accessibility Framework for adoption by Council. The report will include considerations / recommendations for policy, priority actions, staff resources and financial implications. Staff training and development is also included in the Framework. Initial accessibility training was provided to decision makers and senior staff in Q4 in 2019 as a part of Framework Development. Priority for training in 2020 will be for all Managers and Supervisors and those in front-line customer service roles.	TBD $25,000 (One-Time)
Play Streets (EPW)	Consider the implementation of play streets, school streets and other child-friendly strategies as part of parks, recreation and capital projects (2020)	Play Streets are currently not provided for within the BC Motor Vehicle Act. An update within the Act to the definitions of the rights of way between vehicles and pedestrians is required in order to clearly permit a local road authority to designate certain roads as play streets. There is growing support among municipalities for the Province to undertake a comprehensive update to the MVA to better reflect changes in active transportation and the inclusion of play streets would be complementary to this. A request for the Province to modernize the BC MVA was passed at the 2018 meeting of the UBCM.	N/A

Strategic Plan Objective #5: Health, Well-Being and a Welcoming City			
Topic	Action	Comments	New Resource Requirements
		Introducing elements of play streets, school streets or other child-friendly infrastructure, events and festivals, will continue to be explored as a part of parks, recreation and transportation planning and projects. There are a number of 2019 capital projects where play elements are included within scope such as the Vancouver Street and Humboldt Street BMP projects. A one-day school street trial was conducted at Sir James Douglas Elementary in Spring 2019, with a one-week trial planned for Fall 2019 and a guidebook on School Streets is also in production in partnership with the CRD. Staff will consider how school streets could be implemented more broadly within the neighbourhood traffic calming program.	
BBQ Pilot (PRF)	Pilot community BBQ stations in parks and neighbourhood public spaces (2020).	Staff propose to complete the design work for this as part of the Topaz Park South Redevelopment project.	$0
Urban Agriculture (PRF)	Urban Agriculture a. Explore opportunities for increasing food production on private land (2020) b. Support food infrastructure including farmers markets and storage and distribution (2020) c. Soil test and consider shade implications of city-owned land and potential land acquisition (2020) d. 2019 Action "Look for opportunities to increase food production on public land including increasing community gardens in all neighbourhoods in the city, and building urban food systems into our parks operations" (Ongoing)	Council received a report on June 6, 2019 with a progress update on the impact of Growing in the City (GITC) programs and recommendations to advance food system priorities outlined in the 2019-2022 Strategic Plan. Council direction included: 1. Expanding City grant edibility to support the variety of programs now offered by GITC. • Volunteer Coordinator Grant: Staff recommend expanding the Volunteer Coordinator grant so representatives of all City neighbourhoods can apply and that volunteer coordination extends to the food tree stewardship program and boulevard gardens. The required annual funds to service this granting stream would increase from $80,000 to $130,000 to accommodate the increased volume due to the recommended adjustments. • Start-Up Grants: Staff recommend the creation of a new grant stream to support the start up of new community gardens by community organizations. The new granting stream would support the convening, planning, design and capital requests associated with building a new community garden. 2. Pilot City-sponsored spring distributions of gardening materials, in partnership with community organizations.	$50,000 (On-going) $30,000 (On-going) $8,000 (One-time)

Strategic Plan Objective #5: Health, Well-Being and a Welcoming City			
Topic	Action	Comments	New Resource Requirements
Welcoming Strategy (Council - Task Force led by C. Dubow, C. Thornton-Joe, and Mayor Helps)	Create a Welcoming City Strategy (2020)	a. Staff to join Welcoming City initiatives b. Community efforts that promote inclusivity, understanding and collaboration across cultures to learn about and appreciate everyone's unique perspective c. Foster a compassionate city d. City not to use funds, personnel or equipment to detain people due to immigration status e. Business leaders, civic groups institutions, residents to join in a city-wide effort to expand prosperity and integration to include all residents f. Ensure a welcoming and neighbourly atmosphere in our community where all people including immigrants and refugees are welcomed, accepted and encouraged to participate g. City plays role in collective response to fear mongering, racism and human suffering h. Foster a welcoming environment that treats all people with compassion and respect i. Diversity and inclusion training for staff and council j. Support entrepreneurial ambitions of newcomers through the Business Hub at City Hall	TBD
LGBTQi2S Task Force and Strategy (Council Task Force led by C. Alto and C. Potts)	Create an LGBTQi2S Task Force to create an LGBTQi2S Strategy (2020)	More information on this initiative scope is forthcoming from Council Task Force.	TBD
Doctor Strategy (Council - Mayor's Office with Partners)	Create a strategy to attract doctors to Victoria (2020)	Project funding for this initiative will be assessed by the Mayor's office.	TBD
WHO and UN Declaration (Council)	Consider adopting the World Health Organization Social Determinants of Health and the United Nations Declaration on the Rights of a Child (2020)	Staff are awaiting further direction on this initiative.	TBD

Strategic Plan Objective #6: Climate Change and Environmental Stewardship			
Topic	Action	Comments	New Resources Required
Zero Waste Strategy Development and Implementation (EPW)	Develop a Zero Waste Strategy (2019)	Staff are currently completing phase 1 of the Zero Waste strategy and will be bringing a report forward to Council to outline the key findings, recommended near term actions, and strategy completion plan. 2020 budget proposals included funding for completion of the strategy. Any further resource requirements will be based on Council's priorities as part of the COTW report discussions in November 2019.	TBD
Climate Leadership Plan (EPW)	Implement the Climate Leadership Plan (2019)	Staff continue to work with legal and consultant teams to bring forward key program recommendations in response to Council's declaration of a Climate Emergency. Several workshops have been completed to discuss possible high-impact initiatives, which are being developed as part of the COTW report and update, planned for November 2019.	TBD
Renewable Energy (EPW)	Explore opportunities for renewable energy generation and district energy opportunities starting in 2019, including the option of establishing and energy utility in 2021. (2019)	Staff continue to explore and examine opportunities for renewable energy generation and district energy opportunities, on a priority basis. Removal of GHGs and fossil fuels from our building, and transportation portfolios remain the highest priorities. (See above Climate Leadership Plan report that will be provided to Council in November 2019).	TBD
Tree Appreciation (BCR and PRF)	Create Annual Tree Planting Festival like "Tree Appreciation Day" but lots of trees, in all neighbourhoods at once with a big celebration or small celebrations in each neighbourhood (2020)	Staff are developing a program to collaborate with community members in support of the urban forest. This planning work is being completed through existing resources. If additional funding is required a request will be brought forward for Council consideration.	$0
Single Use Item Regulations (EPW)	Ban plastic straws taking into consideration accessibility needs (2019) Ban single-use coffee cups and single use takeout containers (as with plastic bag ban bylaw, determine logical exceptions) (2020)	Staff are bringing forward a COTW report outlining resource requirements to complete a wider, comprehensive Single Use Item bylaw, for consideration in October 2019. Single Use Item reduction programs are being taken into consideration, with the Zero Waste strategy priorities, and ongoing Checkout Bag Regulation legal challenge/appeal processes.	TBD
Inflow and Infiltration (EPW) Note – See similar Motion in Attachment D	Begin to plan for mitigating the Inflow and Infiltration issue on private property. (2020)	See equivalent Financial Plan Motion. Staff plan on bringing forward an initial assessment COTW report in 2020, outlining legal/property/engineering considerations for private property INI reductions.	$0

Strategic Plan Objective #6: Climate Change and Environmental Stewardship			
Topic	Action	Comments	New Resources Required
BC Step Code (EPW)	Expedite implementation of the BC Step Code (2020)	The City adopted the Step Code in April 2018, with the following timeline: Beginning on November 1, 2018: - Step 1 for all new projects Beginning on January 1, 2020: - Step 2 for garden suites - Step 3 for all other Part 9 buildings (single family homes, duplexes, townhouses) - Step 2 for high-rise concrete residential (greater than 6 storeys) and Part 3 commercial buildings - Step 3 for low-rise wood-frame residential (less than 6 storeys) The approved direction from Council (April, 2018) is to monitor project compliance after 2020 and recommend the timing for adoption of the higher Steps based on that monitoring. Step Code advancement options and risks are part of the 2019 Climate Policy Workshop development and planning, and will be reported in November 2019, as part of the wider update on Climate Leadership (See above).	TBD
Climate Champion Program (Council Mayor's Office)	Create Neighbourhood Climate Champion program with one child, youth, adult, and elder from each neighbourhood to lead and inspire (2019)	Funding to create and facilitate a network of Champions in order to share ideas, undertake partnerships, and encourage fun and innovative action to reduce the community's greenhouse gas emissions.	$50,000 (One-Time)
Parks Development and Acquisition Strategy (Council)	Initiate a Parks and Open Spaces acquisition strategy to move towards OCP parks and green space goals; measure progress towards goals (2020)	Council previously indicated that instead of accepting the proposal from Staff provided in 2019 Financial Planning discussions, Council would establish a small working group to develop a plan.	TBD

Strategic Plan Objective #7: Sustainable Transportation			
Topic	Action	Comments	New Resources Required
Sustainable Mobility Strategy (EPW)	Develop and begin implementation of the Sustainable Mobility Strategy including improvements to pedestrian, cycling and transit travel	Staff will be bringing forward a report to Council on November 14, 2019 which will include a comprehensive set of directions/recommendations on priority actions and resources to achieve long term mobility goals.	TBD
Car Share (EPW)	Work to bring a "floating" car share service to Victoria. (2020)	The City has current regulations in place to support "floating" or one-way car share. The Sustainable Mobility Strategy will include recommendations to enhance community car sharing services and capability.	TBD
Cecilia Mid-Block Connector (SPCD)	Complete Cecilia mid-block connector (2020)	The proposed multi-use pathway is identified within the Burnside Neighbourhood Plan and Greenways Plan. The connection will be achieved through future re-development of 3080, 3082 and 3090 Washington Street with the development being responsible for building the connection and the City securing it through a SRW. A development application has now been made to the City. The City has secured some additional SRW on adjacent properties at the corner of Doric and Carroll Street adjacent to the proposed development property. Should the application be approved by Council there would be a continuous pathway SRW between Washington Street and Carroll Street.	N/A ($0)

Strategic Plan Objective #8: Strong, Livable Neighbourhoods			
Topic	Action	Comments	New Resources Required
Place-Making (SPCD)	Create a place making guide and tool kit and host workshops to support citizens and businesses to take action to create public play spaces, parklets, and gathering places within neighbourhoods and businesses to take action. (2019)	As part of the 2019 Financial Plan discussions, staff requested $8,000 one-time funding and 0.5 FTE for implementation, which was moved for consideration in 2020. Since that time, staff have advanced this initiative and are no longer seeking additional FTE resources. The $8,000 request is to cover costs for public engagement to complete this work in 2020.	$8,000 (One-Time)
Noise Bylaw (LS)	Review the noise bylaw (2020)	This action item was allocated $10,000 one-time funding in 2019. No further funding required	$0
CALUC (SPCD)	Review CALUC process including clear terms of reference for increasing diversity (youth, renters, etc.), capacity building, term limits and a transparent and democratic process for selecting members (2020) Review and consider additional resources (financial and training) for CALUC's (2020)	Staff will prepare a report to seek clear direction from Council on desired outcomes, which will determine whether staff can accommodate under current resources, or whether additional resources are needed.	TBD
People Priority on Government Street (EPW) Note: See related Motion in Appendix D	Create a 'people-priority' Government Street with a complete transformation of the street between Humboldt and Yates to be completed by the end of 2022 (2020-2022)	Conceptual design for this work would be combined with the larger streetscape improvement project extending to Herald St. (as per Council 2020 Financial Plan action) and implemented as part of planned Water Main replacement in 2022. Given the significant infrastructure and traffic impact assessment components. An additional $17,000 is required beyond the $133,000 already allocated for design work for phase 1 of Government Street improvements (Humboldt to Herald) for consulting fees, as well as a 0.5 FTE to manage the project(s).	$17,000 (One-Time) 0.5 FTE ($56,700) (One-Time)
Local Area Planning (Neighbourhood Boundaries) (Council)	Resolve anomalies in neighbourhood boundaries (2020)	On July 11, 2019, Council approved the following motions: "That Council convene a workshop in 2020 to resolve the anomalies in neighbourhood boundaries"	TBD

Appendix D – Financial Plan Motions

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FESTIVAL AND ARTS FUNDING:
That Council direct staff to report back as part of the 2020, 2021 and 2022 budget on options for increasing investments in festivals and community arts events.

BACKGROUND:
As part of the City's role as event producer, facilitator, regulator and venue/equipment manager, the Arts, Culture and Events Office assists hundreds of festivals and community arts events annually. The Festival Investment Grant (FIG) program provides both cash and in-kind support to offset costs to non-profit festival organizations that provide a free component to the community.

Beyond the organizations that receive FIG, the City facilitates over 300 special event permit applications. Staff coordinate and allocate the appropriate City services necessary for the safe use of public space. Related City services include the deployment of traffic control equipment, sign shop, street cleaning, waste management, as well as staff support from parks, engineering and public works, fire and police.

Increases to the department's City services budget have not kept pace with service requests or with the changing nature of services required to ensure public safety at large public gatherings.

FINANCIAL AND HUMAN RESOURCE IMPLICATIONS:

Option 1: Increase the operations budget by $53,000 to include the cost of providing 'the first three officers' to approved not-for-profit special events in public space and continue to evaluate Festival Investment Grant applications based on the existing budget.

The 'first three ' officers:

The 'first three' officers and related City service provision policies were established in the late 1990s as part of the City's efforts to revitalize downtown and remove barriers for not-for-profit societies hosting community and cultural events. Victoria branded itself as a City of Festivals and a Cultural Capital as *it prepared to host the 1994 Commonwealth Games. These efforts have been successful and,* as *a result, Victoria has since been declared a Cultural Capital of Canada and prides itself as a vibrant event-rich City. ACE issues more than 350 event and film related permits annually and recover costs for all commercial events and filming in public space.*

Staff work collaboratively with event organizers and VicPD to find alternatives to deploying police at events, however, there are circumstances where either the Motor Vehicle Act requires the presence of police officers or the nature of the event requires on site response options. After receiving input and analysis from ACE, the Special Event Technical Committee (SETC) and other stakeholders, VicPD determines the level of risk and the police resources required to secure the event. Wherever possible, permits allow for traffic control persons (TCPs), private security and/or other agencies to assist in securing the event in an effort to reduce the police costs.

Without an increase to the special events city services budget, organizers will be billed for the cost of the first three officers. Those events that require officers can expect to be billed an average of $470- $900 per officer depending on the length of special duty callout required. Smaller events that require offers to attend will be disproportionately affected and may need to scale back or cancel events as a result.

Should the grant program see an increase in the number of applicants or an increase in the amount requested, Festival Investment Grant allocations would need to be reduced. It is estimated that the special events City services budget will require at least a $160,000 increase in order to maintain the current level of service to events and festivals. Council has already approved an additional $107,000 toward 2020 Canada Day celebrations, with the funding yet to be determined. An additional $53,000 would maintain the current level of support for events and festivals utilizing City owned public space.

Summary of budget requirements for this option:

1. Canada Day - funding source for the $107,000 previously approved (surplus if one-time, new property taxes from new development if ongoing)
2. $53,000 in ongoing funding to maintain current level of support to cover cost of first three officers

Option 2: Increase the operations budget by $53,000 to include the cost of providing 'the first three officers' to approved not-for-profit special events in public space and increase funding to the Festival Investment Grant program by $25,000.

In 2019 there were 37 applications received prior to the FIG submission deadline with a total request for funding of $370,720. City funding budgeted for this grant program in 2019 was $276,828. A record number (35) of the applicants met the criteria and are recommended for approval. An increase of $25,000 cash to the FIG program would provide room for an additional 3-4 festivals to be supported without impacting current levels of support to ongoing recipients. Any increase in the cash grant or in-kind operations budget will increase the stability of the festival scene in Victoria.

Summary of budget requirements for this option:

1. $53,000 in ongoing funding to maintain current level of support to cover cost of first three Officers
2. $25,000 in ongoing funding for FIG cash grants to increase the number of festivals by 3-4

For either option, there is no impacts to human resource implications. Can be absorbed into current staff responsibilities in these areas.

ARTIST IN RESIDENCE PROGRAM:

"As part of the 2019 financial planning process, consider allocating an additional $75,000 into the Culture operating budget for the Artist in Residence Program starting in 2019."

BACKGROUND:

Allocating funding for the Artist in Resident program to the culture operating budget rather than funding through the public art reserve fund would allow further public art projects to be funded from the reserve fund. The combined expenses of both the Artist and Indigenous Artist in Residence Programs totals $144,000 which draws the total annual contribution from the reserve fund, $135,000 annually, and an additional $9,000 from reserves each year. This does not leave room to fund additional public art projects from the reserve fund.

FINANCIAL AND HUMAN RESOURCE IMPLICATIONS:

Currently staff provide up to 4 hours per week to support the Artist in Residence program. $72,000 supports the artist fee and program expenses and $3,000 for program administration costs to administer the program.

ART INSTALLATIONS:

That Council direct staff to report back in the 2019, 2020, 2021 and 2022 budgets for options to increase the number of public art installations in the city.

BACKGROUND:

Currently, $135,000 is funded annually from the public art reserve to install public art throughout the city. Staff consult with the Art in Public Places Committee, as well as Urban Design, Planning and Parks Design staff to plan out and program public art each year. Additionally, public art projects are funded from the My Great Neighbourhood grant program and the up to 1% public art policy for significant civic capital projects.

FINANCIAL AND HUMAN RESOURCE IMPLICATIONS:

Should Council wish to expand any aspect of the public art program, additional staff resources would be required. Currently, 0.8 FTE coordinates public art as well as the literary art portfolio with supervisory support from the Senior Cultural Planner for major public art project delivery. Staff are currently beyond capacity tracking 20 public art projects in various project stages through 2019. This also impacts support department resources in Engagement, Finance, Urban Design and Planning to deliver public art projects as we depend on these departments to help support the public art call to artist processes.

MURALS IN PUBLIC SPACE:

"That Council direct staff to report back in the 2019, 2020, 2021 and 2022 budgets for options to increase the number of murals in public space and on private buildings to make Victoria a City of Murals."

BACKGROUND:

Currently, $135,000 is funded annually from the public art reserve to install public art throughout the city. Staff consult with the Art in Public Places Committee, as well as Urban Design, Planning and Parks Design staff to plan out and program public art each year. Additionally, public art projects are funded from the My Great Neighbourhood grant program and the up to 1% public art policy for significant civic capital projects.

In 2018, the Concrete Canvas project created 17 murals by international, national and local artists in the Rock Bay neighbourhood as per direction in the Burnside Gorge Neighbourhood Plan. On average, each mural was $8,000 to $15,000 depending on the size of the mural and artist fee.

FINANCIAL AND HUMAN RESOURCE IMPLICATIONS:

Options for providing additional funding for the public art program include:

1. Create a mural stream through the My Great Neighbourhood grant program to fund mural projects at the neighbourhood level. Staff recommend $50,000 for the community art stream to fund between 5-8 murals each year. A mural toolkit has been completed and would accompany the grant stream to support community- led mural projects.

2. Increase the annual contribution to the public art reserve fund from $135,000 to $200,000 to fund the expansion of the public art program including murals.

3. Maintain $135,000 annual contribution to the public art reserve fund and increase the culture operating budget by $75,000 annually to fund the Artist in Residence program ongoing.

Should Council wish to expand any aspect of the public art program, additional staff resources would be required. Currently, 0.8 FTE coordinates public art as well as the literary art portfolio with supervisory support from the Senior Cultural Planner for major public art project delivery. Staff are currently beyond capacity tracking 20 public art projects in various project stages through 2019.

PANDORA TASK FORCE:

The attached report was written by the Coalition to End Homelessness following continued meetings of the Pandora Task Force in 2019, and community engagement in the form of a BBQ and subsequent charrette on the 900 Pandora Block. This engagement was co-hosted by the Mayor's Office and the Coalition to End Homelessness. The attached report contains recommended next steps over a two year time frame.

Several notes from staff for additional consideration:

- The process for creating a new piece of public art takes approximately 2-2.5 years and must be routed through the Art in Public Places Committee. The usual cost is $250,000 to $300,000. Note that a local stonemason has offered his art and services pro bono.

- Exact costs of washrooms are to be determined. The City uses a full cost approach for cost estimates of this type that accounts for all aspects; siting, design, serving, supply and installation. The total cost for a 2-stall washroom is closer to $260K-$300K.

- Other considerations that are not identified in the report but that could be added to this project are assessing traffic safety considerations on the block, and ongoing challenges with daily cleaning by Public Works.

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To:	Mayor Helps and Victoria City Council	Date:	September 26, 2019
From:	Janine Theobald, Inclusion & Collaboration Manager, GVCEH		
Subject:	Summary Pandora Task Force Report and Recommendations		

Executive Summary of Pandora Task Force Report and Recommendations (Appendix A)

The report provides background on the Pandora Task Force, the outcomes of engagement activities and provides immediate, short, medium and long-term recommendations regarding action on the 900 block of Pandora Avenue. A plan to move from consultation to collaborative community action is described.

April 14, 2016, BC's provincial health officer declared a public health emergency regarding the rise in drug overdoses and deaths. A local response was to open a Safe Consumption Site on the 900 block of Pandora Avenue. Additional ongoing systematic issues, some outside the jurisdiction of the City of Victoria, such as: the lack of affordable and shelter rate housing (Victoria hovers at approx. 1.2% rental vacancy rate[1]), over-capacity health care services (including Mental Health & Addictions Services), lack of on-demand detox and stabilization services have facilitated a concentration of people gathering on the 900 block of Pandora Avenue for safety and services. This has resulted in challenges in community from increased bylaw and police calls to the block, to residents and businesses reporting fear, frustration and impact on their businesses and well-being.

The Mayor's Pandora Task Force, convened in 2015, has been working in consultation with varied stakeholders to work collaboratively and inclusively on the 900 block of Pandora Avenue. September 2018, the Greater Victoria Placemaking Network presented a research paper and made recommendations for actions to support effective change in the area.

In March of 2019 an engagement of the community via workshops and a charette on the 900 block was undertaken in partnership with the City of Victoria and the GVCEH[2].

Recommendation Summary:

IMMEDIATE RECOMMENDATIONS

1. Conduct no further consultations. The community has been engaged in discussion regarding this topic at many tables over the past decade, and clear action items have been identified.
2. Implement the recommendations from community consultations and previous reports.
3. Appoint the GVCEH and City of Victoria to coordinate implementation and report on results.
4. Request funding from Ministry of Mental Health and Addictions to support Peer engagement in Acton Teams and implementation of recommendations.

[1] (CMHC, Rental Market Report- 2018)
[2] (See pages 4 to 7 of Appendix A for consultation results)

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SHORT TERM RECOMMENDATIONS[3]

1. Develop pilot program "Victoria On Call" modeled after the Downtown on Call program in Kelowna. Pilot is designed in collaboration with peer leaders.
2. Installation of Water Bottle Refill Station.
3. 24-hour accessible restrooms are installed on the 900 block maintained by street community members as a social enterprise.
4. Collaborative Space Making is undertaken on the 900 block. i.e., seating, clear walkways.

MEDIUM TERM RECOMMENDATIONS

1. Declare the 900 block of Pandora Avenue a 'Special Area' in alignment with the Motion carried by Victoria City Council, June 13, 2019, re: Application of Equity and Affordability Policies, which "Council direct the City Manager to imbed these four principles[4] for the City's emerging equity policies."
2. Embed social enterprise into future development on the block by partnering with the business sector, i.e., GT Hiring Solutions, DVBA, Chamber of Commerce and service providers to develop a sustainable employment initiative.

LONG TERM RECOMMENDATIONS

1. Using the learnings from this community consultation process, implement a coordinated response in areas with a high demographic of community members who are underserved within the City of Victoria, and have a high number of calls to police and bylaw.

BUDGET

Pandora Task Force and Action Team Coordination	**$50,000**
• Meeting Costs	
• Research	
• Support of Community Action Teams	
• Project Management	
• Action Team Meetings	
Infrastructure	**$295,000**
• $180,000 Restrooms x 2	
• $15,000 Water Station	
• $100,000 Seating & Divider on Boulevard	
Arts & Culture	**$100,000**
• $100,000 Memorial, History of Place Monument	
Social Enterprise & Community Development	**$394,000**
• $332,500 Victoria On Call Pilot/Participatory Action Research	
• $61,500 Restroom Maintenance & Supplies	
TOTAL	**$839,000**

[3] (See table on pages 9 and 10 of Appendix A)
[4] (See page 11 of Appendix A)

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To: Committee of the Whole **Date:** September 11, 2019

From: Janine Theobald, Inclusion & Collaboration Manager, Greater Victoria Coalition to End Homelessness (GVCEH)

Subject: Pandora Task Force Report and Recommendations

EXECUTIVE SUMMARY

The purpose of this report is to provide background on the Pandora Task Force, the outcomes of engagement activities with varied stakeholders and provide immediate, short, medium and long-term recommendations regarding action on the 900 block of Pandora Avenue. This report will outline a plan to move from consultation to collaborative community action.

April 14, 2016, BC's provincial health officer declared a public health emergency in response to the rise in drug overdoses and deaths. A response to this was to open a Safe Consumption Site on the 900 block of Pandora Avenue. Additional ongoing systematic issues, some outside the jurisdiction of the City of Victoria, such as: the lack of affordable and shelter rate housing (Victoria hovers at approx. 1.2% rental vacancy rate[1]), over-capacity health care services (including Mental Health & Addictions Services), lack of on-demand detox and stabilization services have facilitated a concentration of people gathering on the 900 block of Pandora Avenue for safety and services. This has resulted in challenges in community from increased bylaw and police calls to the block, to residents and businesses reporting fear, frustration and impact on their businesses and well-being.

The Mayor's Pandora Task Force, convened in 2015, has been working in consultation with varied stakeholders to work collaboratively and inclusively on the 900 block of Pandora Avenue. In March 2016 planters were installed in front of Our Place with the intent of supplying nutritious, locally grown food, fostering social connections and bolster well-being. September 2018, the Greater Victoria Placemaking Network presented a research paper and made recommendations (see Appendix A) for actions to support effective change in the area. In March of 2019 an engagement of the community via workshops and a charette on the 900 block was undertaken partnership with the City of Victoria and the Greater Victoria Coalition to End Homelessness. The results of this engagement inform the recommendations below:

IMMEDIATE RECOMMENDATIONS

1. Conduct no further consultations. The community has been engaged in discussion regarding this topic at many tables over the past decade, and clear action items have been identified.
2. Implement the recommendations from community consultations and previous reports.
3. Appoint the GVCEH and City of Victoria to coordinate implementation and report on results.

[1] (CMHC, Rental Market Report- 2018)

4. Request funding from Ministry of Mental Health and Addictions to support Peer engagement in Acton Teams and implementation of recommendations.

SHORT TERM RECOMMENDATIONS[2]

1. Develop pilot program "Victoria On Call" modeled after the Downtown on Call program in Kelowna. Pilot is designed in collaboration with peer leaders.
2. Installation of Water Bottle Refill Station.
3. 24-hour accessible restrooms are installed on the 900 block maintained by street community members as a social enterprise.
4. Collaborative Space Making is undertaken on the 900 block.

MEDIUM TERM RECOMMENDATIONS

1. Declare the 900 block of Pandora Avenue a 'Special Area' in alignment with the Motion carried by Victoria City Council, June 13, 2019, re: Application of Equity and Affordability Policies, which "Council direct the City Manager to imbed these four principles[3] for the city's emerging equity policies."
2. Embed social enterprise into future development on the block by partnering with the business sector, i.e., GT Hiring Solutions, and service providers to develop a sustainable employment initiative.

LONG TERM RECOMMENDATIONS

1. Using the learnings from this community consultation process, implement a coordinated response in areas with a high demographic of community members who are underserved within the City of Victoria, and have a high number of calls to police and bylaw.

PURPOSE

The purpose of this report is to provide background on the Pandora Task Force, the outcomes of engagement activities with varied stakeholders and provide immediate, short, medium and long-term recommendations regarding action on the 900 block of Pandora Avenue. This report will outline a plan to move from consultation to collaborative community action.

A PUBLIC HEALTH EMERGENCY

April 14, 2016, BC's provincial health officer declared a public health emergency in response to the rise in drug overdoses and deaths. This public health emergency is ongoing as of this report being produced. In response the ongoing crisis, in June 2018, The Harbour, an Island Health & Lookout Society operated Safe Consumption Site (SCS) was opened. In the first month of operation the Harbour saw 3,378 visits, an average of 158 consumption visitors per day. The site continues to see this number of daily visitors, plus in excess of 300 additional visits for harm reduction supplies daily. There have been zero fatalities at the Harbour since commencing operations. The Harbour does not have a federal exemption to supervise inhalation of illegal substances; however, recently exemptions to supervise oral and internasal consumption have been granted.

[2] Full description of Short, Medium- and Long-Term Recommendations are at the end of this report
[3] See page 11

Increased congregation and open drug use have been reported on the 900 block since opening of the Harbour. Some of this is due to the lack of inhalation services in the downtown core. Users reportedly feel safer to inhale substances outside of the SCS and overdoses are occurring, and being responded to, regularly on the street.

HISTORY OF PANDORA TASK FORCE

From 2015 to 2016, and again from 2018 to present, Mayor Helps has convened an informal working group known as the Pandora Task Force to work collaboratively and inclusively on the 900 block of Pandora Avenue. The group has included service providers on the block, Victoria Police Department, Council's Downtown Liaison, Staff Neighbourhood Liaison to Downtown, occasionally people with lived experience, members of the Greater Victoria Placemaking Society, and more recently lived experience staff at the Greater Victoria Coalition to End Homelessness (GVCEH).

Declaration of Principles and Values for the 900 Pandora Block Working Group

As a working group we are committed to:

1. Recognizing the traditional territories of the Lekwungen speaking peoples.
2. Naming the challenges in a way that encourages creativity, caring and fairness.
3. Working in collaboration with those who share the block.
4. Learning together and learning from each other.
5. Building on success stories from other places.
6. Making Pandora a place for everyone.
7. Designing public spaces and programming in a way that creates belonging.
8. Creating and sustaining a long-term vision for the block.
9. Adequately resourcing the initiatives we develop.
10. Not giving up!

It is important to note that although many of the immediate challenges concentrated on the 900 block fall within the scope of municipal jurisdiction, i.e., traffic, bylaw, parks (boulevard maintenance) and policing; many of the visible issues concentrated in the area are a direct result of issues outside the capacity of the City to solely, nor jurisdictionally, manage, such as: the lack of affordable and shelter rate housing (Victoria hovers at approx. 1.2% rental vacancy rate[4]), over-capacity health care services (including Mental Health & Addictions Services), lack of on-demand detox, stabilization services in the midst of a public health emergency. The writer will address this in subsequent sections of this report. The 900 block is a hub, a community gathering place, and a conduit to other areas and services across the City, and Capital Region.

In March 2016 the Pandora Task Force and Our Place Society partnered with LifeCycles Project Society and the Greater Victoria Placemaking Network (GVPN) to pilot the PanFlora Garden Project. Garden beds in wooden boxes planted with vegetable seedlings were installed on the boulevard on the 900 block of Pandora Ave. The intention of the pilot was to supply nutritious, locally grown food, foster social connections and bolster well-being.

Although the PanFlora pilot project had elements indicative of a successful community project, the timing and capacity to maintain this endeavour were not aligned and the wooden boxes have since been removed.

[4] (CMHC, Rental Market Report - 2018)

September 2018, the GVPN produced a robust report entitled the 'Pandora Dilemma Report' for the Pandora Task Force. (see Appendix B) The GVPN report often, and understandably, focuses on the conflicts that arise between businesses, housed residents and community members who are unhoused, accessing services on the 900 block. The writer of this report will focus on a Collaborative Working Solutions approach, with the belief conflicts can be addressed through collective action planning and co-development of solutions. The GVPN report contains information researchers collected from more than 30 communities and indicate lessons learned from other cities as follows:

1. Do Something.
2. Do Something Now.
3. Fully Assess the Situation.
4. Focus on Behaviours.
5. Create a Unique Program for Victoria.
6. Involve Homeless and Street Persons in the Solutions.

Many of the recommendations from the GVPN Pandora Dilemma Report are aligned with the findings of the recent engagement activities.

In December 2018 a request for funding for a consultant to complete a Full Neighbourhood Assessment (collection of data, qualitative and quantitative re: conflict, safety and experience of the 900 block from all stakeholder perspectives) was put forward to City Council for budget consideration but was not approved. Although this motion did not go ahead, the writer would submit the following consultations resulted in achieving many of the desired outcomes of the above proposal.

March 2019 the concept of holding a charette on the 900 block was proposed to the Pandora Task Force. Inclusion staff from the GVCEH were consulted on how to proceed with this endeavour in a way that ensured inclusion and equitable participation.

GVCEH/CITY OF VICTORIA ENGAGEMENT PROCESS

There have been 4 engagement sessions facilitated by the GVCEH and the City of Victoria.

The May 27th Pandora Task Force meeting was a Visioning Workshop (see Appendix C). Participation in this session intentionally broadened engagement and expanded the inclusion of people with lived experience who access services on the 900 block. The shared outcomes envisioning session was predicated on the principles of: *Recovery, Reconciliation, Relationships & Inclusion.* The group broke into small table Conversation Café style discussions and were asked to close their eyes and think about their answer to the following question: "*When you open your eyes and problems of the 900 block of Pandora Avenue are solved, what does it (the 900 block) look like?"* The focus of the day was collective vision, and common principles emerged from the responses.

Community	Inclusivity	Business	Safety
Shared Space	Services	Change	Art
Healing	Support	Health and Wellness	Music

Most commonly, responses were directed at ensuring people were supported, safe and were able to get their needs met on the 900 block. The output of the day was a shared vision of "a Safe Healthy Welcoming Community, Inclusive of All." GVPN included a similar sentiment in their report to the Pandora Task Force indicating 'the challenge is to make Pandora Avenue a safe and welcoming place for everyone, considering all users of public space."

June 17th a BBQ was held in the courtyard of Our Place Society with the intent of introducing the idea of a charette on the 900 block of Pandora Avenue. Food was served and the attendees, who consisted of Our Place Family Members and Staff, Pandora Task Force Members, Save On Foods, local residents and businesses, were asked *"When you imagine the 900 block of Pandora Avenue as a safe healthy welcoming community, inclusive of all, what do you see?"*
The above question was also asked at the June 24th GVCEH drop in lunch for people with lived experience of homelessness. Feedback was rolled into the overarching data collection.

June 24th a charette was held on the boulevard of the 900 block. The consultation and charette process was supported on site through dialogue and a graphic visual sketching process. These onsite activities were supported and facilitated by architect Bruce Greenway, Joaquin Karakas and Anna Babicz, Senior Urban Designer and Urban Designer, respectively, with the City of Victoria. (see Figures 1, 2, 3 & 4)
The following questions were used to guide the onsite dialogue and consultation at the charette:

1. What do you like about the block today? What is working well now?

2. What types of arts and culture events and activities would help strengthen relationships, build community, connect and welcome people in the area?

3. What types of landscape/public space improvements would help make the block feel safer and inviting for all? Plantings ● Lighting ● Furniture ● Public Art ● Other?

Figure 1

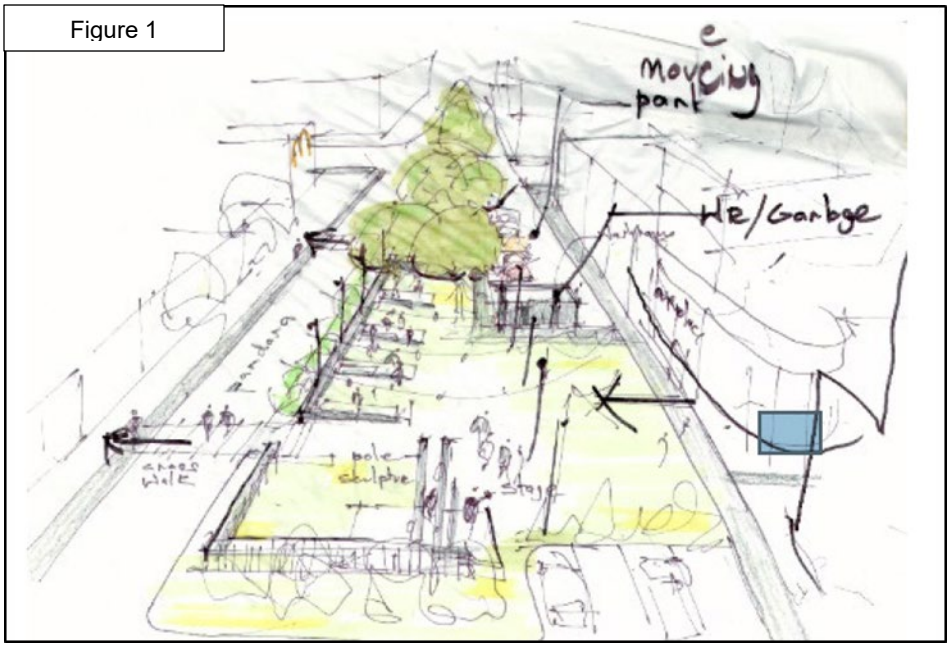

Figure 2

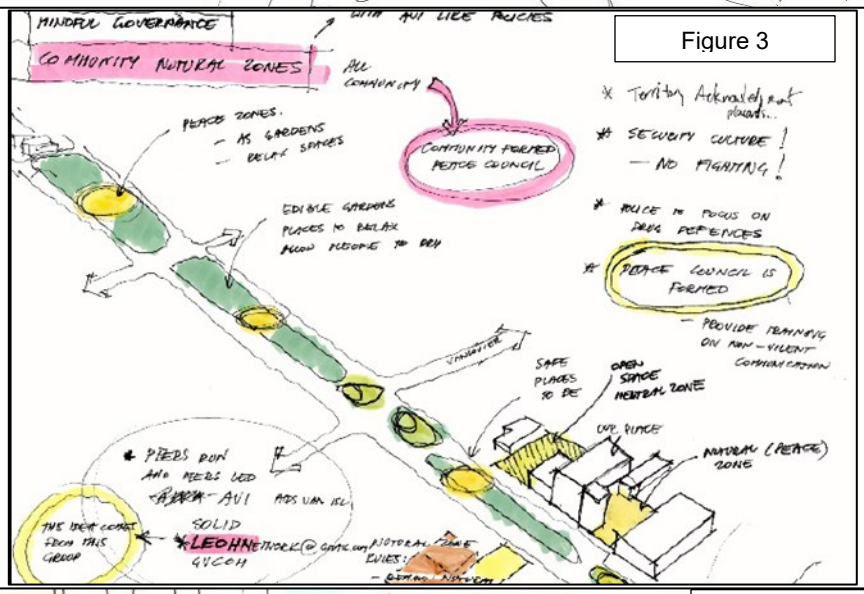

Figure 3

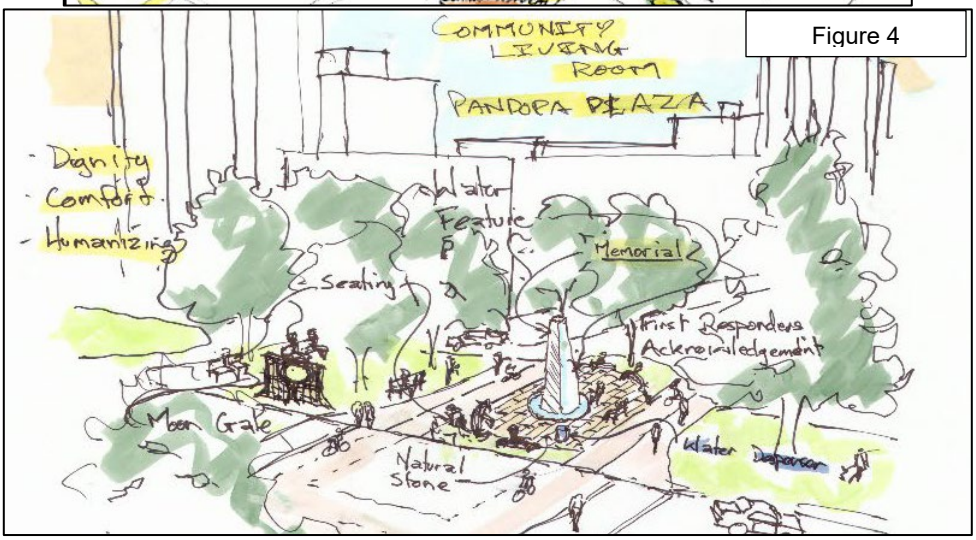

Figure 4

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July 30th a Pandora Task Force Consensus Building Workshop was facilitated by the GVCEH. 257 responses collected through the consultations were synthesized into 11 focus area themes (see table 1.0). Attendees were asked to prioritize the top 3 areas on which to base the implementation of Collaborative Social Development Working Solution Plans for the 900 block of Pandora Ave. Of note, prioritization of focus area themes does not mean remaining areas would not be addressed in future work. Feedback from participants recognized the complex social issues beyond the scope and capacity of the Pandora Task Force and Municipal Government as well as acknowledging a continued desire to take collective action to address the identified issues.

The majority of the participants came to consensus on the following focus areas, which were an amalgamation and wordsmithing of some themes, created by the group:

1. Design of a healthy, shared, and safe space
   - arts, healthy place-making, inclusive of everyone! programs

2. Social Enterprise/Community Development
   - Progression of Support through community partners
   - Keep in mind: sense of ownership and responsibility

# of responses per theme	**TABLE 1.0** *(See Appendix D for all data)* **Focus area themes presented July 30th in order of volume of responses**
44	1. Shared Space: Water Access, Restrooms, Storage, Shared Space, Seating & Gathering, Accessibility (i.e., 50+)
34	2. Design/Parks/Traffic: Parks, Pet-friendly, Traffic, Parking, Bikes, Designing, Landscaping, Water Features, Horticulture
32	3.Community Development: Activities & Socializing, Best Practice Research, Kindness, Anti-Stigma, Faith & Spiritual Communities
31	4. Policing & Safety
27	5. Shelter/Housing
21	6.Health, Services & Supports: Mental Health, Health, Off of Block Services, Services, Supports
19	7. Food
18	8. Harm Reduction & Substance Use
17	9. Arts, Culture, Music, including Memorial & History of Place
7	10. Social Enterprise: Social Enterprise, Education, Employment, Training
2	11. Indigenous Culture & History*

Table 1.1 Top 5 sub-themes**	
27	Shelter/Housing
23	Policing
19	Seating/Gathering
19	Food
15	Water/Restrooms

*Only 2 items were specific to 'Indigenous' topics, the reader can anticipate many of the higher volume focus area will have significant representation of Indigenous Culture and perspective based on both the 2018 Point In Time Count, which indicates 33% of population of people experiencing homelessness in the Capital Regional District identify as Indigenous, and the GVCEH work with the Pandora Task Force is predicated on 'recognizing the traditional territories of the Lekwungen speaking peoples' & the principles of Recovery, Reconciliation, Relationships & Inclusion.

**Main focus area themes comprised of sub-themes

SCOPE OF WORK GVCEH

- The GVCEH will be responsible for management, coordination and facilitation of the Pandora Task Force in partnership with Alison James, Head of Strategic Operations, Mayor's Office City of Victoria. The Pandora Task Force will proceed with community development and implementation of Collaborative Social Development Working Solution Plans (See Appendix E).
- The GVCEH will review linkages within various meetings convened in the community specific to the 900 block (and immediate vicinity) and identify the purposes of each group to determine where they may be brought together to create efficiencies and reduce duplication, including:
  - Mayor's Pandora Task Force
  - Pandora Residents Meeting: Convened by Our Place to meet with neighbouring residents as part of the Good Neighbourhood Agreement
  - Pandora/Johnson Street Meeting: convened quarterly by Island Health
- There are concurrent initiatives which may overlap in purpose. The GVCEH will support coordination to ensure communication and reduction of siloed work, in order to increase the impact of aligned resources. These include but are not limited to the City of Victoria Community Wellness Task Force, and the Vancouver Street Bikeway (and potential extension of the greenway/boulevard).
- The GVCEH will develop and maintain relationships with business owners/operators on and abutting the 900 block with the express purpose of including them in development of Working Solutions planning.
- The GVCEH communicate with the Capital Regional District Regional Outcomes Monitoring Collaborative to determine if efforts can be aligned and focused in the 900 block.
- The GVCEH will collaborate with Steve Woolrich, Principal at Rethink Urban & volunteer at Greater Victoria Placemaking Network
- The GVCEH will develop a 900 block Key Stakeholder Matrix/Map
  - Who is there? (i.e., Businesses, Residents [housed/unhoused], Peers, Service Providers/Accessors, Government)
  - Who resources what?
  - Determine roles, responsibilities, gaps and overlaps

SHORT TERM RECOMMENDATIONS

The writer recommends the City of Victoria request funding from the Ministry of Mental Health and Addictions to support the Action Teams below.

The City and GVCEH facilitate and fund Action Teams to initiate the following strategies using Working Solutions Implementation Plans to achieve the intended outcomes for the 900 block; these plans will be aligned with the Key Stakeholder Matrix/Map to ensure coordination of efforts and resources, as well as reflective of the principles and values of the Pandora Task Force.

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TABLE 2.0 - SHORT TERM RECOMMENDATIONS		
ACTION	**Description & Anticipated Outcome(s)**	**Funder(s)/Team Members**
1. Develop pilot program "Victoria On Call" (VOC) modeled after the Downtown on Call program in Kelowna. Pilot is designed in collaboration with peer leaders.	• Peer Teams to do 'wake ups' on the 900 block and on the downtown core. Teams respond to, and deescalate potential issues when safe to do so ○ The recent coroner's service Death Review Panel found that one in four police encounters in B.C. has a mental-health component. In order to alleviate this issue, peer teams could respond and support the person in crisis without need for police intervention • Pilot designed not to displace, but to support the community in a way that does not require police and bylaw enforcement as the first point of contact • VOC members become researchers in collaboration with community to develop best practices • This will be developed with robust training plans and trauma informed practice OUTCOME • Community is empowered through Social Enterprise • Actual and perceived safety of the public is improved due to team's presence and ability to respond to issues • Reduction in bylaw and policing costs • Team can support other initiatives on the 900 block and area	Funder: City of Victoria Proposed Team: DVBA, people with experience of homelessness and accessing services on the 900 Bock (Peers), Bylaw, VicPD, GVCEH, Our Place Society
Item 1: **BUDGET** development in progress with **Vic PD/Bylaw, DVBA & GVCEH**		
2. Installation of Water Bottle Refill Station	• Water bottle refill stations, such as the ones located on the Galloping Goose are installed on the 900 block • This can be placed in conjunction with the development of the Vancouver Street Bikeway OUTCOME • Basic human needs are met: all people in the area have ready access to on-demand clean water	Funder: City of Victoria Proposed Team: City of Victoria Traffic/Parks Depts
Item 2: **BUDGET** development in progress (TBD based on installation in conjunction with recommendation #3, and feedback from CRD & City of Vancouver) Estimate: **$10,000** based on online research		
3. 24-hour accessible Restrooms are	• Purchase or build permanent or semi-permanent restrooms on the 900 block	Funder: City of Victoria

installed on the 900 block	• Restrooms are maintained by the community through creation of social enterprise
	  ○ If modeled after the award-winning restroom in Downtown Victoria on Langley Street, the restrooms could be power washed once or twice daily (as are the sidewalks in front of Our Place Society)
	OUTCOME
	• Basic human needs are met
	• A sense of ownership and responsibility is fostered by social enterprise
	  ○ Reduction in complaints of urine and feces in the vicinity
		Proposed Team: City of Victoria, Peers, Our Place Society, GVCEH, Students

Item 3: **BUDGET** Estimate: **$230,00** **$180,000** - 2 x Restrooms @ $90,000 each (estimate based on cost of Langley Street facility) **$5,000** – Development of Restroom Maintenance Program (Action Team) **$45,000** – Program facilitation and delivery (1 year)		
4. Collaborative Space Making is undertaken on the 900 block	• People need a place to safely sit and rest on the 900 block, this is where they gather and are not to be displaced • A barrier is created between the boulevard and Pandora Avenue (this could include decorative elements and be co-designed by the community) • Look to rezoning the boulevard on the 900 block to allow for seating, or amend bylaws • Design can be created to ensure unencumbered access of adjacent businesses and sidewalks. This can be support of the Peer 'Victoria On Call' Team and co-development of agreements on how to use the space OUTCOMES • The community on the block feels listened to • The experience for those on the block is improved • Access and pathways are clear and shared • Actual and perceived safety for pedestrians and motorists is increased	Funder: City of Victoria Proposed Team: Peers, City of Victoria, City of Victoria Parks, City of Victoria Arts & Culture, GVCEH, GVPN, Volunteer Mason, Students
Item 4: **BUDGET** Estimate: **TBA**		

MEDIUM TERM RECOMMENDATIONS

5. Declare the 900 block of Pandora Avenue a 'Special Area' in alignment with the Motion carried by Victoria City Council, June 13, 2019, re: Application of Equity and Affordability Policies, which "Council direct the City Manager to imbed these four principles for the city's emerging equity policies."
    - Apply an equity lens to siting, design, amenity selection, engagement, procurement, and evaluation, to inform decisions about and investment in community
    - Apply an affordability lens to assess total cost of ownership, siting, amenity selection, operating costs, costs to taxpayers and users
    - Invite potential partners and neighbourhood representatives to collaborate to align and help achieve these equity, accessibility and affordability objectives
    - Embed distributional, procedural, structural and inter-generational equity into the City's corporate policies guiding hiring, staff training and professional development, procurement and civic engagement (See Appendix F)

    This mechanism would support financial investment in new and ongoing endeavours to improve the life of people experiencing homelessness in the area. Approximately 200 people use Our Place Society (919 Pandora Avenue) as their mailing address which supports indication of need.
6. Embed social enterprise into future development on the block by partnering with the business sector, i.e., GT Hiring Solutions, the DVBA, Chamber of Commerce, and service providers to develop a sustainable employment initiative. Collaborative Social Development engages community in a meaningful way, in such that the process itself is part of the outcome. As people become engaged, are listened to and can contribute to solutions that directly impact them, a sense of connection, belonging and well-being is fostered.

LONG TERM RECOMMENDATIONS

2. Using the learnings from this community consultation process, implement a coordinated response in areas with a high demographic of community members who are underserved within the City of Victoria, and have a high number of calls to police and bylaw. Particularly:

    a) Pandora 900 block
    b) Johnson Street
    c) Centennial Square
    d) Burnside/Gorge Road

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APPENDICES

APPENDIX A
Recommendations from GVPN Pandora Dilemma Report (Sept 2018)
1. Engage the Downtown Service Providers Committee in implementing policies that address the conflicts. Include representatives from the street population on the Pandora Task Force.
2. Expand the scope of DVBA "Clean Team" to include the 900 block of Pandora Ave. The DVBA could consider including members of Our Place on their team.
3. Conduct a full-spectrum CPTED analysis. This effort would provide a wealth of baseline data for decision-making and help target specific programs.
4. Establish a data centre within a City Department to identify and quantify homeless conflicts within the jurisdiction. Consider a hotline that businesses can call to report incidents to collect a time record of issues.
5. Explore the costs and benefits of a portable or permanent public washroom, separated by gender, on Pandora Avenue.
6. Work with the legal system and volunteers to develop an easy-access community court system for street persons.
7. Train members of the street community in supporting medical crises as a "Street Medics Team."
8. Enact an Ambassador program on a trial basis. Combine a few paid staff with community volunteers to create a presence on Pandora Ave. With appropriate training, Ambassadors would be able to: o Serve as advocates for street persons and act as on-the-street links with current outreach and mental health organizations. o Directly monitor effects on businesses and residents. o Provide a moderating presence, intervene early in disruptive behaviour, reducing police calls. o Lead activities that draw citizens and street persons together, such as outdoor musical events and games.

APPENDIX_B_PandoraDilemmaReport-Fi APPENDIX_C_PTF_Report&NextSteps_201 APPENDIX_D_Consultation_Data.pdf APPENDIX_E_PTF_WorkingSolutionsPlar APPENDIX_F_Equity-motion-June-13.pdf

RESOURCES

https://www.timescolonist.com/news/local/garden-takes-root-on-strip-of-pandora-next-to-our-place-1.2211551

https://victoriaplacemaking.ca/panflora-gardens/

https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/initiatives-plans-strategies/mental-health-and-addictions-strategy/bcmentalhealthroadmap_2019web-5.pdf

BANFIELD PARK TO SELKIRK BIKE ROUTE:

That Council direct staff to report back on the potential to incorporate into the 2020 capital budget the paving of the bike route through Banfield Park to link with Selkirk.

Background:

This route through the park currently provides a gravel pathway connection between Craigflower Road and the Galloping Goose trail. Paving of the connection through Banfield Park would allow for an enhanced all-weather surface with improved comfort and utility for cyclists, but has to be carefully considered for all pathway users, accessing the park, neighbourhood gardens, and children's playground.

The 2018 Victoria West Neighbourhood Plan identifies the assessment "...of this waterfront trail for visibility, trail surfacing, cyclist speed and ecological impact as part of long-term park improvements". This project is identified as Long Term (2028+) in the Neighbourhood Plan Actions.

Resident and user concerns about paving of the connection were raised during the neighbourhood planning process concerning pedestrian safety and cyclist speed. Increased pavement and surface performance can introduce higher cyclist speeds and necessitate additional interventions to balance pathway user safety standards, that have to be considered alongside surrounding park design and amenities.

Re-engineering of the pathway is complex. The route first requires improvements to site drainage, careful assessment of impacts on mature trees and ecological sensitivities plus contaminated soil and archaeological assessments. The project will also require an examination of alternative pathway alignments, followed by public engagement related to options and risks/benefits. These items should be considered in the context of any broader Banfield Park improvement plans.

There are no park improvements currently planned for Banfield Park.

Financial and Human Resource Implications:

Bringing just the paving project forward in isolation is constrained by the additional related project scope and requirements. Due to the complexities of this project outlined above, additional resources would be required not just to pave the connection but also to scope the alignment, assess, design, engage the community and potentially facilitate other, additional park improvements.

A Class D estimate of construction costs shows $240,000 including walkway paving and drainage. Unique professional services for geotechnical analysis (including contaminated soil assessments), environmental monitoring plus archeological assessment and monitoring are estimated to be $125,000. With staff design resources committed to existing capital projects, external design support services are anticipated at an estimated $50,000 giving a total estimated project cost of $415,000. Project management staff resources of 0.25 FTE for 6-8 months is estimated at $22,000 to oversee delivery of the project. Since it is unlikely that outside staff resources for the 0.25 FTE will be secured, internal project management resources will need to be reallocated which may impact the delivery of other transportation capital projects.

FLEET RENEWAL:

That Council direct staff to report back to Council as part of the 2020 budget process for options to expedite the transition of the City's fleet to renewables.

Background:

City vehicle and equipment fleet is made up of Fire, Police, Public Works, Parks and other City vehicles and equipment, many of which run on combustion engines, using fossil fuels.
Fleet assets include on-road and off-road vehicles, that support emergency, daily and frequent City services/infrastructure management.

The CLP defines the relevant City targets for the following:

- 80% fleet electrification or renewably powered by 2040
- 100% of city power tools and small engine equipment is renewably powered by 2025.

The City's Corporate Energy and Emissions Management System (CEEMS) is the City's corporate GHG management plan to systematically shift to 100% renewable energy, across all City assets and services. This plan will drive the year-on-year improvement priorities and planning considerations for fleet and facilities and operations/services. The initial draft plan has been completed, and is being assessed and refined with consultants, for completion in Q4 2019.

Fleet project teams continue to assess zero-emissions market alternatives as part of the overall acquisition plans, at each instance. The heavy duty vehicle/automotive/equipment marketplace has begun to introduce many new electric alternatives for fleet vehicles and equipment types, but many are still unavailable, or if options are starting to appear – they may not be proven, supportable in our region, affordable, or fit-for-purpose – all of which has to be carefully considered before any adoption by the City. In many cases, City vehicle use and operations will have to be modified or re-engineered to enable the earliest transition to lower emissions alternatives, due to different vehicle performance characteristics when compared to their internal-combustion predecessors.

Older, fuel-inefficient City vehicles are being systematically replaced in order of priority, which is driven by many maintenance/performance/obsolescence and other factors, including GHGs / exhaust emissions.

The 2020 budget proposals include the Fleet Master Planning analysis to define the versatile, capable, affordable, and sustainable Future Fleet, which has a clear focus on GHG reductions and zero emissions. New low or zero emissions vehicles are part of the 2020 acquisition plan, as is the introduction of a vehicle management / booking system to increase operational efficiencies and drive down asset number and GHGs per km.

Fleet emissions planning requirements and considerations will also be incorporated into the November 2019 Climate Leadership Plan update to Council.

Financial and Human Resource Implications:

TBD based on 2020 financial and Climate Leadership discussions/decisions.

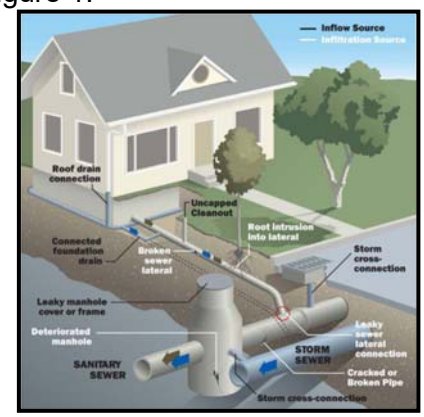
INFLOW AND INFILTRATION ON PRIVATE PROPERTY:

That Council direct staff to report back as part of the 2020 budget process on beginning a plan for mitigating the Inflow and Infiltration issue on private property.

Background:

The City has two types of sewer systems: storm water systems and sanitary sewers. The storm water system or storm drains carry rainwater, ground water and runoff from roofs, roads and parking lots to creeks, harbours and the ocean. Sanitary sewers, however, carry wastewater from residential and commercial buildings to the CRD's regional sewer system. The City owns and maintains the sewer systems that are located in road or statutory rights of way. The laterals or portions of pipe that are located on private property are owned and maintained by the landowners.

Inflow and Infiltration (I&I) is the extraneous water that enters the sanitary sewer system. Inflow is the rainwater that enters sanitary sewers through improper cross connections (ie. catch basin, roof drain). Infiltration is groundwater that enters the sanitary sewer through cracks, leaky joints, etc. Typical sources of Inflow and Infiltration are shown in the Figure 1.



I&I can be a significant contributor to:

- Wastewater overflows along shorelines when capacity of CRD collection system is exceeded;
- Flooding (including basement flooding) due to backed up pipes;
- Increased operating and maintenance costs (ex. pumping and treatment);
- Increased capital cost to build additional capacity.

Climate change projections indicate future rainfall events will be more extreme in size and intensity resulting in the potential for greater I&I. To address current and future I&I issues the City has an on-going program to reduce I&I in the public portion of the system with significant resources applied to replacing or rehabilitating sewer deficiencies.

In Victoria, and in many municipalities across the country, a large portion of I&I is understood to be generated from private sewer laterals, often over 50%. One of the things that the City could do to help reduce these impacts is to implement a private sanitary sewer lateral program. Such a program typically imposes requirements or provides incentives for private landowners to have their sewer laterals inspected and then repaired, if needed.

Financial and Human Resource Implications:

Engineering Underground Utilities in collaboration with Legal and Real Estate will prepare a report to Council in 2020 to explore considerations related to the complexity, timing and resource implications related to a private sewer laterals program. This initial review and reporting can be incorporated into the 2020 workplan using existing operating budgets.

SIDEWALK UPGRADES:

That Council direct staff to identify missing sidewalks and opportunities for sidewalks to be widened and bring these forward on a priority basis in the 2020, 2021 and 2022 budgets.

Background:

The 2008 Pedestrian Master Plan identified and helped prioritize the construction of new sidewalks, the repair of existing ones and any improvements. The construction of new sidewalks to close key gaps in the network is a core element of the current annual sidewalk program with, between 2017 and 2019, 10 missing sidewalks constructed.

Projects for new sidewalks are prioritized using criteria including pedestrian volumes, road classification, proximity to schools, coordination with other capital and land development projects (new development is required to provide sidewalks as part of their road frontage improvements obligations within the Subdivision and Rezoning bylaw) and public requests. The proposed 2020 Financial Plan includes the construction of missing sidewalks coordinated with other capital projects such as road repaving, CRD force main construction and BMP projects.

Sidewalk widening projects are coordinated and assessed along with other accessibility improvements and with other capital projects including road repaving or traffic signal rebuilds.

Financial and Human Resource Implications:

Through the 2020 budget process, staff are seeking increases in the annual funding allocation for sidewalks to allow additional projects to be constructed and increase scope to be delivered. Additional funding for road repaving is also being sought through which additional sidewalk widening projects and accessibility improvements will also be implemented. These additional projects will be undertaken within existing staffing resources.

Sidewalk connectivity and improvements are part of our annual financial planning, but also subject to further Council discussions / decisions as part of the Sustainable Mobility Strategy discussions in November 2019.

SIDEWALK UPGRADES AND CROSSING – BEACON HILL:

That Council direct staff to report back as part of the 2020 budget process on the cost and other implications of joining the triangle at Mile Zero to Beacon Hill Park and creating an additional safe crossing of Douglas Street to the Park South of Beacon St.

Background:

Mile Zero:
The triangle intersection at Mile Zero at the intersection of Douglas Street and Dallas Road is characterized by an isolated area of green space, detached from Beacon Hill Park and surrounded on all sides by roads.

Changes to the configuration and traffic circulation at the triangle at Mile Zero was first assessed in 1999 and a number of options reviewed. The preferred concept recommended retaining Douglas Street in its current alignment but removed through traffic while maintaining the use of Circle Drive for through traffic so as to respect the historical form of the park established in the original Beacon Hill Park Plan and minimizing the impact to neighbouring properties.

At the July 16, 1999 meeting of Committee of the Whole, Council endorsed the road realignment option that retained Circle Drive for through traffic and authorized staff to proceed with more detailed design development. The project has not advanced in the intervening years.

As part of a James Bay Neighbourhood Association Visioning Project for Douglas Street undertaken in 2017, the Mile Zero location was envisioned with Circle Drive being converted into a multi-use trail and Douglas Street being established as the route for through traffic.

These different concepts of Mile Zero reflect the benefits that could be achieved through a reconfiguration of the intersection in terms of simplifying traffic operations and circulation, reducing the amount of area dedicated to road paving and enhancing the access and quality of the Mile Zero monument although the different design activities have offered very different recommendations.

Douglas Street Crosswalk:
The Transportation Division undertakes an annual program of new and upgraded crosswalks for the City with priority given to projects where analysis has shown the crossing is warranted and there is a safety benefit, Using a nationally adopted warrant-based approach, staff assess pedestrian volumes, vehicle volumes, gaps in traffic for pedestrians to cross, road geometry the availability of adjacent crossings and the location of the potential crosswalk within the broader walking network.

An additional crosswalk on Douglas Street south of Beacon Street is not included within the planned crosswalk program in the 2020 budget proposal, which alternatively identifies 8 higher priority crosswalks.

Unless otherwise directed, staff will assess opportunities to improve the existing crosswalk at Beacon Street in conjunction with the Parks Recreation and Facilities Department as part of the next annual crosswalk review / budget cycle.

Financial and Human Resource Implications:

The different concepts described above have not been developed to a level of detail to allow budget estimates to be established and neither concept has been the subject of full and recent consultation with the public and stakeholders.

Changes to Mile Zero are not within the current Parks or Engineering Capital Plans and advancement of a project would impact the ability to complete other existing approved Parks and Engineering capital projects. The priority of this project should be considered alongside other important Parks and Engineering planning and mobility initiatives.

A new design project consisting of public consultation, updates to the design options and selection of a preferred concept with budget estimates would be required to advance this project to a future budget cycle. Due to the complexities of this, additional staff resources would be required to assess and scope this motion in order to provide a fulsome report back on the potential to incorporate this into the Financial Plan in the future while continuing to meet existing commitments.

UNDEVELOPED PEDESTRIAN ROUTES:

That Council direct staff to identify opportunities for opening undeveloped pedestrian routes and bring these forward on a priority basis in the 2020, 2021 and 2022 budgets.

Background:

Undeveloped or informal connections can provide convenient and direct connections within neighborhoods to recreation, schools and shopping, complementing existing more formal walking networks.

The City already takes full opportunity to identify and sign many smaller neighbourhood connections for both pedestrians and cyclists for example through parks or at the end of cul-de-sacs.

Other unimproved connections also exist with some pedestrians informally establishing a connection. These connections sometimes cross private property that is not within the control of the City. Staff are alert to opportunities to open these up or establish more permanent alternatives as part of strategic planning including individual land development projects, larger, comprehensive master planning activities (an example being the development of the Rail Yards in Victoria West), through Local Area Plans as well as city-led strategic land acquisitions (for example the Cecilia mid-block connector).

Financial and Human Resource Implications:

The current program requires no additional financial or human resources and staff will continue to bring forward identified projects as part of the future annual Financial Planning process.

RESTORATIVE JUSTICE:

On February 28, 2019, Council approved the following motion:

"That Council direct staff to work with VicPD staff and the Township of Esquimalt to shift the City's and the District's portion of Restorative Justice from the police budget to the City's and the District's budget for an annual grant, and have Restorative Justice report to Council on an annual basis and that staff report back to Council as part of 2020 financial planning process on the implications of increasing the grant to restorative justice."

Background:

Restorative Justice Victoria is a community-based organization designed to improve community life for all by dealing with the harms created by crime and violence. Restorative Justice is a process whereby parties with a stake in a particular offence resolve collectively how to deal with the aftermath of the offence and its implications for the future.

Prior to 2019, the Restorative Justice budget of $40,000 was part of the Police Department's budget; Victoria's share was 85.3% or $34,120 and Esquimalt's share was 14.7% or $5,880.

During the 2019 Financial Planning deliberations, Council approved to shift the funding for Restorative Justice from the Police Board's budget to the individual municipalities. As well, the Township of Esquimalt approved a motion during their 2019 budget deliberations to include 14.7% of the $40,000 for Restorative Justice in their city budget.

The overall $40,000 funding remained the same, with a $34,120 grant paid directly to Restorative Justice by the City of Victoria and $5,880 paid by the Township of Esquimalt.

Staff have confirmed that Esquimalt's motion to include the $5,880 budget for Restorative Justice is not ongoing and was a one-time item for 2019. The Township of Esquimalt will be presenting their draft 2020 budget to Council around March 2020. At this time, it is not known if this expense will be proposed in their draft 2020 budget.

Financial and Human Resource Implications:

If Council would like to increase this grant for one time in 2020; the funding source would be from the 2019 Surplus and if Council would like to increase this grant ongoing the funding source would be from New Property Tax Revenue from New Development.

Below outlines a range of potential grant increase in dollars and the corresponding property tax impact:

Grant Increase in Dollars $	Property Tax Impact %
5,000	0.004%
10,000	0.007%
15,000	0.011%
20,000	0.014%
25,000	0.018%

SENIOR CENTRES:

On February 28, 2019, Council approved the following:

"That Council direct staff to increase funding for the three seniors centres by allocating a one-time expenditure of $63,900 from surplus, and ask for information from these centres in time for the 2020 budget regarding what additional services are provided with the new funding.

And that council direct staff to include an allocation of base funding to all senior centres and community centres of 75K funded from new assessed revenue in the 2020 draft financial plan, with indexation to inflation in future years."

Background:

During the 2019 financial planning process, Council approved increasing one-time operating grant funding from surplus for the eight community centres and three senior centres in the amount of $234,300. This resulted in a budget increase of $21,300 to each centre and a total operating base budget of $75,000 for each centre.

Council directed staff to incorporate the increase of $21,300 as on-going budget for each of the community and senior centres to the 2020 draft budget and to apply an inflation index for future years.

Additionally, as part of the 2020 financial planning process, staff will be bringing forward the senior and community centres' information on the additional services provided with the new funding.

Financial and Human Resource Implications:

As per Council direction, the 2020 draft financial plan includes ongoing funding of $234,300 for the community and senior centres' operating grant budget. This additional budget is funded from new property tax revenue from new development.

For 2020, the operating grant for each of the community and senior centres is at $75,000. These budgets have been increased by 2% or the rate of inflation for future years.

TRANSGENDER, NON-BINARY AND TWO SPIRIT INCLUSION ACTION PLAN:

On September 5, Council approved the following:

1. *That Council approve the Transgender, Non-Binary and Two Spirit Inclusion Action plan; and direct staff to report back on resource implications through the 2020 and future financial planning process.*
2. *That Council direct staff to report back on implementation on an annual basis.*

Background:

The Transgender, Non-Binary and Two Spirit Inclusion (TNB2S+) Action Plan, developed through extensive community engagement, fulfills a Council Strategic Plan objective. The plan identifies direct actions for the City to support TNB2S+ inclusion over time, as well as future collaborative actions with community. The plan also identifies key enablers for successful implementation, and guidance regarding the sequencing of individual plan actions relative to each other over time. Some of the direct actions for the City relate to work which is already planned or underway.

Financial and Human Resource Implications:

The Plan actions include the creation of "a dedicated Diversity and Inclusion Recreation role and evaluate further staffing needs over time." Staff recommend creating an Accessibility and Inclusion Recreation Coordinator (1.0 FTE) to lead a new Accessibility and Inclusion section in the Recreation division, which requires ongoing additional funding of $52,000. The creation of this section will allow for Accessibility, Leisure Access and TNB2S+ goals to be actioned in parallel to each other consistent with the guiding direction in the Action Plan to "address the ways in which multiple identities impact on lived experience, including indigenous people, people with disabilities and other marginalized communities".

The Plan actions include the creation of a TNB2S+ Community Liaison role to nurture partners, scope projects and generally support a community-led and peer-informed approach to implementing plan actions. Staff recommend creating the Liaison role (1.0 FTE) in 2020 requiring ongoing additional funding of $113,000.

The Plan actions include providing gender diversity training for all staff, including Senior Management, Mayor, and Council. Phase 1 launch in 2020 will target Senior Management, Mayor and Council and key customer service roles at an estimated cost of $28,000.

DOWNTOWN GREENSPACE:

That Council direct staff to report back as part of the 2019, 2020, 2021 and 2022 budget on options to create more greenspaces downtown.

Background:

In 2019-2021, the City is proceeding with two projects that will create approximately 4.5 acres of new greenspace in the downtown area, including the Songhees Park expansion and redevelopment of Laurel Point Park.

Project	Park Space (Acres)
Songhees Park Expansion	1.5
Laurel Point Park Redevelopment	3

The further development of existing public space and acquisition of new land are potential tools for meeting Council's strategic objectives. The completion of a Park Development and Acquisition Strategy is identified as a priority action in the Parks and Open Spaces Master Plan (POSMP), and in the draft Strategic Plan. The proposed Strategy would explore options for acquisition (purchase, establishing first rights of refusal, interagency land transfers, joint use agreements, leases, easements and rights-of-way), in order to achieve the City's parks and open space goals.

In 2019, Council determined that a Council-led task force would be established to plan and prioritize the acquisition of new park land. City staff are prepared to support the proposed task force, and in the meantime will continue to provide Council with information on potential opportunities to add new park space as these arise.

Financial and Human Resource Implications:

This work can currently be accommodated within existing resources.

POLLINATOR HABITAT:

That Council direct staff to report back as part of the 2019, 2020, 2021 and 2022 budgets for opportunities to increase pollinator habitat on public and private lands.

Background:

In 2017, the staff shifted focus to strategically plant species in parks that better align with the lifecycles of pollinators to provide more available sources of pollen at key times. As staff renovate garden beds and planted medians, plant trees or install new landscapes, plants are selected that are drought tolerant and are sensitive to the natural environment while providing aesthetic value and pollinator habitat. The recently completed boulevards adjacent to the Johnson Street Bridge approach provide an example, where 1,500 pollinator-friendly plants were installed.

In 2019, five new mason beehive installations were added in Beacon Hill Park, with eight more planned for 2020. New interpretive signs are being installed near the hives to promote the value of pollinator-friendly gardening. Since 2017, staff have planted appropriately 3,000 pollinator-friendly plants in the public realm, with another 1,000 plants planned for 2020. In addition, staff will be hosting workshops and neighbourhood walking tours promoting boulevard gardening guidelines to support ecological diversity and provide pollinator habitats on City land. Finally, the City has received two expressions of interest for community gardens that support pollinator habitats.

With respect to increasing pollinator habitat on private property, on June 13, 2019 Council considered draft landscape design guidelines for food bearing, pollinator and native plant species that would apply to landscaped areas for new multi-residential, commercial and industrial developments. Staff have completed a public engagement process and will be reporting back with a related OCP amendment bylaw for first reading and a summary of feedback for Council's consideration. The new guidelines will be implemented in Fall 2019.

In 2020, staff will be working with the Engagement and Social Planning and Community Development departments to incorporate edible landscaping and pollinator gardening on private property. This work will primarily be completed through the promotion of the new Growing Food and Gardening in Mixed-Use, Multi-Unit Residential Developments Guidelines that were completed earlier this year.

Financial and Human Resource Implications:

This work can currently be accommodated within existing resources.

DOG FRIENDLY SPACES DOWNTOWN:

That Council direct staff to report back as part of the 2019, 2020, 2021 and 2022 budget on options to create more dog friendly spaces downtown.

Background:

Staff recommend piloting Reeson Park as a leash optional area. The new project would consist of the design and installation of infrastructure to support this change, including new signage, waste containers, and bag dispensers, in a shared park space (ie not enclosed). Council may opt to establish this first as a two-year pilot project, in order to monitor the effectiveness in advance of a permanent adjustment. This approach has proven successful in recent years for City parks in various neighbourhoods.

This motion has been addressed in the 2020 Financial Plan as a project in the Parks, Recreation and Facilities capital plan.

Financial and Human Resource Implications:

The financial resource implications are identified in the 2020 Financial Plan, see page 784.

LEASH OPTIONAL DOG PARK:

That Council direct staff to report back as part of the 2020 budget process on options to add another enclosed leash optional park.

Background:

Originally planned as a medium-term action in the Topaz Park Improvement Plan, this work may be delivered sooner to address Council's new direction. Detailed design of the dog park may be initiated in 2020, with construction to follow in 2021. The expected improvements would include an enclosed leash-optional area with improved amenities, for the existing leash-optional space.

This motion has been addressed in the 2020 Financial Plan as a project in the Parks, Recreation and Facilities capital plan.

Financial and Human Resource Implications:

The financial resource implications are identified in the 2020 Financial Plan, see page 784.

DALLAS ROAD DOG CONFLICTS:

That Council direct staff to report back as part of the 2020 budget process on a plan to address friction between dog owners and walkers on Dallas Rd with the consideration of protecting migratory birds and other wildlife.

Background:

The addition of a new bike path opening following the completion of the new wastewater treatment infrastructure is likely to increase the usage of this waterfront space. The CRD will erect split rail fencing in certain locations along the new bike path, however, staff recommend Council consider additional split rail wood fencing to provide a continuous physical separation between the bike path and leash optional area, between Clover Point and park space adjacent to Camas Circle.

Depending on the relative priority of this strategic action, Council may also consider directing staff to initiate a comprehensive study of this park space to assess the source of issues and possible solutions, in a future year, following the completion of other major projects currently in progress. This project would consist of significant public engagement and technical analysis, including bylaw considerations, along with an implementation plan.

This motion has been addressed in the 2020 Financial Plan as a project in the Parks, Recreation and Facilities capital plan.

Financial and Human Resource Implications:

The financial resource implications are identified in the 2020 Financial Plan, see page 784.

DAYLIGHTING STREAMS:

That Council direct staff to report back as part of the 2020, 2021 and 2022 budget process with opportunities for daylighting streams.

Background:

Identifying opportunities to daylight or celebrate culverted streams is identified as a priority action in the Parks and Open Spaces Master Plan (2017). Daylighting streams that have previously been confined to underground pipes can result in water quality improvements, flooding reduction, increased aquatic habitat and native ecosystems, and community and economic revitalization. The feasibility of daylighting streams is challenging in an urban environment.

Fully daylighting a stream is costly and requires a long-term plan, engineering studies and potential land acquisition. Having a plan in place will allow the City to take advantage of opportunities when they arise. In the short term two specific opportunities have been identified: Bowker Creek and Rock Bay Creek.

The Capital Regional District coordinates the Bowker Creek Urban Watershed Renewal Initiative (the BCI) with the City of Victoria, District of Saanich and District of Oak Bay as municipal partners. In 2017, the City was awarded an infrastructure planning grant to undertake a Daylighting Feasibility Study, in partnership with the other members of the BCI.

The Daylighting Feasibility Study is anticipated to be completed in fall 2019, and will provide valuable information regarding future infrastructure upgrades, property acquisitions, and land use planning.

In 2020, staff recommend initiating the development of an implementation plan, based on the opportunities and risks outlined in the feasibility study.

Financial and Human Resource Implications:

This work is can currently be accommodated within existing resources. Specific projects, timelines and costs would be brought forward upon completion of the Daylighting Feasibility Study.

URBAN FOOD PROGRAM:

That Council direct staff to proceed with the recommendations listed below, with all resource implications referred to the annual financial planning process:

1. Expand City grant eligibility
2. Pilot a City-built allotment garden
3. Pilot City-sponsored distribution of gardening materials
4. Investigate the re-introduction of the Sharing Backyards program
5. Support access to agricultural water rates
6. Establish food system targets and outcomes

Background:

On June 6th, 2019 staff provided Council with an update on the impact of the Growing in the City programs and identified opportunities to advance food systems objectives outlined in the 2019 – 2022 Strategic Plan.

In consultation with the Urban Food Table, staff identified six recommendations that Council approved.

Financial and Human Resource Implications:

All resource implications are identified in the 2020 Financial Plan

CHILDCARE FOR ADVISORY COMMITTEE MEETINGS:

On May 21, members of the newly formed Renters Advisory Committee made the following motion:

"That the Renter's Advisory Committee send a recommendation to Council that childcare be made available for all committee meetings at City Hall."

That Council receive this recommendation from the Renters Advisory Committee and direct staff to report back on the resource and financial implications as part of the 2020 Financial Planning Process.

Background:

In 2019 at the request of Council, staff introduced Childminding Services during Council meetings to help more people participate in local government.

The Community Care and Assisted Living Act - Child Care Licensing Regulations govern the parameters for childcare. There are three requirements for the service provision:

1. Parent must remain on-site
2. Parent must be immediately accessible
3. Child's stay must be less than 2 hours in duration.

The service is currently hosted in the City Hall Mezzanine Room and consists of two program leaders providing supervision for children up to age 12. The ratio of Leaders to children is 10:1 for the 6-12 age group and 4:1 for the 0-5 age group. The maximum capacity is 20 children.

The budgeted resources for staff to provide this service for Council meetings in 2019, is $11,000.

At present, there are two active advisory committees hosted at City Hall, the Renters Advisory Committee and the Active Transportation Committee. Childminding can be made available to these committees and delivered in the existing childminding space at City Hall.

Financial and Human Resource Implications:

This cost to deliver this service is approximately $150/session. As both committees are currently on a monthly meeting schedule, the annual cost is estimated to be $1800 per committee.

PARKS ACQUISITION AND GREEN SPACE:

On July 11, 2019 Council approved the following Motion:

"That Council consider as part of the 2020 budget discussions the allocation of some new assessed revenue for parks and greenspace acquisition and amenities in neighbourhoods where development is occurring."

Background:

No acquisitions are currently proposed in the 2020 Financial Plan. Should Council identify an acquisition, staff could report back on the financial and resource implications based on the specific acquisition identified.

Financial and Human Resource Implications:

COMMUNITY GARDEN ACCESSIBILITY:

On August 8, 2019, Council approved the following Motion:

"That staff report as part of the 2020 budget process on options for making community gardens more accessible for people with disabilities, people from diverse ethno cultural communities, and people in lower income neighbourhoods."

Background:

Staff plan to consult with the community garden network and other key stakeholder groups in order to define key challenges and barriers, and identify opportunities, to address inclusivity and accessibility in community gardens.

In March 2020, the City of Victoria in partnership with Public Health Association of BC (PHABC), will co-host a community garden network gathering called Can You Dig It! to help increase education, awareness and action regarding accessibility and social equity. The gathering will bring in guest-speakers, host break-out workshops, and provide tools and opportunities to share best practices. Since 2010, *Can You Dig It* has created and supported nearly 40 community gardens on public and private lands throughout the Lower Mainland, engaging over 40 partner organizations and 1,700 gardeners.

Participants of the Can You Dig It gathering will be provided with a Community Garden Inclusivity Tool Kit that offers activities, exercises and workshop ideas for each coordinator to bring back to their community gardens. This toolkit will support and empower each garden to identify areas of improvement and tailor strategic actions to help increase inclusivity in their community garden.

As directed by Council during the GITC Progress Report on June 6th, 2019, the Community Garden Volunteer Coordinator Grant Final Report has been amended to include more detailed information regarding sharing impacts of volunteer engagement strategies and outcomes. Garden coordinators will be responsible for reporting out on the evaluation of their programs and what strategic and measurable changes for accessibility considerations were implemented. Information provided by each community garden will be reviewed and high-level themes and stories of success will be added into the next iteration of the Community Garden Toolkit.

City of Victoria Grants:
On August 8th, 2019 at COTW, Council discussed the potential of funding new grant opportunities to explore ways to support accessibility-focused community gardening projects. Staff recommend and have begun to include more language that features accessibility considerations in the existing grants' terms of reference to encourage these types of applications in the current and available granting streams.

Financial and Human Resource Implications:

This work can be accommodated within existing resources.

GARDEN SUITE APPLICATIONS:

On July 11, 2019, Council approved the following Motion:

"That Council direct staff to continue to monitor application volumes and work to maximize efficiencies that may result from proposed refinements outlined in this report, and bring forward any necessary staff resourcing requests in conjunction with the 2020 Budget deliberations."

BACKGROUND:

The advent of the garden suite program, approximately two years ago, triggered approximately 35 new applications per year that require dedicated staff time and resources to process. The process of adding a residential unit to single family rear yards is a complex undertaking and applicants of garden suites are typically inexperienced and require significant assistance.

Over the past two years, staff have been able to absorb this extra work because a temporary planner position was created to handle the influx of cannabis applications and because efficiencies were achieved through the mass processing of cannabis rezoning applications, this staff resource was then redeployed to process garden suite applications as well as helping with general volume overruns. The cannabis application funding concludes at the end of 2019. If the current level of service is to be maintained, this position, previously resourced with the cannabis application fees, will need to be funded.

Council included a Strategic Objective to create a Small Scale Housing Ambassador (10 units or less). While there would definitely be overlap in the work of this position, if Council's objective is to provide an enhanced level of service and support to all applicants of projects proposing 10 or fewer units there would be a requirement for two planner positions to be funded.

Financial and Human Resource Implications:

1 or 2 Planner Position(s) required depending on Council's expectations. $115,600 / planner position.

DOWNTOWN PUBLIC REALM PLAN:

On July 25, 2019, Council approved the following:

"Direct staff to bring forward a budget request as part of the 2020 Financial Planning process to undertake a detailed design and cost estimate to implement the short term actions identified between Humboldt and Herald as approved in the 2017 Downtown Public Realm Plan and 2015 Charrette outputs for consideration."

Background:

The Downtown Public Realm Plan (adopted in 2017) identifies Government Street as a priority public realm improvement, and includes short, medium and long-term actions.

Short term actions include a streetscape refresh form Yates to Humboldt, including furnishings, and replacement of street trees and planters (given their deteriorating condition and lack of suitability for this location). Longer term actions included incorporation of a 2-way bike facility, including consideration for reducing traffic volumes and re-introducing two-way vehicle traffic in support of a more pedestrian and bike oriented 'shared street' approach, and extending this character from Yates Street to Chinatown (as recommended in the 2011 Downtown Core Area Plan).

Phase 1 design to occur in 2020 is recommended to include:

- traffic impact study and infrastructure assessment to inform conceptual design
- conceptual design and class 'D' cost estimate for envisioned streetscape improvements for Government Street from Humboldt Street to Herald Street

Replacement of water main infrastructure is planned between Humboldt and Herald Streets in 2022. It is advised that any streetscape improvements occur in tandem with underground replacement work. Consideration of replacement and/or relocation of other City and 3rd party underground infrastructure would be included as part of the concept design process.

Financial and Human Resource Implications:

A total budget of $207,000 is required to undertake the Phase 1 design work. This is comprised of a consultant budget of approximately $150,000 and a 0.5 FTE at $57,000 within the Engineering and Public Works Department to manage this project.

Currently, there is available budget of $133,000 in the 2019 Financial Plan associated with this project. Therefore, an additional one-time funding of $74,000 is required to complete this phase of the project.

It is anticipated additional FTE will be needed for future phases involving detailed design and implementation which will be provided to Council when details are known.

VICPD MOTION:

On April 11, 2019, Council approved the following motion:

a) *"That Council requests that VicPD examine the following measures as part of the 2020 budget process: Consolidation of exempt management positions.*
b) *Discussions with City of Victoria staff to identify potential efficiencies and cost savings to VicPD through the potential transfer of delivery of some functions from VicPD civilian employees to direct City of Victoria delivery of services, with cost recovery from the Township of Esquimalt.*
c) *Submission of detailed, transparent, and available information in time for public consultation in line with the rest of the City of Victoria budget."*

BACKGROUND

The Police Board has provided information regarding consolidation of positions. However, given that the responses involve employee relations, these responses are not suited for open session, but discussions could be held in closed session.

The potential cost savings that might result from the transfer of civilian positions from VicPD to the City will be responded to as part of the Police Board's budget presentation.

The information being submitted by the Police Board is in alignment with the rest of the City of Victoria budget and will be part of the City's Financial Plan consultation process.

PERFORMANCE MEASUREMENT FUNCTION

At the October 17, 2019 Committee of the Whole meeting, Council referred a report on Service Delivery Improvement and Performance Measurement Resources to the 2020 Financial Plan. Council further re-enforced at the Special Committee of the Whole meeting on October 21, 2019 a desire for further discussion at the November 4, 2019 Special Meeting of Council.

BACKGROUND:

A number of staff have a role in performance measurement within their respective areas of responsibility in operational departments, such as monitoring volumes of waste disposal, parking usage, housing metrics, OCP annual and five-year updates, collision rates, among many others. The City does not currently have capacity or a function to advance new measurement objectives, overall corporate reporting improvements, and pro-actively look to benchmarks and best practice metrics beyond year-over-year trend comparisons. Specific examples of areas where a centralized measurement function could provide benefit includes:

1. Introduction of a new bi-annual Community Health and Wellness Survey to:
    (a) Establish indictors of community health and well-being for a sub-set of the Strategic Plan Measures and undertake baseline measurement of these indictors starting in 2020
    (b) Collect new demographic information on residents beyond that available from census
    (c) Establish baseline measures of citizen perceptions, satisfaction and priorities on services to inform the financial planning process prior to development of the draft 2021 budget
2. Develop a process and implement regular reporting on strategic plan outcome measures
3. Work with departments to improve data quality and collection processes to regularly report to Council and the public in annual, quarterly and financial reports
4. Support advancement of an equity lens through data and mapping support, as well as information assessment*

Service improvement is closely linked to performance measurement. Specific examples of work that would be undertaken through a service improvement function includes:

1. Engaging front-line employees to identify areas where work processes are inefficient and can be improved
2. Focus on citizen experience on how they interact with the City (are their requests or inquires being met in a timely manner? Are there emerging trends in the types of requests being received? Is there a quality issue with a program or service?)
3. Increase transparency by working with departments to expand open data standards
4. Support the development and roll-out of a community equity lens, training programs and toolkits*

FINANCIAL AND HUMAN RESOURCE IMPLICATIONS:

The resource implications for undertaking the above noted work is as follows:

- Service Delivery Improvement Function - $264,200 (2.0 FTE)
- Performance Measurement Function - $107,900 (1.0 FTE)
- Survey and Data Support - $100,000 (One-Time)

Should Council choose to not proceed with funding the resources outlined above, staff recommend that the Strategic Plan be amended to remove the following three action items under the objective of Good Governance and Civic Engagement.

- Improve service delivery through learning and input from frontline workers (LEAN) (2020)
- Develop a measurement and monitoring process for Strategic Plan Outcomes (2019)
- Implement measurement and monitoring process for Strategic Plan Outcomes (2020)

** Further information on options for the scope of a community equity lens will be brought forward to Council in January 2020.*

Draft Financial Plan

2020-2024

CITY OF VICTORIA

1

Outline

- Overview of Draft Financial Plan
- Department Presentations

2

Draft Financial Plan

- Draft operating budget totals $258.7 million
- Draft capital budget totals $42.1 million
- Proposed overall tax increase 3.35%; including utilities 3.32% for average residential and 3.26% for typical business

3

Department Presentation Schedule

October 21

- Council
- Finance
- Information Technology
- Real Estate
- Legislative Services
- Corporate Initiatives
- City Manager
- Human Resources
- Fire

October 31

- Sustainable Planning and Community Development
- Business and Community Relations
  - Arts, Culture and Events
  - Neighbourhoods
  - Economic Development
  - Victoria Conference Centre
- Legal
- Engagement
- Bylaw Services
- Parks, Recreation and Facilities
- Engineering and Public Works
- Corporate

4

Department Presentation Schedule

November 4

- Supplementary Requests
- Strategic Plan Resource Requirements
- Financial Plan Motion Report Backs

November 15

- Greater Victoria Public Library
- Victoria and Esquimalt Police Board
- Engineering and Public Works – Climate, Accessibility, Zero-Waste and GoVictoria

5

Council

Operating Budget: pages 105-110

6

Council

Budget Summary	
2020 Base Expenditures	839,584
2020 One Time Expenditures	-
2020 Proposed Expenditures	839,584
2019 Base Expenditures	819,129
2019 One Time Expenditures	38,300
2019 Approved Expenditures	857,429
Base Budget Change	20,455
Change by %	2.50%
2020 Base Revenues	-
2020 One Time Revenues	-
2020 Proposed Revenues	-
2019 Base Revenues	-
2019 One Time Revenues	23,300
2019 Approved Revenues	23,300
Base Budget Change	-
Change by %	0.00%
Mayor's Office	
2020 FTE	1.00
2019 FTE	1.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 105-110

7

Finance

Operating Budget: pages 345-382
Capital Budget: pages 833-834, 859

CITY OF VICTORIA

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Finance

Overview

- Safeguard the City's financial assets and plan to ensure the financial stability and viability of the City
- Financial reporting and implementation of financial management policies
- Provide financial information and advice to Council, City departments and the general public
- Manage Parking Services

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Finance

Core Services

- Financial Planning
- Accounting Services
- Revenue Services
- Supply Management
- Parking Services
  - Five parkades, three surface parking lots, and nearly 2,000 on-street parking spaces downtown

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Finance

Strategic Initiatives and Major Projects

- Social Procurement

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Finance

Budget Summary

2020 Base Expenditures	15,583,462
2020 One Time Expenditures	-
2020 Proposed Expenditures	15,583,462
2019 Base Expenditures	14,997,810
2019 One Time Expenditures	-
2019 Approved Expenditures	14,997,810
Base Budget Change	585,652
Change by %	3.90%
2020 Base Revenues	19,632,800
2020 One Time Revenues	-
2020 Proposed Revenues	19,632,800
2019 Base Revenues	19,107,800
2019 One Time Revenues	-
2019 Approved Revenues	19,107,800
Base Budget Change	525,000
Change by %	2.75%
2020 FTE	85.07
2019 FTE	85.07
Change	0.00
Change by %	0.00%

Operating Budget: pages 345-382
Capital Budget: pages 833-834, 859

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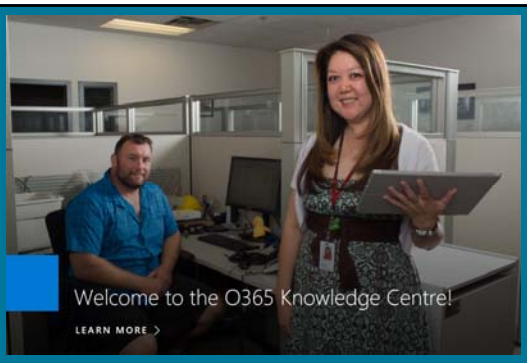

Information Technology

Operating Budget: pages 395-404
Capital Budget: pages 825-828

CITY OF VICTORIA

13

Information Technology

Overview

- Deliver and manage the city's information technology including hardware, systems and applications
- Manage the lifecycle of corporate information which encompasses physical and electronic records as well as the archives

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Information Technology

Core Services

- **Information Technology Operations**: Provides technical infrastructure (hardware and software) and organizational business solutions (corporate application delivery and support)
- **Information Management**: Responsible for the City's Enterprise Data Architecture including Corporate Records and Archives
- **Business Solutions**: Provides internal resources to user departments to develop and acquire software solutions to meet organizational business needs; enhancing use of current applications and process documentation to support project portfolio management

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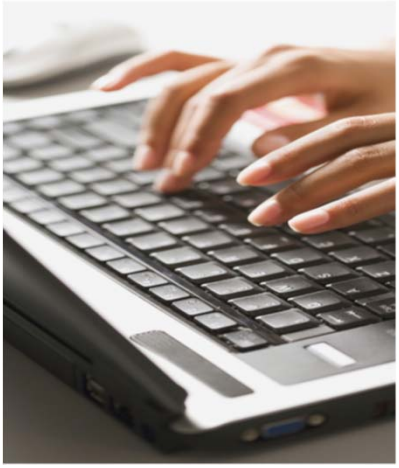
Information Technology

Strategic Initiatives and Major Projects

- Information Management
- E-Apply Implementation



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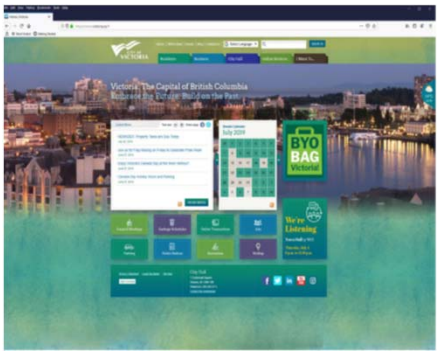
Information Technology

Budget Summary	
2020 Base Expenditures	4,450,018
2020 One Time Expenditures	-
2020 Proposed Expenditures	4,450,018
2019 Base Expenditures	4,347,394
2019 One Time Expenditures	195,002
2019 Approved Expenditures	4,542,396
Base Budget Change	102,624
Change by %	2.36%
2020 Base Revenues	-
2020 One Time Revenues	-
2020 Proposed Revenues	-
2019 Base Revenues	-
2019 One Time Revenues	195,002
2019 Approved Revenues	195,002
Base Budget Change	-
Change by %	0.00%
2020 FTE	23.00
2019 FTE	23.00
Change	0.00
Change by %	0.00%



Operating Budget: pages 395-404
Capital Budget: pages 825-828

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Real Estate

Operating Budget: pages 507-516, 179-180 (VCC Retail Stores)

CITY OF VICTORIA

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Real Estate

Overview

- Administer all aspects of the City's strategic real estate program and holdings including acquisitions, dispositions and the development of partnerships in support of affordable housing and other Council priorities
- Seek to maximize the City's returns from its property holdings based upon a triple bottom line approach valuing economic, social and environmental returns
- Ensure the City has the appropriate real estate portfolio to meet its current and long terms needs

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Real Estate

Core Services

- Manage all aspects of the City's real estate holdings based on an established real estate philosophy and based on a triple bottom line perspective
- Provide strategic advice and direction related to real estate transactions involving City interests including acquisitions and partnerships in support of affordable housing and community amenities
- Conduct investigations and due diligence on proposed acquisitions and sales, and negotiate all aspects of those transactions
- Contract management of all lease agreements, licenses of use, easements, statutory rights-of-way and other property-related agreements

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Real Estate

Core Services (cont.)

- Development and ongoing management of a comprehensive real estate inventory
- Management of revenues/expenditures with a goal of improving net returns
- 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

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Real Estate

Strategic Initiatives and Major Projects

- Real Estate Strategy
- Strategic Property Acquisitions, Disposals, Lease Agreements and Tenure including:
  - projects in support of affordable housing
  - community amenities
  - David Foster Harbour Pathway Lands
  - Parkland acquisitions (e.g. Laurel Point)

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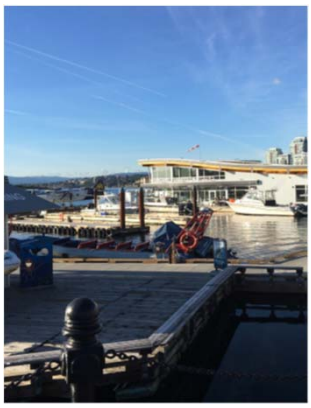
Real Estate

Budget Summary	
2020 Base Expenditures	1,859,883
2020 One Time Expenditures	-
2020 Proposed Expenditures	1,859,883
2019 Base Expenditures	1,848,777
2019 One Time Expenditures	83,773
2019 Approved Expenditures	1,932,550
Base Budget Change	11,107
Change by %	0.60%
2020 Base Revenues	1,921,045
2020 One Time Revenues	-
2020 Proposed Revenues	1,921,045
2019 Base Revenues	1,815,919
2019 One Time Revenues	83,773
2019 Approved Revenues	1,899,692
Base Budget Change	105,126
Change by %	5.79%
2020 FTE	5.00
2019 FTE	5.00
Change	0.00
Change by %	0.00%



Operating Budget: pages 507-516, 179-180 (VCC Retail Stores)

* This summary does not include Business Unit 5970 -VCC Retail Stores (2020 revenues of $316,326 and $90,249 in expenditures)
** Base expenditures include an annual repayment to the Building & Infrastructure Reserve (2020 - $496,248) for 812 Wharf Street

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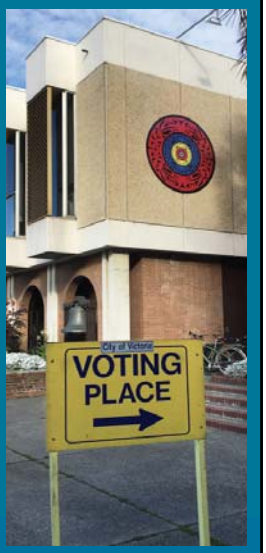
Legislative Services

Operating Budget: pages 409-418



CITY OF VICTORIA

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Legislative Services

Overview

- The Legislative Services Department provides legislative, policy, administrative and regulatory expertise services to City Council and City departments to ensure that the City conducts its business in a manner consistent with City bylaws and provincial legislation.

- The City Clerk also performs a variety of Corporate Officer functions, including providing access to official records, executing documents and accepting service of documents on the City.

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Legislative Services

Core Services

- **Legislative Services**: administrative support and governance advice to Council and Council Committees; official records of Council and Committees of Council; policy analysis; maintain, consolidate and revise City bylaws; administer civic elections and referenda.
- **Freedom of Information and Protection of Privacy Act**: coordinate and assist with Freedom of Information requests and privacy impact assessments as required under the Freedom of Information and Protection of Privacy Act.

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Legislative Services

Strategic Initiatives and Major Projects

- Citizen Assembly Coordination
- Lobbyist Registry
- Noise Bylaw Review
- Establishment of new Advisory Committees

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Legislative Services

Budget Summary	
2020 Base Expenditures	1,532,500
2020 One Time Expenditures	-
2020 Proposed Expenditures	1,532,500
2019 Base Expenditures	1,491,771
2019 One Time Expenditures	72,500
2019 Approved Expenditures	1,564,271
Base Budget Change	40,729
Change by %	2.73%
2020 Base Revenues	35,000
2020 One Time Revenues	-
2020 Proposed Revenues	35,000
2019 Base Revenues	35,000
2019 One Time Revenues	
2019 Approved Revenues	35,000
Base Budget Change	-
Change by %	0.00%
2020 FTE	9.88
2019 FTE	9.88
Change	0.00
Change by %	0.00%

Operating Budget: pages 409-418

28

Corporate Initiatives

Operating Budget: pages 121-124

29

Corporate Initiatives

Core Services

- Project Management Office
- Annual and Quarterly Reporting
- Service Improvement and Re-Design
- Performance Measurement Support

30

Corporate Initiatives

Strategic Initiatives and Major Projects

- Strategic Plan Outcome Measures
- Citizen Relationship Management Program
- Open Government Strategy
- Equity Lens Implementation

31

Corporate Initiatives

Budget Summary

2020 Base Expenditures	300,565
2020 One Time Expenditures	-
2020 Proposed Expenditures	300,565
2019 Base Expenditures	296,231
2019 One Time Expenditures	-
2019 Approved Expenditures	296,231
Base Budget Change	4,334
Change by %	1.46%
2020 FTE	2.00
2019 FTE	2.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 121-124

32

City Manager

Operating Budget: pages 111-120

33

City Manager's Office

Overview

- The City Manager's Office provides strategic leadership to the 1,000 City employees and implements Council policy and direction
- The City Manager is the one employee of Council, providing a liaison between Council and all City staff, monitoring and reporting on the performance of the organization
- The City Manager is accountable to Council for staff performance and responsible for the allocation of all resources to deliver the direction and priorities of Council

34

City Manager's Office

Core Services

- Strategic and Operational Planning:

  Develop the plan and oversee the quarterly progress reporting and on-going monitoring

- Executive Administration:

  City correspondence, administrative support to City Manager and Mayor's Office, front line customer service

35

City Manager's Office

Budget Summary	
2020 Base Expenditures	951,248
2020 One Time Expenditures	-
2020 Approved Expenditures	951,248
2019 Base Expenditures	946,156
2019 One Time Expenditures	-
2019 Approved Expenditures	946,156
Base Budget Change	5,092
Change by %	0.54%
2020 FTE	7.00
2019 FTE	7.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 111-120

36

Human Resources

Operating Budget: pages 383-394

CITY OF VICTORIA

37

Human Resources

Overview

- Work in partnership with other program areas to create a high performing culture that supports our people to deliver the City's strategic and operational plans
- Support the creation of an effective safety climate and culture, to reduce risks of illness and injury and support employee health and wellness

38

Human Resources

Core Services

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

39

Human Resources

Strategic Initiatives and Major Projects

- Leadership Development Program
- Reconciliation Training
- Diversity & Inclusion Training
- Collective Bargaining

40

Human Resources

Budget Summary	
2020 Base Expenditures	2,184,857
2020 One Time Expenditures	-
2020 Proposed Expenditures	2,184,857
2019 Base Expenditures	2,181,767
2019 One Time Expenditures	89,167
2019 Approved Expenditures	2,270,934
Base Budget Change	3,090
Change by %	0.14%
2020 Base Revenues	-
2020 One Time Revenues	-
2020 Proposed Revenues	-
2019 Base Revenues	-
2019 One Time Revenues	59,167
2019 Approved Revenues	59,167
Base Budget Change	-
Change by %	0.00%
2020 FTE	13.00
2019 FTE	13.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 383-394

41

Victoria Fire Department

Operating Budget: pages 537-576
Capital Budget: pages 829-832

CITY OF VICTORIA

42

Fire and Emergency Management

Overview

- Responsible for the strategic direction and delivery of core fire and emergency response for the City of Victoria, integration of "supported" servicing with other first responder agencies.
- Legislated requirement for fire inspections of all commercial and public occupancy buildings in addition to fire and life safety education, community programming and school liaison.
- Ensuring compliance with industry standards, licensing and progressive specialized training programs
- Effective Response Force Planning (locally, regionally) based on risk, hazards and occupancies
- Fire Station Planning and Response Programming
- Corporate and departmental business continuity preparation, economic recovery and developing strategy for recovery from potential impact of events
- Emergency Management and effective emergency preparedness education for citizens, corporate and region

43

Fire and Emergency Management

Core Services

- **Fire Suppression**: Provides 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**: Provides professional cost effective and efficient emergency and non-emergency maintenance of all fire apparatus, specialty equipment, marine vessels, and fleet. Regional fleet maintenance facility. Delivery of specialized training relating to vehicle operations, equipment use and marine vessel operations
- **Harbour Response**: Provision of 24-hour emergency harbour response with the Fire Boat Protector and Rapid Response Marine vessel for rescue, environmental and inter-departmental responses

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Fire and Emergency Management

Core Services (cont.)

- **Communication**: Provision of 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

45

Fire and Emergency Management

Strategic Initiatives and Major Projects

- Emergency Management Renewal

46

Fire and Emergency Management

Budget Summary	
2020 Base Expenditures	17,613,251
2020 One Time Expenditures	121,000
2020 Proposed Expenditures	17,734,251
2019 Base Expenditures	17,531,848
2019 One Time Expenditures	145,750
2019 Approved Expenditures	17,677,598
Base Budget Change	81,403
Change by %	0.46%
2020 Base Revenues	81,000
2020 One Time Revenues	121,000
2020 Proposed Revenues	202,000
2019 Base Revenues	81,000
2019 One Time Revenues	145,750
2019 Approved Revenues	226,750
Base Budget Change	-
Change by %	0.00%
2020 FTE	124.09
2019 FTE	124.09
Change	0.00
Change by %	0.00%

Operating Budget: pages 537-576
Capital Budget: pages 829-832

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Sustainable Planning & Community Development

Operating Budget: pages 517-536

CITY OF VICTORIA

48

Sustainable Planning & Community Development

Overview

- Committed to supporting quality development and economic health of the City
- Balancing economic prosperity, social development and environmental sustainability

49

Sustainable Planning & Community Development

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

50

Sustainable Planning & Community Development

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

51

Sustainable Planning & Community Development

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 license permit applications

52

Sustainable Planning & Community Development

Strategic Initiatives and Major Projects

- Local Area Planning
- Housing Strategy Implementation
- Downtown Core Area Plan - Five Year Review
- Placemaking Guide and Toolkit
- CALUC Review
- New Development on Green Shores
- Permitting Process Improvements

53

Sustainable Planning & Community Development

Budget Summary

2020 Base Expenditures	5,346,333
2020 One Time Expenditures	110,000
2020 Proposed Expenditures	5,456,333
2019 Base Expenditures	5,261,883
2019 One Time Expenditures	1,749,064
2019 Approved Expenditures	7,010,947
Base Budget Change	84,450
Change by %	1.60%
2020 Base Revenues	3,103,750
2020 One Time Revenues	110,000
2020 Proposed Revenues	3,213,750
2019 Base Revenues	3,103,750
2019 One Time Revenues	1,121,814
2019 Approved Revenues	4,225,564
Base Budget Change	-
Change by %	0.00%
2020 FTE	44.43
2019 FTE	44.43
Change	0.00
Change by %	0.00%

Operating Budget: pages 517-536

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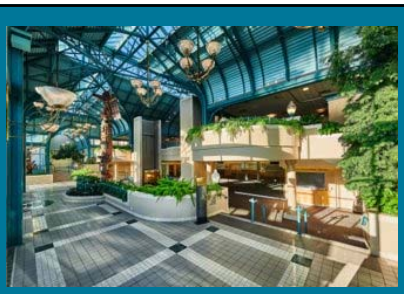

Business and Community Relations

Operating Budget: pages 125-182
Capital Budget: pages 789, 824

CITY OF VICTORIA

55

Business and Community Relations

Overview

- Business and Community Relations is comprised of Arts, Culture and Events, Economic Development, Neighbourhoods Team and the Victoria Conference Centre to support associations and groups to foster greater community economic development and vibrancy in Victoria
- Contributes toward Victoria's economic health by making it easier to start a business in Victoria and works with business and community stakeholders to attract and retain business in the City

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Business and Community Relations

Arts, Culture and Events

- Special event liaison and permitting
- Film permitting, Film Commission liaison and coordination support
- Festival Investment Grant program
- Festival equipment loan coordination and maintenance
- 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

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Business and Community Relations

Neighbourhood Outreach

- Support community building by working with neighbourhood organizations and residents and to support community development projects and activities to build capacity
- Provide interdepartmental linkage between neighbourhood associations and City staff on initiatives and emerging issues
- Assist neighbourhood associations, groups and residents improve their understanding of, access to, and engagement with the City
- Administer the *My Great Neighbourhood Grant program*

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Business and Community Relations

Economic Development

- Streamline processes and barriers within City Hall for Businesses
- Provide customer service to new and established businesses with the Business Hub
- Support innovation, creativity and collaboration between the City, community, and business stakeholders to increase business investment in Victoria driven by the deliverables outlined in the economic action plan, Victoria 3.0 - Pivoting to a Higher Value Economy

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Business and Community Relations

Victoria Conference Centre

- Sell, manage and service conferences, special events, meetings, and trade and consumer shows
- Work with Destination Victoria to market Victoria to domestic and international conference event planners
- Liaison for destination management and business development with business, tourism and hospitality industry partners
- Providing high quality convention services and providing sustainable and energy efficient facilities

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Business and Community Relations

Strategic Initiatives and Major Projects

- **Arts, Culture and Events**
  - Create Victoria Master Plan Implementation
- **Economic Development**
  - Business Hub
  - Talent Attraction/Retention
  - Victoria 3.0 – Pivoting to a Higher Value Economy
- **Neighbourhoods**
  - Community Champion Program
  - My Great Neighbourhood Grant
  - Late Night Program
- **Victoria Conference Centre**
  - Target City-wide conferences
  - Strengthen the Business Events Victoria Brand

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Business and Community Relations

Budget Summary	
2020 Base Expenditures	5,979,375
2020 One Time Expenditures	-
2020 Proposed Expenditures	5,979,375
2019 Base Expenditures	5,904,840
2019 One Time Expenditures	252,500
2019 Approved Expenditures	6,157,340
Base Budget Change	74,535
Change by %	1.26%
2020 Base Revenues	4,278,427
2020 One Time Revenues	-
2020 Proposed Revenues	4,278,427
2019 Base Revenues	4,292,620
2019 One Time Revenues	15,000
2019 Approved Revenues	4,307,620
Base Budget Change	(14,193)
Change by %	-0.33%

VCC Event Costs Paid by Clients	
2020 Base Expenditures	3,460,000
2020 One Time Expenditures	-
2020 Proposed Expenditures	3,460,000
2019 Base Expenditures	3,460,000
2019 One Time Expenditures	-
2019 Approved Expenditures	3,460,000
Base Budget Change	-
Change by %	0.00%
2020 Base Revenues	3,460,000
2020 One Time Revenues	-
2020 Proposed Revenues	3,460,000
2019 Base Revenues	3,460,000
2019 One Time Revenues	-
2019 Approved Revenues	3,460,000
Base Budget Change	-
Change by %	0.00%

Operating Budget: pages 125-182

Capital Budget: pages 789, 824

2020 FTE	25.91
2019 FTE	25.91
Change	0.00
Change by %	0.00%

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Legal Services

Operating Budget: pages 405-408

CITY OF VICTORIA

63

Legal Services

Overview

- Legal Services' lawyers provide timely, accurate and practical legal advice and services to Council and staff to assist in the management and mitigation of risks to the City and to assist in securing and enforcing the City's legal rights and interests.
- City's in-house lawyers represent the City in legal proceedings before the Courts and administrative boards and tribunals.

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Legal Services

Core Services

- 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 applications
- Assistance with real estate transactions

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Legal Services

Core Services (cont.)

- Represent the City in legal proceedings
- Draft, revise and consolidate City bylaws and assist City staff in interpretation and application of bylaws and provincial legislation
- Monitor changes in laws affecting the City and provide proactive advice to mitigate impacts on the City

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Legal Services

Strategic Initiatives and Major Projects

- Provide legal support for:
  - Climate Leadership Plan
  - Housing Strategy
  - Strategic Property Acquisition, Management and Disposal

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Legal Services

Budget Summary	
2020 Base Expenditures	780,638
2020 One Time Expenditures	-
2020 Proposed Expenditures	780,638
2019 Base Expenditures	779,327
2019 One Time Expenditures	65,000
2019 Approved Expenditures	844,327
Base Budget Change	1,311
Change by %	0.17%
2020 FTE	4.00
2019 FTE	4.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 405-408

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Engagement

Operating Budget: pages 191-200

CITY OF VICTORIA

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Engagement

Overview

- Encourage civic participation in City government
- Foster a culture of engagement and communications throughout the organization
- Strategic communications to support City services and programs

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Engagement

Core Services

- **Public Engagement**: leadership and implementation of engagement processes, surveys, and engagement tools and techniques
- **Communications**: graphic design, communications planning and implementation to support City services and programs
- **Customer Service**: victoria.ca and employee communications

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Engagement

Public Engagement

- Work with City departments and the community to create and implement engagement plans that support the development of public policy, programs and services and build social capital
- Work with departments to plan, implement and monitor ongoing, proactive outreach and relationship-building between the City, citizens, businesses and community organizations

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Engagement

Communications

- Graphic Design and Digital Content
- Public awareness and social marketing – CONNECT print and e-newsletters
- Video Production and Photography
- Social Media
- Advertising and Marketing Materials

73

Engagement

Customer Service

- Victoria.ca
- Employee Engagement – support activation of a high-performing workplace

74

Engagement

Strategic Initiatives and Major Projects

- Town Halls and Engagement Summit
- Engagement and Facilitation Training
- Participatory Budgeting
- Youth Strategy

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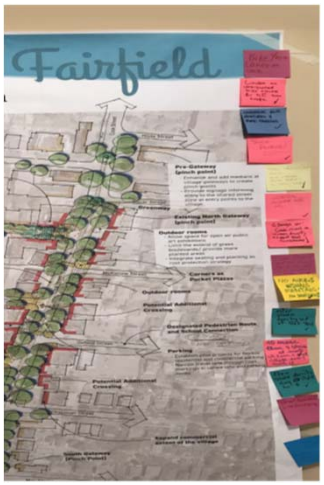
Engagement

Budget Summary

2020 Base Expenditures	1,401,833
2020 One Time Expenditures	-
2020 Proposed Expenditures	1,401,833
2019 Base Expenditures	1,383,917
2019 One Time Expenditures	105,000
2019 Approved Expenditures	1,488,917
Base Budget Change	17,916
Change by %	1.29%
2020 FTE	11.00
2019 FTE	11.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 191-200



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Bylaw Services

Operating Budget: pages 183-190

77

Bylaw Services

Core Services

Bylaw Enforcement

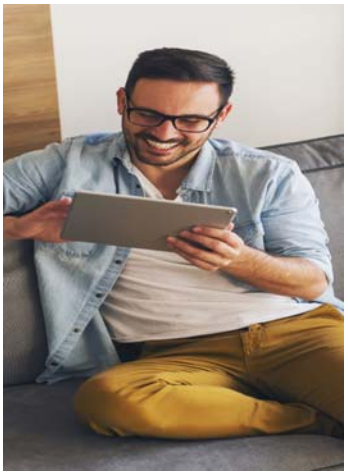
- Compliances and investigations

Licence Application Review

- Business licence reviews and compliance checks

Short Term Rental Market Strategy

- City Strategy to regulate short term rentals



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Bylaw Services

Strategic Initiatives and Major Projects

- Continue to achieve voluntary compliance through education and information
- Gorge Waterway Enforcement

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Bylaw Services

Budget Summary	
2020 Base Expenditures	1,895,239
2020 One Time Expenditures	-
2020 Proposed Expenditures	1,895,239
2019 Base Expenditures	1,879,666
2019 One Time Expenditures	93,087
2019 Approved Expenditures	1,972,753
Base Budget Change	15,573
Change by %	0.83%
2020 Base Revenues	612,900
2020 One Time Revenues	-
2020 Proposed Revenues	612,900
2019 Base Revenues	594,850
2019 One Time Revenues	93,087
2019 Approved Revenues	687,937
Base Budget Change	18,050
Change by %	3.03%
2020 FTE	10.00
2019 FTE	10.00
Change	0.00
Change by %	0.00%

Operating Budget: pages 183-190

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Parks, Recreation and Facilities

Operating Budget: pages 419-506
Capital Budget: pages 777-784, 807-820, 838

CITY OF VICTORIA

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Parks, Recreation and Facilities

Overview

- Manage the inventory of parks, open spaces and buildings to enable diverse opportunities for recreation and sport, arts and culture, as well as City services and administration.
- Working with residents, a focus is maintained on initiatives that support a safe, vibrant and inclusive community.

CITY OF VICTORIA | 2020-2024 Draft Financial Plan

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Parks, Recreation and Facilities

Core Services

Parks

- Manage 500 acres of park and open spaces
- Design, construct and sustain park spaces and amenities
- Participate in development permit review, tree preservation, community garden applications, and public realm projects
- Guiding documents include Parks and Open Spaces Master Plan, Urban Forest Master Plan, as well as site specific plans/guidelines

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Parks, Recreation and Facilities

Core Services

Recreation

- Manage programs and services delivered through facilities, including Royal Athletic Park, Crystal Pool and Fitness Centre, and parks
- Administer the *Leisure Involvement for Everyone* (LIFE) program, which reduces financial barriers for residents
- Administer bookings for City sport facilities
- Liaise with community stakeholders to deliver affordable, accessible programs

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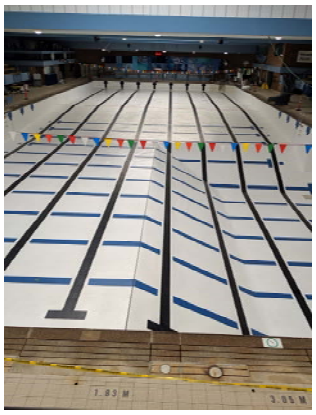
Parks, Recreation and Facilities

Core Services

Facilities



- Maintenance and janitorial services for the City's inventory of 109 buildings and parking lots, totaling 1.9 million square feet of floor space
- Planning and management of facility-based capital projects
- Long-term planning and analysis of building use and systems
- Management of corporate security

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Parks, Recreation and Facilities

Strategic Initiatives and Major Projects

- **Parks**:
  - Topaz Park Plan – Detailed Designs
  - Laurel Point Park Development Plan
  - Songhees Park Expansion
  - Urban Forest Master Plan Implementation
  - Expanding opportunities for urban agriculture
- **Recreation**:
  - Crystal Pool and Wellness Centre Replacement Plan
  - LIFE Program Update
- **Facilities**:
  - Facilities Master Plan
  - Various design and construction projects to renew existing facilities

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Parks, Recreation and Facilities

Budget Summary

2020 Base Expenditures	23,807,407
2020 One Time Expenditures	-
2020 Proposed Expenditures	23,807,407
2019 Base Expenditures	23,132,508
2019 One Time Expenditures	574,410
2019 Approved Expenditures	23,706,918
Base Budget Change	674,899
Change by %	2.92%
2020 Base Revenues	3,053,180
2020 One Time Revenues	-
2020 Proposed Revenues	3,053,180
2019 Base Revenues	2,888,750
2019 One Time Revenues	346,160
2019 Approved Revenues	3,234,910
Base Budget Change	164,430
Change by %	5.69%
2020 FTE	194.68
2019 FTE	187.75
Change	6.93
Change by %	3.69%

Operating Budget: pages 419-506
Capital Budget: pages 777-784, 807-820, 838

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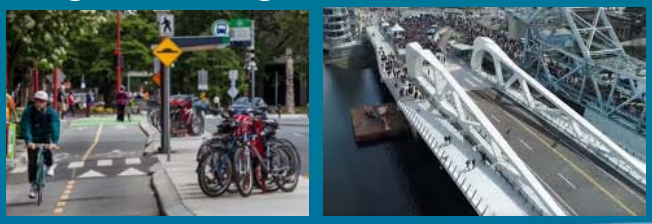
Engineering & Public Works



Operating Budget: pages 201-344
Capital Budget: pages 761-769, 773-776, 790-800, 803-805, 835-837, 841-857

CITY OF VICTORIA

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Engineering and Public Works

Overview

Manage and deliver essential City services via utilities, transportation and public realm infrastructure and systems.

Public Works:

- Construction, operations, and maintenance of utility, public realm, transportation, mobility, waste, emergency and safety services/infrastructure.

Engineering:

- Design, specification and management of the City's underground and structural assets.
- Management of the City's Climate Action, waste, and asset management programs.

Transportation:

- Design, specification and management of transportation and mobility assets, infrastructure and networks.

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Engineering and Public Works

Public Works

- **Underground Utilities**: Construction and maintenance of sewer, water and storm systems
- **Fleet Management**: Acquisition, operations and maintenance of 300+ fleet vehicles and City's power equipment/tools, including maintenance of VicPD vehicles / acquisition of Fire Dept vehicles
- **Surface Infrastructure**: Construction, operation and maintenance of public realm equipment/furniture, road markings, signs, paint, fabrication and carpentry
- **Streets**: Construction, operation and maintenance of roads, sidewalks, retaining walls, electrical & traffic signal infrastructure
- **Sanitation and Street Cleaning**: Operations of residential landfill and kitchen scraps collection programs, management of yard waste programs, street cleaning, neighbourhood waste bin collection, cigarette butt collection program
- **Support Services**: Coordination of departmental safety and emergency management, traffic control, special events support, after hours emergency and service response, resource coordination, administration and management services

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Engineering and Public Works

Engineering

- **Underground Utilities**: Design, planning and management of underground utilities
- **Land Development**: Administers approval and processing of land development applications for subdivisions and strata permits, frontage and right of way construction permits
- **Geographic Information System (GIS) and Surveying**: Coordination, standards, presentation and management of City assets geo-spatial information
- **Climate Action**: Development, coordination, planning and management of municipal greenhouse gas reduction programs

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Engineering and Public Works

Engineering

- **Sustainability and Asset Management:** Development of systems and tools for all City groups to support the sustainable management of all City assets (location, condition, through life management, replacement, disposal), and design/implementation of sustainable City waste programs
- **Engineering General:** Coordination, design, specification and management of all City structural, environmental and geotechnical programs/projects

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Engineering and Public Works

Transportation

- **Sustainable Transportation Planning and Development:** Design, planning, coordination, specification, and management of all mobility planning and programs including: commercial/private/public development, transit, active transportation, sustainable mobility, accessibility, motor vehicle and logistics, and parking systems
- **Transportation Operations and Construction:** Planning, coordination, specification and management of transportation operations, safety systems, right of way use/management and construction activities

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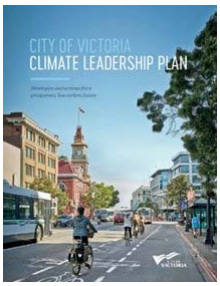
Engineering and Public Works

Strategic Initiatives and Major Projects

- Sustainable Mobility Strategy (GOVictoria) implementation
- Climate Action Program implementation
- Accessibility Framework implementation
- Underground Infrastructure Renewal
- Transportation and Major Infrastructure Renewal
- AAA Bicycle Master Plan
- Zero Waste Strategy
- Single Use Materials Reduction Program
- Asset Management Program

GOVICTORIA
Our Mobility Future



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Engineering and Public Works

Budget Summary

Engineering and Public Works excluding Utilities	
2020 Base Expenditures	20,006,737
2020 One Time Expenditures	300,000
2020 Proposed Expenditures	20,306,737
2019 Base Expenditures	19,418,179
2019 One Time Expenditures	2,350,447
2019 Approved Expenditures	21,768,626
Base Budget Change	588,558
Change by %	3.03%
2020 Base Revenues	4,163,350
2020 One Time Revenues	300,000
2020 Proposed Revenues	4,463,350
2019 Base Revenues	4,053,403
2019 One Time Revenues	1,670,447
2019 Approved Revenues	5,723,850
Base Budget Change	109,947
Change by %	2.71%

Utilities	
2020 Base Expenditures	37,332,994
2020 One Time Expenditures	-
2020 Proposed Expenditures	37,332,994
2019 Base Expenditures	36,188,770
2019 One Time Expenditures	-
2019 Approved Expenditures	36,188,770
Base Budget Change	1,144,224
Change by %	3.16%
2020 Base Revenues	37,332,994
2020 One Time Revenues	-
2020 Proposed Revenues	37,332,994
2019 Base Revenues	36,188,770
2019 One Time Revenues	-
2019 Approved Revenues	36,188,770
Base Budget Change	1,144,224
Change by %	3.16%

2020 FTE	300.72
2019 FTE	296.72
Change	4.00
Change by %	1.35%

Operating Budget: pages 201-278,343-344
Capital Budget: pages 761-769, 773-776, 790-800, 803-805, 835-837

Operating Budget: pages 279-342
Capital Budget: pages 841-857

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Corporate

Operating Budget: pages 577-620

CITY OF VICTORIA

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Corporate

Corporate Revenues and Expenditures

- Payments of Lieu of Taxes and Special Assessments
- Fees and Interest
- Overhead Recoveries
- Prior Year's Surplus
- Grants
- Contingencies
- Insurance
- Debt
- Reserves

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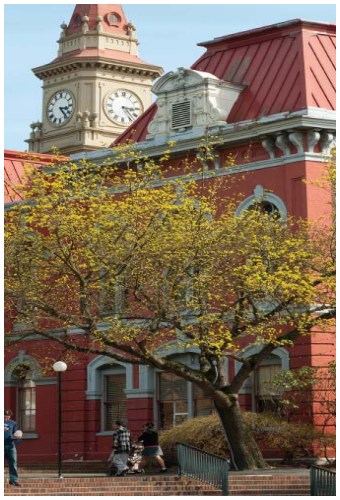
Corporate

Budget Summary

2020 Base Expenditures	47,514,532
2020 One Time Expenditures	-
2020 Proposed Expenditures	47,514,532
2019 Base Expenditures	48,384,697
2019 One Time Expenditures	2,874,944
2019 Approved Expenditures	51,259,641
Base Budget Change	(870,165)
Change by %	-1.80%
2020 Base Revenues	25,172,266
2020 One Time Revenues	-
2020 Proposed Revenues	25,172,266
2019 Base Revenues	27,957,417
2019 One Time Revenues	4,935,444
2019 Approved Revenues	32,892,861
Base Budget Change	(2,785,151)
Change by %	-9.96%

Operating Budget: pages 577-620



98

2020 Supplemental Requests

99

Managing Growth and New Development

BACKGROUND:

- There has been steady growth in development activity over the past few years.
- Since June 2017, there has been a 33% increase in the number of complex/large scale development proposals either currently being processed or that are in the preliminary planning phases.
- The change in City regulations regarding garden suites has resulted in one staff spending approximately 50% of their time on these files, compared to 80 hours/year was spent on this function in previous years.

ISSUE TO BE SOLVED:

- The strong development market and streamlined processes, such as the delegated garden suite approval process has increased work loads for staff.

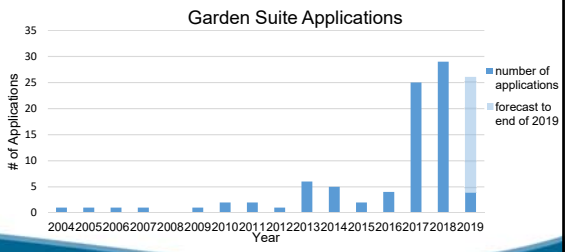
BENEFITS:

- Additional resources will help with maintaining current service levels.

2020 Supplemental Requests

Ongoing:

- Secretary - Planning $ 72,500
- Secretary - Legislative Services $ 80,500
- Planner - Development Services $113,500
- Planner - Parks $113,500



CITY OF VICTORIA

100

Strategic Plan Support Services

BACKGROUND:

- During the 2019 Financial Planning process, Council approved one time funding from 2018 surplus for legal and engagement resources to support the 2019 Strategic Plan Actions.
- Council also directed staff to bring forward resource requirements for legal and engagement services to be considered as part of the 2020 Financial Planning process to support new 2020 Actions.

ISSUE TO BE SOLVED:

- To address capacity challenges associated with new action items in the Strategic Plan.

BENEFITS:

- To provide sufficient support resources to line departments to meet the demands of the 2019-2020 Strategic Plan Action items.

2020 Supplemental Requests

One-Time:

- Resource Requirements for Legal Services $84,500
- Resource Requirements for Engagement $75,000

101

Short-Term Rentals

BACKGROUND:

- In 2018, Council adopted a Short-Term Rental Regulation Bylaw and directed enforcement.
- Bylaw services have spent considerable time on compliance and enforcement and investigations are complex.
- Short-Term Rental licenses have increased from 528 in 2018 to 701 to date in 2019.

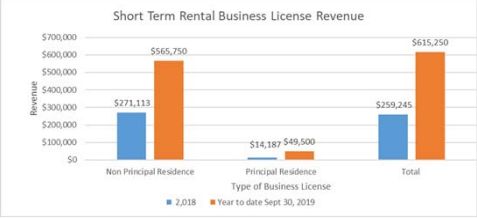
Short Term Rental – Licence Type	Number of Licences
NON-PRINCIPAL RESIDENT - OWNER	353
NON-PRINCIPAL RESIDENT - TENANT	22
PRINCIPAL RESIDENT - OWNER	298
PRINCIPAL RESIDENT - TENANT	28
TOTAL	701

ISSUE TO BE SOLVED:

- Continued enforcement of the Short-Term Rental Bylaw and compliance.

BENEFITS:

- A robust Short-Term Rental program that promotes compliance and an enforcement strategy to identify non-compliant operators.



2020 Supplemental Requests

On-Going:

- Bylaw Position $73,000
- Bylaw Position $93,500

*Could be funded from the Short-Term Rental License Revenue

102

Asset Management

BACKGROUND:

- Victoria owns and manages over $2 billion in physical assets (i.e. infrastructure) including water, sewage, drainage, transportation, parks, buildings and vehicles.
- The Community Charter states that one of the four purposes of a municipality is to "provide for stewardship of public assets of its community".
- Asset Management is an integrated corporate-wide approach for stewarding existing and new assets in order to maximize their value, reduce risks and provide sustainable levels of service to the community.

ISSUE TO SOLVE:

- The City requires additional staff capacity to develop, implement, and support the corporate asset management program.

BENEFITS:

- Staff productivity, streamlined business processes, improved financial reporting and evidence-based decision making are expected to be realized. The ultimate goal of the City's asset management program is to realize sustainable service delivery.

2020 Supplemental Requests

Ongoing:

- Asset Management Position $ 89,000

103

Managing Public Spaces

BACKGROUND:

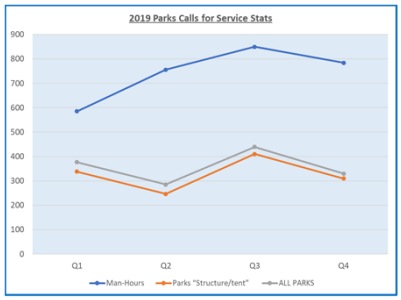
- The Overnight Sheltering Program responds to demands associated with outdoor sheltering in parks. Costs include extended hours at select washrooms, security patrols and cleaning support in parks.
- As of January 2019, Police no longer provided accompaniment to Bylaw Services for the daily parks and public space patrol.
- Currently there is a janitorial service gap in Centennial Square evenings and weekend.

ISSUE TO BE SOLVED:

- City bylaw staff perform the parks and public space patrol 7 days a week but now involves two bylaw officers instead of one.
- To allow individuals to interact safely and respectfully in public spaces and to improve the cleanliness of Centennial Square.

BENEFITS:

- Funding for public space on-going services will reduce risks to the health and safety of those using public spaces, City staff, as well as reduce damage to vegetation and ecosystems.



2020 Supplemental Requests On-Going

- Overnight Sheltering – Support & Clean Up $362,000
- Bylaw Position $93,500
- Centennial Square $35,000

104

Health and Safety

BACKGROUND:

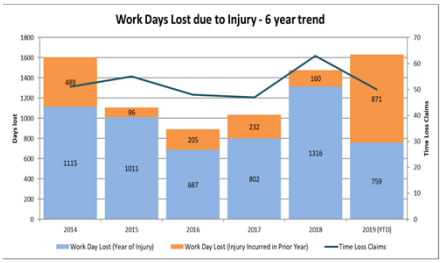
- The City has experienced an increase in the number of Worksafe BC (WSBC) time loss claims since 2017.
- Recent safety investigations have identified key contributing factors and recommended actions to safeguard employees, contractors and the public.

ISSUE TO BE SOLVED:

- Reduce risk of injury for employees, contractors and the public.
- Implement recommendations to improve safety program including resources, training and hazard/risk assessment.

BENEFITS:

- Additional support for leaders to ensure worker health and safety.
- Fewer injury claims will lead to cost savings through lower WCB premiums and lower the cost of replacement staffing.



2020 Supplemental Requests

Ongoing:

- Health and Safety Position $108,000

105

Youth Initiatives

BACKGROUND:

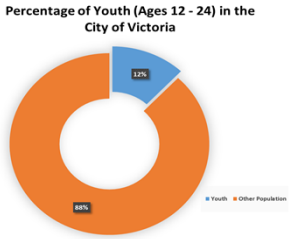
- A Youth Strategy has been adopted to better engage and include youth in community and local government initiatives.

ISSUE TO BE SOLVED:

- Support ongoing implementation of the Council approved Youth Strategy, including activities to connect with youth to ensure their voices are part of the conversation about civic issues and decision that directly affect them.

BENEFITS:

- Fulfill commitments in the Youth Strategy.



2020 Supplemental Requests

One Time:

- Youth Program Implementation $30,000

106

Tree Care

BACKGROUND:

- There has been steady growth in development activity over the past few years.
- Any bylaw protected tree that has been removed due to construction is replaced at a 2:1 ratio.
- A young tree takes 5 to 7 years to establish.

ISSUE TO BE SOLVED:

- When a property owner removes a bylaw protected tree, the capital cost to plant a replacement tree on public land is paid for by the property owner. However, the cost to establish and maintain the tree is not. This cost is currently not funded in the financial plan.

BENEFITS:

- Additional resources will ensure that young trees planted in 2019 will be established and maintained over the next five years.

2020 Supplemental Requests

One Time:

- Tree Planting $140,000

107

Protocol

BACKGROUND:

- Next year marks the City of Victoria milestone anniversaries with Suzhou, China, Morioka, Japan and Khabarovsk, Russia. The City would like to invite our twin cities to celebrate these relationships on Victoria Day Weekend in May of 2020.

ISSUE TO BE SOLVED:

- The City requires additional funding for the protocol budget to support the anniversary celebrations.

BENEFITS:

- Ongoing relationship building while providing and sharing educational, cultural and economic opportunities and experiences.

2020 Supplemental Requests

One Time:

- Sister City Delegations $60,000

108

Heritage

BACKGROUND:

- Community Planning currently has a 0.5 FTE Heritage Planner position.
- This position was upgraded to 1 FTE for a 2-year term. This term is nearing completion and the position will revert back to half time.

ISSUE TO BE SOLVED:

- It is very challenging to recruit for a half time position specializing in heritage conservation planning. The Senior Heritage Planner in Development Services is devoted to processing heritage-related development applications, heritage designations, TIP applications and acting as staff liaison to Council's Heritage Advisory Panel, with no capacity to work on project-based heritage initiatives.

BENEFITS:

- Upgrading this position to 1 FTE would lead to successful recruitment to support the City's Heritage Program by having one staff person dedicated to advancing citizen-led heritage conservation areas, on-going additions to the Heritage Register, supporting long range planning with heritage conservation considerations and assisting with high application volumes.

2020 Supplemental Requests

On-Going:

- Heritage Position (0.5 FTE) $50,000

CITY OF VICTORIA

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Greater Victoria Public Library

Operating Budget: pages 621-624

110

Greater Victoria Public Library

Budget Summary

2020 Base Expenditures	5,542,404
2020 One Time Expenditures	-
2020 Proposed Expenditures	5,542,404
2019 Base Expenditures	5,451,900
2019 One Time Expenditures	-
2019 Approved Expenditures	5,451,900
Base Budget Change	90,504
Change by %	1.66%

Operating Budget: pages 621-624

111

VIC PD Budget Presentation

Operating Budget: pages 625-752
Capital Budget: pages 861-868

112

SOUTH ISLAND
PROSPERITY
PARTNERSHIP

October 16, 2019

Dear Mayor and Council:

We are writing to request your continued support for the work of the South Island Prosperity Partnership (SIPP). As we wrap up our fourth year in March 2020, we are enthused about our success to date and look forward to continuing our mission of economic development in the South Island region.

The investment and collaboration provided to date by your municipality has been integral to SIPP's impact on the region. It is because of your support and leadership that in less than four years, the South Island region has earned a solid reputation. Here are just some of our accomplishments over the last year:

- Eight out of 10 South Island First Nations are officially SIPP members (announcement coming soon!). SIPP is facilitating an Indigenous Prosperity Gathering in November, which will bring together the 10 South Island Nations to discuss indigenous-led economic development and resiliency.

- We have launched a program that positions the region alongside large players like Vancouver and Seattle to provide our region with a more resilient, diverse, job market. We are already seeing results: three new employers moved here this summer and will be officially announced soon. A fourth employer has also emerged as a spin-off from Brazilian investors. These new employers are essential to the downtown eco-system as they support local businesses, offices, and the tax base.

- This adds to previous significant wins from previous years, like the new Daitan office (a Brazil-based software company) and NetMotion (a Seattle-based software company). SIPP continues to build out a long-term funnel with current clients in Seattle, Vancouver, Denver, San Francisco, and as far away as Brazil and London.

- Food security and farm viability are essential regional issues. SIPP brought the region together in a successful bid for CR-FAIR's plan for a Food Processing Hub in the region with the Ministry of Agriculture awarding $50,000 to the plan.

- The Songhees Innovation Centre, co-developed by SIPP, is also growing with six tenant companies now based there. One of which just received $1 million investment from Raven Capital, a social impact venture fund. These are Indigenous-led, job-creating enterprises – essential to reconciliation in this region.

- We are setting the gold-standard in Canada for leveraging municipal investment through continued private sector and other non-government membership. Municipal portion of funding went from 100% in the start-up year to 66.5% in the current fiscal year (cities in Canada rarely achieve anything below 80% municipally-funded economic development mandates).

- Getting our region on the map with a progressive approach to Smart Cities. SIPP proved to be an effective platform for regional collaboration. The $250,000 Federal investment into our plan is now being analyzed as part of the South Vancouver Island Transportation Strategy and an MOU with Camosun College is further researching the micro-transit options to better connect the First Nations communities within the region.
- At our Annual AGM in June of 2019 an amendment was added to the SIPP constitution to state how we will create economic resilience by prioritizing climate mitigation and adaptation opportunities" in item 2 here : https://mail.google.com/mail/u/0/?hl=en&tab=wm#search/margaret+mason+constitution?projector=1

- We were once again recognized by our international peers for the SIPP governance model. In October 2019, the world's largest economic development association (IEDC) awarded SIPP its Gold Medal for Regionalism and Cross-Border Collaboration. We truly are setting the bar, thanks to members like you who are committed to excellence.

We appreciate your consideration of renewed funding at $218,916 for a further one-year period to complete our 5-year strategic plan, endorsed by you in our founding bylaws. Within the current fiscal year (March 2019-2020) the SIPP Board will invite you to participate in a strategic review of the first four years of SIPP's operation to make suggestions for improvement and evaluate SIPP's successes. We will also reengage our valued members in the cooperative development of a new long-range strategic plan for regional economic development.

A summary of funding from the City of Victoria to date, as well as the percentage of municipal contributions to the total budget can be found below:

	Membership Fee	Total Budget	Municipal %	Invoiced
Start-Up*	$32,386	$89,543	100%	March 31, 2016
Year 1	$97,159	$476,976	56%	2016-2017
Year 2	$218,916	$1,021,733	59%	2017-2018
Year 3	$218,916	$1,246,761	49%	2018-2019
Year 4	$218,916	$910,000	66.5%	2019-2020

*Start-up fees included incorporation costs, legal fees, consulting fees (Darryl Harker), office and facilitation supplies, and basic administrative costs – these were administered by the South Vancouver Island Economic Development Association (SVIEDA)

We look forward to an extremely exciting year ahead as, together, we shape a prosperous future for the region. If you wish to receive further information or a delegation from SIPP to present to your council, please let us know.

There are so many exciting opportunities for the region on the horizon. As Jacqueline Novogratz said, "A sustainable world means working together to create prosperity for all". We look forward to many more years of working together to make this region prosperous and resilient.

Sincerely,

SOUTH ISLAND
PROSPERITY
PARTNERSHIP

Bruce Williams
CEO (Interim)
South Island Prosperity Partnership
901-747 Fort St, Victoria, V8W 3E9

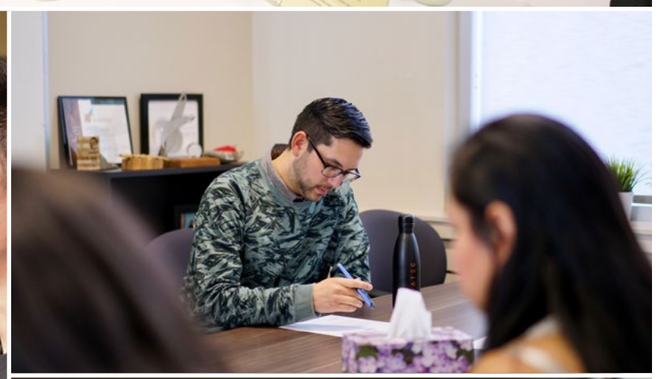
Craig Norris
Chair of the Board
South Island Prosperity Partnership

SOUTH ISLAND

PROSPERITY PARTNERSHIP

2018-2019

Impact Report



“What a milestone year for the South Island Prosperity Partnership! We have come a long way from our small and humble beginnings.

Bruce Williams
Interim CEO

South Island Prosperity Partnership

Three years ago, SIPP was founded by 28 members, including local governments, First Nations, post-secondary institutions, non-profits, industry associations, and a mix of leading private businesses. Today, we stand together with more than 50 members. Our continued success and growth are proof of the incredible power of working collaboratively.

Guided by strong strategic direction, we have attracted international attention for our exceptional governance model and have won numerous awards and accolades for our work. We're very proud of our accomplishments and are excited to share them with you in the pages of our 2018-19 Impact Report.

SIPP takes a results-based approach to our work, but we also must recognize that many of our initiatives are long-term and about passing prosperity on to the next generation. In some cases, we may not see visible results, but incremental progress over time will take us where we need to be.

We're honored to work together with our members to boost prosperity in this incredible region we call home. Every day we aim to create a lasting and sustainable economy. What we have and can achieve together is remarkable. Nothing could be more important than ensuring South Vancouver Island remains strong, resilient and future proof for the next generation.

My sincere thanks to our members, Board of Directors, volunteers and committee members. I've said it before and will say it again, our staff members are all leaders. It's a privilege to work with them every day.

Let's keep doing great things together.

Thank you to our members!

We are continually growing and prospering because of our collective belief in the power of collaboration, and the wisdom of having a long-term vision for the future of our region.

> The one who plants trees, knowing that he will never sit in their shade has at least started to understand the meaning of life.
>
> RABINDRANATH TAGORE

Tsartlip First Nation

Tseycum First Nation

Pauquachin First Nation

We are grateful to be doing our work on the territories of the Coast Salish and Nuu-chah-nulth peoples, known today as Lkwungen peoples (Esquimalt and Songhees Nations), W̱SÁNEĆ Nation (consisting of SȾÁUTW̱ – Tsawout, BOḰEĆEN – Pauquachin, W̱JOŁEŁP – Tsartlip, and W̱SIḴEM –Tseycum Nations), Scia'new Nation (Beecher Bay), T'Sou-ke Nation, and Pacheedaht Nation. We respect and, in partnership, build on the traditional knowledge of the Indigenous peoples who have thrived and prospered in the south island for millennia.

When we collaborate, we thrive. One region, one vision, one purpose.

SIPP's Mission is to facilitate and promote the development of a strong, regionally diversified economy in South Vancouver Island.

SIPP's Vision is a collaborative region that is a vibrant place to live and work for everyone in the South Island region.

We intend to bolster our region's economic and social prosperity by catalyzing the creation of high-quality, household-sustaining jobs so that more people can afford to live, work, and build a life in this extraordinary region.

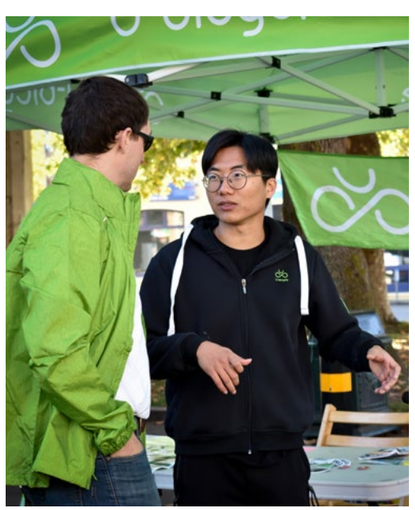
What are we trying to achieve?

SIPP's five-year strategic plan outlines three primary objectives:

- **Increase the amount of Provincial, Federal, and private funding invested locally**
- **Engage First Nation communities in dialogue around economic development initiatives and support self-directed economic development projects and activities**
- **Increase the number of household-sustaining jobs**

ACTING WITH PURPOSE

SIPP focuses our energy and resources on five key areas, each with its own operating goal driven by related initiatives and projects. Throughout the course of the year, all of our activities focus on achieving a broad range of goals that help create the conditions for a prosperous, vibrant economy.

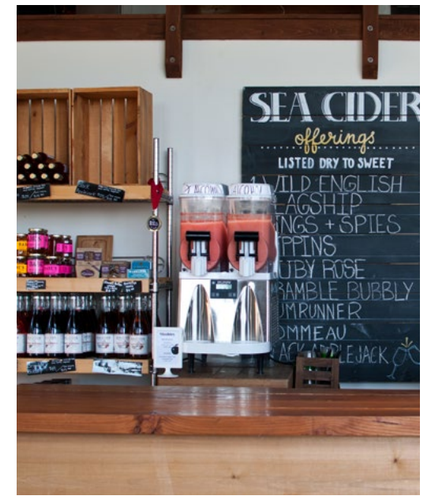


1 Cluster and Innovation Development

The Goal

Catalyze economic growth in key sectors and industries through advocacy and strategic partnerships.

Dozens of unique and innovative vendors participated in SIPPs first Smart Mobility Expo in Centennial Square last fall.

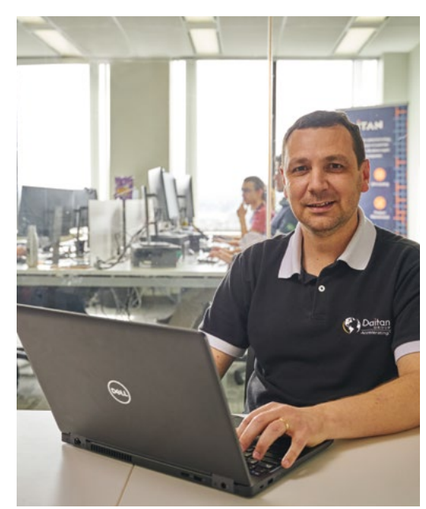


2 Business Growth and Expansion

The Goal

Stimulate and support the growth and expansion of established companies across the region by providing support, mentorship, and access to training programs.

SIPP provides advisory services to help growth-oriented companies expand their businesses at home and abroad.

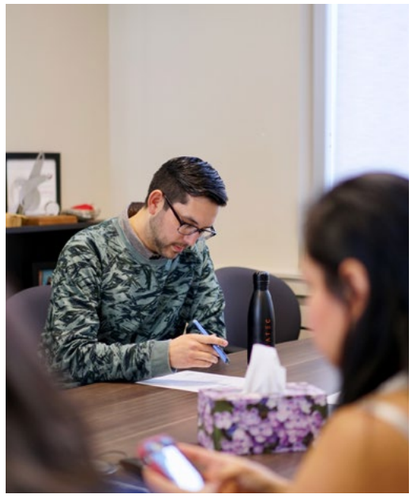


3 Business and Investment Attraction

The Goal

Promote the South Island as the right choice for new businesses and investors through a diverse mix of marketing and recruitment strategies.

Daitan is a prime example of the type of company SIPP works to attract—innovative, values-based, and focused on long-term success.



4

First Nations Economic Development

The Goal

Engage First Nations in economic development and support First Nations-led economic development initiatives.

IndigenousConnect attendees meet monthly at a peer-to-peer forum.

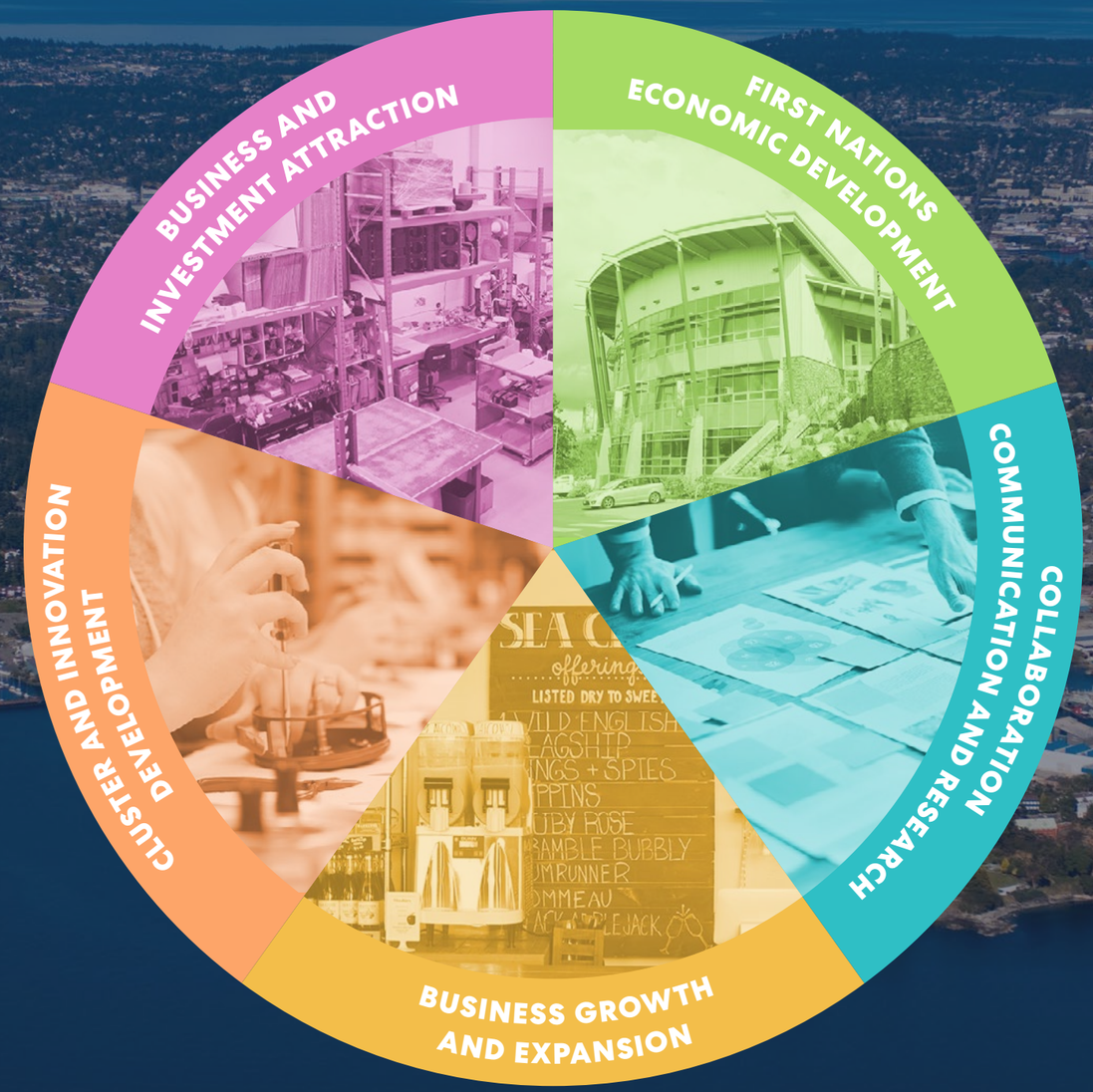
5

Collaboration, Communication, and Research

The Goal

Work with key partners and members on collaboration, communication, and research to support our mission and mandate.

Collaboration and relationship-building with stakeholders are two of SIPP's greatest strengths.



What have we achieved so far?

It's an exciting time for our region and the momentum created by SIPP's accomplishments is building! Here are some highlights from the past year.

AWARDS AND DISTINCTIONS

SIPP has been recognized for its work over the past year with several prestigious awards.

Excellence in Economic Development Award, IEDC

SIPP received a bronze Excellence in Economic Development Award at the International Economic Development Council (IEDC) annual conference in Atlanta, Georgia. The IEDC is the largest and most preeminent economic development association in the world. SIPP won the award for our Smart South Island: Citizen-Inspired Transformation project, in the category of Regionalism and Cross-border Collaboration.

Smart2I Community Award, ICF

The Intelligent Community Forum (ICF) named the South Vancouver Island region as a recipient of the Smart2I Communities award. It is the first time Greater Victoria has received the honour.

Governance Award, Smart City World Expo

SIPP was shortlisted in the top five (from 473 cities worldwide) to be recognized for best practice in Governance and Finance at the world's preeminent smart cities conference, the Smart Cities World Congress in Barcelona, Spain.

SIPP ON THE GLOBAL STAGE

Elevating Greater Victoria's position on the world stage is fundamental to many aspects of achieving our mandate.

Not only do we have a lot to offer other communities, we are greatly enriched by learning from others. Around the world, cities and regions are all facing similar challenges. As we learn about new ways of doing things from the best and brightest minds around the world, we're discovering that our diversity and inclusive partnership model is a unique skill we can export. We are gaining a reputation as thought-leaders through the success of many of our initiatives.

World Artificial Intelligence Conference

As a result of a MOU signed with the Shanghai Municipal Government in 2018, the World Artificial Intelligence Conference (WAIC) paid for SIPP to travel to Shanghai to share knowledge on Smart Cities best practices. Emilie de Rosenroll, CEO, gave a keynote address on our region's Smart Cities Canada project, and spoke about SIPP's unique and powerful governance model.

Also in Shanghai, Dallas Gislason, Director of Economic Development, participated in a panel discussion on privacy protection and data governance, and what can happen if communities and municipalities do not address these important issues.

3rd Annual Smart Cities Summit in Toronto

SIPP participated on a smart cities panel at this gathering of international experts, national business influencers, and city builders, hosted by the Toronto Board of Trade. SIPP is recognized as a national thought-leader and was invited to share ideas from our unique governance model and our approach to private-sector engagement in Smart Cities.

> **"As a key stakeholder in BC innovation at the Artificial Intelligence Network of British Columbia (AInBC), we know that the work SIPP is doing will strongly position Greater Victoria and BC.**
>
> HANDOL KIM,
> VICE CHAIR
>
> *Artificial Intelligence Network of BC*

SIPP ON THE GLOBAL STAGE CONTINUED

KPMG Smart Cities Roadshow

SIPP took part in a national smart cities roadshow sponsored by KPMG last spring. The Public Sector Network sponsored our team to join and share our Smart Cities Challenge journey and experiences to provide first-hand knowledge to attendees from across western Canada.

Victoria Forum at UVic

SIPP was invited to speak on a panel about smart cities and major trends, and to present our Smart South Island strategy with leaders from IBM, Telus, and Esri Canada to over 400 academics from across Canada and beyond.

Esri User Conference

SIPP presented at the annual Esri user Conference last spring. The conference provided a forum for experts in Global Information Systems (GIS) to share best-practices. Our partnership with Esri Canada will help us build a data-sharing and GIS platform to bring local governments on the South Island together to collaborate with partners like BC Transit, BC Ferries, and other private transportation companies like U-Bicycle Canada, and Modo Car Coop.

MORE HIGHLIGHTS

SIPP continued to partner with the Songhees Innovation Centre to host Indigenous*Connect*, a monthly peer-to-peer forum to promote Indigenous entrepreneurship and leadership development.

Read more about Indigenous*Connect* on page 41.

MORE HIGHLIGHTS CONTINUED

Business*Connect*

Last year SIPP worked with more than 20 companies in Business*Connect* to help them grow and develop their businesses. We also worked on a number of successful initiatives to attract new businesses and jobs to the region. **Read more on page 33.**

Future Innovator Challenge

In September, SIPP launched the second innovation challenge. Following last year's Open Innovation Challenge, this year SIPP staged the Future Innovator Challenge competition, presented by Island Savings, a division of First West Credit Union. The Challenge was for high school and post-secondary students to demonstrate their innovative ideas for helping to solve some of the region's most pressing challenges. **Read more on page 24.**

2019 Prosperity Index

SIPP released the 2019 South Island Prosperity Index at a sold-out Greater Victoria Chamber luncheon event in the spring. Sponsored by Coastal Community Credit Union, it is the second edition of SIPP's flagship economic publication. **Read more on page 45.**

Mobility Wellness Index

SIPP recently developed the Mobility Wellness Index (MWI), the world's first comprehensive measurement framework and index that measures the linkage between human health and how people move around their city. **Read more on page 46.**

Smart Mobility Expo

In October, we showcased Smart Mobility in the region at a fun outdoor Expo. Over 500 people visited the Expo throughout the day and enjoyed the #FreedomToMove with electric scooters, hover boards, stunning Teslas, electric bikes, ferries, buses and more! **Read more on page 26.**

Transportation and Mobility Stakeholder Roundtable

In December, SIPP initiated a Transportation and Mobility Stakeholder Roundtable which brought together key industry players. The objective was to introduce participants to SIPP's mobility projects and lead a discussion around fostering the partnerships required for a multimodal ecosystem in the region. **Read more on page 50.**

MOU with Camosun College

SIPP signed an MOU with Camosun College to create and deliver new transportation options for First Nations communities on South Vancouver Island. **Read more on page 42.**

MORE HIGHLIGHTS CONTINUED

Smart Mobility Publicity Campaign

As part of our work for the Smart Cities Challenge, we launched a public awareness campaign for Smart Mobility, focusing on public engagement and gaining citizen support for our proposal and mobility projects. **Read more on page 48.**

Growth Spurt

We are constantly growing! Over the past fiscal year, we added 9 new members to our ranks, including: Malahat First Nation, Beecher Bay First Nation, Victoria Airport Authority, Vancity Credit Union, Seaspan (Victoria Shipyards), Greater Victoria Public Library, Oak Bay Marine Group, MNP, and RBC.

Vision 2040

Last April, SIPP published Smart South Island Vision 2040, in collaboration with municipal, First Nations, and non-profit community leaders. As our community's long-term vision for our region's future, it outlines our desire to see significant changes made to quality of life through the use of data and connected technologies in five key themes: Transportation & Mobility, Housing & Affordability, Economic Resilience & Inclusion, Environmental Health, and Health & Wellness.

> **"Involved with SIPP since its inception, Esri Canada is impressed by the unprecedented level of sharing and collaboration SIPP has achieved amongst the SIPP membership. We believe the collaborative approach SIPP has promoted from the beginning is a crucial element to its success in helping drive innovation and improvements in overall mobility and quality of life for the region.**
>
> **ALEX MILLER, PRESIDENT**
>
> *Esri Canada*

CEO Emilie de Rosenroll takes the stage in Shanghai.

1 Cluster and Innovation Development

The regional economy is comprised of multiple clusters, sectors, and industries—each having their own strengths, barriers and opportunities.

Cluster development is a common term that refers to a range of strategies and initiatives for promoting long-term, sustainable economic development. The focus is on increasing multisector capacity and connectivity by improving the conditions that enable business development and job creation. Cluster development is often focused on innovation and eco-system connectivity among businesses and their supply-chains, with stakeholders like academia and government.

Canada's Smart Cities Challenge

Smart cities have the potential to improve every aspect of community life— how people move around, live and play, earn a living, learn and are empowered to participate in society, how we interact with the natural environment, and how we create safe and secure public spaces.

SIPP was one of twenty finalists in the Smart Cities Challenge out of 200 applicants across the country. All finalists received a grant of $250,000 to develop their innovative ideas into final proposals. SIPP submitted a final proposal and video to Infrastructure Canada on March 5th, 2019 along with 19 other finalists. SIPP's proposal focused on transportation because we heard loud and clear that this is an area where our region needs to improve.

Even though we did not receive the results we had hoped for, being shortlisted for an opportunity to bring $10 million in funding to our region is validation of the power of public and private collaboration. Even two years ago, before achieving this level of regional collaboration, this concept wouldn't have been possible.

We are forging ahead with several of our smart cities-related projects to keep the momentum going.

SIPP's members are excited to spring into action and get started with the work for which we have already laid the foundations. Of course, $10 million would have been a big boost, but we have every intention of building on this incredible momentum. We're seen as a leader in Canada in certain areas—particularly around new approaches to governance and collaboration—that will help us with accelerating the next steps."

—Ken Armour, Esquimalt Councillor and Chair of SIPP's Partners Committee

SIPP is breaking new ground in the South Island region, establishing a culture of collaboration and inclusion. Let's continue to forge ahead. The best is yet to come.

—Dan Ruscheinski, Senior Director, Esri Canada

We're working with local Nations and the Camosun College to develop some pilot projects with the goal of better connecting their residents and their young people to education and economic opportunities. This is an important issue for our region with 10 First Nations that are often less able to capitalize on our region's strong economy.

—Christina Clarke, Executive Director, Songhees Nation

Future Innovator Challenge

Earlier this year, SIPP and Island Savings teamed up to present the Future Innovator Challenge, a competition for high school and post-secondary students to help improve the quality of life for citizens of the region, and to compete for seed funding for their projects. We live in a community that deeply values innovation, and it fills us with hope to see the bright ideas of the next generation of leaders—we received more than 70 student submissions!

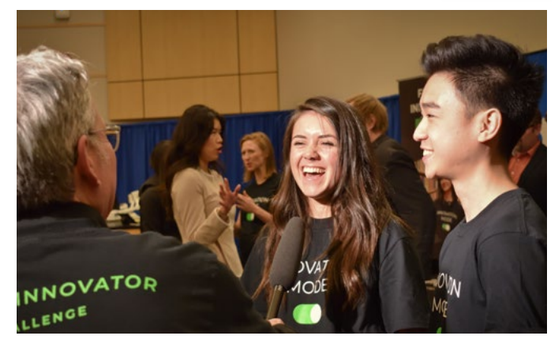
In January, teams pitched their projects to a panel of judges at a public event at University of Victoria with media in attendance. Two teams were declared the first-place winners in their categories (high school and post-secondary). Teams received cash prizes of $1,500, $750, or $500 to fund their winning ideas.

IslandSavings
A DIVISION OF FIRST WEST CREDIT UNION

The passion and creativity shown by our region's young people for making our community a better place is inspiring. We were blown away by their innovative ideas and the quality of the finalist pitches.

We're fortunate to have so many bright, engaged, and passionate young people actively thinking about the future of our region. The students put an incredible amount of thought and work into their projects, which is something our whole community can be proud of.

—Randy Bertsch, President of Island Savings



The winning post-secondary team, LUG (Audrey Wright, Cyrus Lee, Josh Desrochers, Magnus Kristensen, and Tyler Arseneault of University of Victoria), is a person-to-person shipping service that allows users to "crowd-source" deliveries—like those made on UsedVictoria or Kijiji—from the community.

The winning secondary-school project, HMU Sports, developed by Yassin Guitouni of Mount Douglas Secondary School, is a social networking app that reduces isolation and increases physical health by connecting young people through sport.

Smart Mobility Expo

SIPP's Smart Mobility Expo welcomed more than 25 vendors to introduce Greater Victoria citizens to the spectrum of smart, multimodal options available now, or in the near future in our region. Convening the region's mobility providers for this fun community event helped lay the foundations for moving forward with our smart mobility projects. Over 500 people visited the Expo throughout the day, and we heard overwhelmingly positive feedback that people are excited to discover the diversity of multimodal transportation options out there.

The following organizations participated:

Ride the Glide
U-Bicycle
Modo
Electrom
Cycling Without Age
Electric Vehicle Club of Victoria
Ocean River Sports
Caboost
CRD
City of Victoria
Cowichan Auto Repair (Electric Motorcycles)
District of Saanich
BC Transit
BYD
Wilson's Transportation
SKAM Theatre
Victoria Harbour Ferry
Victoria Disability Resource Centre
Esri
City Wide Scooters
Frontrunners
Doubletree Hilton Hotel

Civic Tech Hub

In partnership with our municipal members, SIPP has started to shape a new project called the Civic Tech Hub. Also working together with the Government of BC and the Federal Government, the Civic Tech Hub will introduce new approaches to Municipal procurement that not only spark innovation in the local economy, but provide governments with ways to test new ideas, collaborate on solutions, and work with start-ups, students, and local post-secondaries more easily.

As a capital city region, we can play a role in turning our large public administration sector into local spin-off in the private sector to create clean, household-sustaining jobs for the next generation.

This first-of-its-kind project will also explore the potential to develop a business accelerator component, pending new grant opportunities. Esri Canada is committed as lead partner in this initiative.

Up Next?

- **We will begin the work on some elements of our Smart Mobility plan (Indigenous Smart Mobility Pilot)**
- **We will continue to develop the Civic Tech Hub Initiative**
- **Comprehensive details about SIPP's plans in this area can be found in our 2019/20 Operational Plan on page 51.**

Agribusiness Initiative

In 2018-19, SIPP invested resources to connect with and convene advisors and businesses in the value-added agriculture sector to further refine our role in enhancing the viability of the industry throughout the region. Many projects and approaches are being explored which are informing SIPP's focus areas for the year ahead.

Becoming Thought-Leaders and Exporting Our Strengths

We are building a network of like-minded partners to strengthen global ties—sharing intelligence, signing MOU's, and taking full advantage of what we can learn from other leaders working in the same spaces.

SIPP has demonstrated an outstanding ability to convene and engage stakeholders in the Capital Regional District to address systemic challenges in our community.

—Elyse Kuwert, Associate, Community Business & Investment, Vancity Credit Union

SIPP and Montréal's Shared Approach to Smart Mobility

We have forged a partnership with the City of Montréal to collaborate and capitalize on our shared approach to enhancing smart mobility in our respective cities. We both participated in Canada's Smart Cities Challenge and submitted mobility-focused submissions, and Montréal won the $50 million grand prize. We are strongly aligned in our shared aspirations to see a mode-shift among citizens toward multimodal transportation.

Over the past year we worked together to identify projects and initiatives where future collaboration can lead to benefits for citizens of our respective cities and all Canadians. We are creating something pan-Canadian, utilizing trends and input from a broad cross-section of the country, including large cities and regions similar to Greater Victoria.

We're excited to partner with another forward-thinking city region that deeply values innovation and looks toward the future with a focus on sustainability and improving quality of life.

—Lisa Helps, Mayor of Victoria

Learning from Smart Columbus

SIPP forged a collaborative partnership with Smart Columbus, winners of the USA Smart Cities Challenge, to learn from their world-class, award-winning projects. We plan to collaborate on future research and smart city initiatives.

2 Business Growth and Expansion

Research shows up to 80% of job creation can come from growing existing businesses.

SIPP provides mentorship and advisory services to help growth-oriented companies expand their businesses at home and abroad. We focus on increasing exports and internationalization by offering one-on-one guidance and workshops on topics such as trade, financial modelling, governance, and growth.

The success of the region's existing businesses will be a major source of new jobs for the region, and our Business*Connect* initiatives provide support for the companies that play a significant role in our regional economy.

TAP Program with World Trade Centre

We partnered with the World Trade Centre Vancouver (WTC-V) and the Greater Victoria Chamber of Commerce to bring the renowned Trade Accelerator Program (TAP) to the region. The four-day workshop is designed to help SMEs (Small and Medium-sized Enterprises) achieve their full export potential. With a proven track record helping participants get results, the program receives international accolades for helping companies plan their entry into new markets.

Last year, 15 local companies attended the program and gave it high praise for providing tangible, and in some cases dramatic, results.

Just six months after graduating from the program, on average, export revenue increased by 23% and participants forecast their export sales to grow 47% over the next 5 years.

Providing Support and Expert Guidance for Local Companies

A few examples:

Animikii

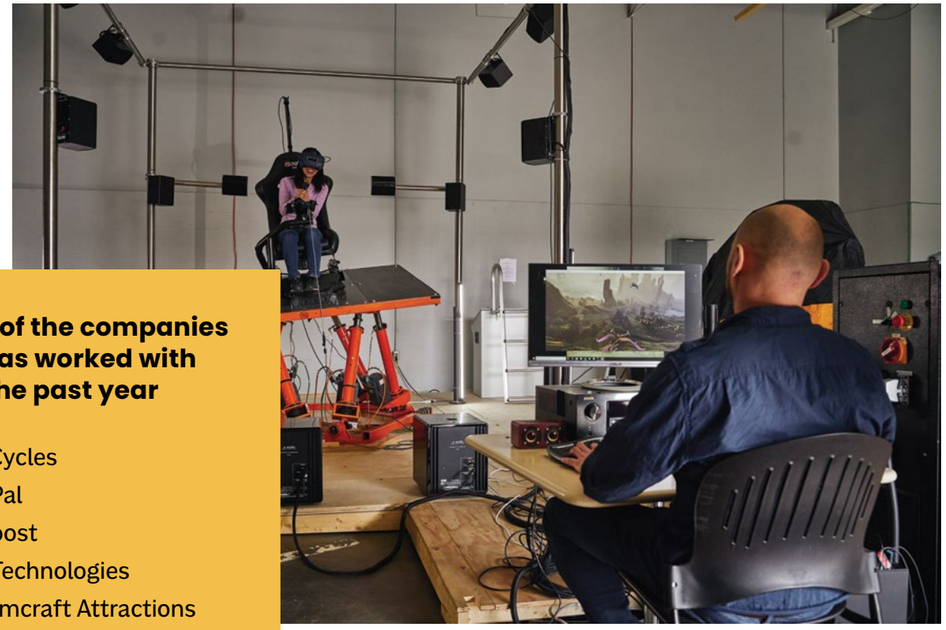
"We worked with a SIPP advisor to help us assess financial scenarios we were considering, some of which required outside partnerships. We also required planning to make some key hires with existing funds. They were able to provide sound, objective advice that we took under advisement in making strategic decisions that turned out very well for our growing business. I was supported in a number of key areas where I felt I needed mentorship as we scaled up."

—Jeff Ward, CEO, Animikii

Limbic Media

"SIPP advisors assisted us with developing investor relations materials for multiple potential investors, including helping us build and refine an impressive pitch deck. SIPP also provided invaluable guidance around financial forecasting. Having SIPP as a close expert advisor helped Limbic position itself for a funding round."

— Manjinder Benning, Founder & CTO, Limbic Media



Some of the companies SIPP has worked with over the past year

- LifeCycles
- Nal Pal
- Caboost
- JSF Technologies
- Dreamcraft Attractions
- CAVU Designwerks

Up Next?

- **We are planning several more initiatives to engage agriculture businesses in the region.**
- **We will once again partner with the World Trade Centre to offer the Trade Accelerator Program (TAP) to companies in the region.**
- **Comprehensive details about SIPP's plans in this area can be found in our 2019/20 Operational Plan on page 54.**

3 Business and Investment Attraction

We work to attract growth-oriented, values-based companies who share our collective view of the future and prosperity in the region.

We're not just passively trying to attract businesses, we are actively pursuing companies and investments which will benefit our whole region. But we are also realistic. We understand this type of work is long term and we face much competition throughout the larger geographic region of the Pacific Northwest. Nonetheless we are well positioned for success based on our region's competitive advantages.

NetMotion

NetMotion, a Seattle-based software company, opened its fourth international headquarters in Greater Victoria in 2018. SIPP helped NetMotion's executives compare business and workforce conditions in several Canadian cities, which ultimately led to their decision to locate here.

Our job through BC's trade offices is to facilitate two-way trade that benefits British Columbia. We were delighted to collaborate with SIPP to help Seattle-based software company NetMotion analyze their options across Canada. This joint effort eventually steered them toward looking deeper at BC and ultimately landing their fourth global office into the Greater Victoria region thanks to SIPP efforts.

—Troy DeFrank, Director, Pacific Northwest, British Columbia Trade & Investment

Daitan Group

Last fall, SIPP welcomed Daitan Group to the region, a rapidly-growing technology company headquartered in Brazil with additional offices in Silicon Valley. After working with their location team for several months, the company started operations in Victoria with ten employees, with plans to grow to more than 100 people in the South Island region. Daitan Group is a prime example of the ideal type of company we work to attract—a values-driven, innovative, and growing organization that believes in putting their employees first and creating a healthy work environment. We knew Daitan Group would be a good fit for the region!

We chose Greater Victoria for many reasons, including its ideal location in the Pacific Northwest region, the strength of its tech sector and universities we can partner with, as well as proximity to many of our USA clients. In addition, this location is very attractive to our employees as a place to live and raise their families. With the help of SIPP, we were able to navigate the logistical challenges that come with opening a new office, hiring local services and personnel, and moving employees and their families from Brazil. We look forward to the future of Daitan in Greater Victoria.

—Augusto Cavalcanti, President & CEO, Daitan Group

Foreign Direct Investment (FDI) Marketing Campaign

SIPP is currently developing a new marketing campaign focused on investment attraction. Working with a creative consultant, we are developing new collateral materials for our FDI initiatives. We have expanded our value proposition, with the help of testimonials from key stakeholders, as we continue to expand our pipeline with new prospects in the lower mainland, Pacific Northwest, Colorado, Texas, Brazil, Colombia, India, and China.

Cascadia Innovation Corridor

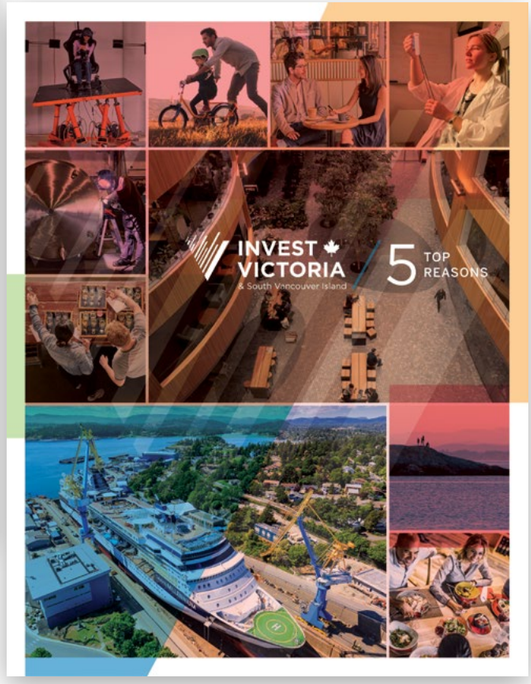
The Cascadia Innovation Corridor is an initiative first signed into agreement by British Columbia and Washington State in September 2016 to spur economic growth and technological innovation in the region. It encourages cross-border partnerships between governments and companies. SIPP engages with CIC events and initiatives in both Vancouver and Seattle and will continue in dialogue with those involved to ensure Greater Victoria remains on their radar.

Western Economic Diversification Canada (WD) Funding

As of March 31, 2019, SIPP concluded a multi-year trade and investment program funded in part by Western Economic Diversification Canada (WD) for the purpose of promoting the South Island to international markets and helping local businesses expand their sales abroad.

Originally announced in 2014 as a $1.4 million project, the program was transferred to SIPP from the Greater Victoria Chamber of Commerce in 2016 to continue the important work. Key milestones include:

- Launching the region's first-ever education marketing consortium, called Education Victoria, that is now carried on through an MOU between Greater Victoria post-secondary schools.
- Investing in the region's first comprehensive research on export businesses. This report continues to inform SIPP's work in export development and trade relations.
- Conducting a comprehensive review of foreign-owned companies in the region and how the region can ensure these companies—and their high-paying jobs—stay here.
- Enabling many trade delegations where SIPP helped local companies explore new markets, particularly China. Deal flow from these trips is in the tens of millions of dollars for the local economy.
- Procuring a consultant to assess the region's readiness for Smart Cities, including strengths and weaknesses and where specific opportunities exist for development.
- Unlocking matched investment to promote Victoria International Airport to international markets which resulted in establishment of the Delta Airlines Victoria route.
- Producing high-caliber marketing materials to help attract business and investment to the region. This new material will roll out in 2019-20.



Up Next?

- **Beginning in summer 2019, we will roll out our comprehensive FDI campaign.**
- **We are planning several targeted trade missions throughout the Pacific Northwest (BC's largest trading partner is the United States, with 53% of all trade activity).**
- **Comprehensive details about SIPP's plans in this area can be found in our 2019/20 Operational Plan on page 59.**

4 First Nations Economic Development

The South Island is home to ten First Nation communities and over 17,000 Indigenous people, a rapidly growing population across the region.

Historically, First Nations people have often been underrepresented among the workforce and under-engaged in our economy. This has been particularly true for those who live on reserve. SIPP recognizes the distortions to access and opportunity to participate in the workforce in a meaningful way is a direct consequence of colonization.

SIPP supports First Nation-driven economic development activities by collaborating with communities, sharing leading practices, and creating a platform for broader collaboration. A key metric of our success is that First Nation communities direct and drive their own economic development initiatives.

Indigenous*Connect*

INDIGENOUS CONNECT

SIPP hosts Indigenous*Connect*, a monthly, face-to-face forum (typically hosted at the Songhees Innovation Centre) with a goal to engage Indigenous entrepreneurs, both on- and off-reserve, as well as First Nations economic development leaders to entrepreneurial endeavors.

The monthly forums are open to all Indigenous people throughout the South Island region and will culminate in a regional conference this November at Songhees Wellness Centre.

Last year we hosted ten forums with presentations from subject matter experts on a variety of topics:

- Indigenomics and the billion-dollar Indigenous economy: Carol Anne Hilton, Indigenomics Institute
- Micro-finance and community microlending: Elysia Glover, Community Micro Lending Society (CML)
- Setting up your business for success: Kam Sandu, MNP
- Media Relations: Bruce Williams, SIPP
- Organizational Culture Management: How Organizations Can Create, Maintain, Change, and Diagnose their Organizations' Cultures: Dr. Simon Pek, UVic
- Understanding Innovation in Organizations Using Sports as a Lens: Dr. Richard Wolfe, UVic

Indigenous*Connect* provides a unique event for me to be around like-minded Indigenous business people. It was also a bridge for me to come to the Songhees Innovation Center and feel comfortable here, which was a step towards me launching my own business. Indigenous*Connect* has impacted my business by providing me learning opportunities on business related topics I would not have found on my own, while the group itself analyzes the topics with an Indigenous view. This directly aligns with my Indigenous business values. Being around other entrepreneurs where we can organically learn from each other in a short period of time is an opportunity I appreciate.

—Jarid Taylor, Brandigenous

Indigenous Smart Mobility Pilot

The initiative originally began as part of SIPP's Smart Cities Challenge application. SIPP has partnered with Camosun College and signed an MOU to explore new transportation options for underserved First Nations communities on South Vancouver Island. Only two of the ten First Nations communities on South Vancouver Island are in reasonable proximity to access education and career opportunities off-reserve. The other eight are rural, remote, and not well-served by transit. There is a real need for improvement for reasons including safety, access to healthcare and education, and engagement with our shared economy. SIPP realizes the importance of addressing this.

Through extensive research and engagement with First Nations communities, education facilities such as Camosun College and Saanich Adult Education Centre (SAEC), BC Transit and other partners, we have been able to secure vehicle assets, drivers and training support to make the Indigenous Smart Mobility Pilot possible. Camosun will recruit and employ a co-operative education student to assist in the development of the plan, and SIPP will contribute financial resources to complete the technical requirements.

Songhees Innovation Centre

The Songhees Innovation Centre is a co-working space for Indigenous entrepreneurs, freelancers, creatives, innovators, and problem-solvers based at the Songhees Wellness Centre. SIPP's monthly Indigenous*Connect* forums are also hosted there.

The Songhees Innovation Centre began as a partnership between Songhees Nation and South Island Prosperity Partnership. Since opening in 2017, business is booming! Some of the current tenants include:

- Animikii
- Brandigenous
- Moose Hide Campaign
- First Nations Financial Management Board
- Tom Spetter Design

Up Next?

- **We are organizing the inaugural Indigenous Prosperity Gathering in November 2019 to convene members of First Nations leadership and management to create dialogue about shared prosperity and economic development in the region.**
- **We will continue with Indigenous*Connect* forums with a goal to engage more South Island First Nations.**
- **Comprehensive details about SIPP's plans in this area can be found in our 2019/20 Operational Plan on page 61.**

5 Collaboration, Communication, and Research

As the regional economic development agency that brings together local governments with dozens of other key stakeholders, collaboration is at our core.

SIPP serves as a platform for integrating the efforts and energies of multiple partners to achieve positive change within our region's economy. To do this, we bring partners together through shared governance and special projects, dialogues and roundtables, citizen engagement activities, economic research, thought leadership, and by advocating on behalf of regionally significant issues in the South Island.

2019 Prosperity Index, sponsored by Coastal Community Credit Union

How do we measure prosperity? The Prosperity Index is the tool that gives us the data and insight to do that. The Index provides a consistent methodology for tracking progress from year to year and, unlike traditional measures such as the Gross Domestic Product (GDP), the Index provides a holistic view of regional prosperity across five themes:

- Economic Resiliency
- Transportation and Mobility
- Housing and Affordability
- Human Health
- Environmental Health

The Prosperity Index features data on more than 100 indicators, applying an economic lens that is critical to identifying our region's strengths and weaknesses.

The South Island Prosperity Index is a valuable tool to gauge our region's progress and draw attention to where we need to improve. And this deep analysis of the factors that affect our quality of life aligns perfectly with our commitment to enrich people's lives and build healthier communities.

—Adrian Legin, President and CEO, Coastal Community Credit Union

COASTAL COMMUNITY
TOGETHER, LET'S DO GREAT THINGS

Mobility Wellness Index

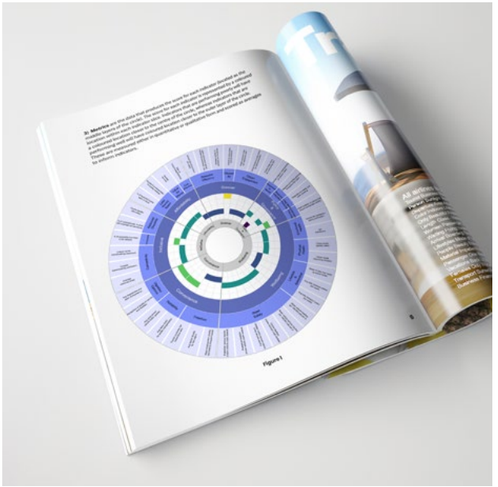
SIPP recently developed the Mobility Wellness Index (MWI), the world's first comprehensive measurement framework that links how any given city or region is performing on overall wellbeing as it relates to transportation and mobility. The MWI is designed to meaningfully measure the impact mobility systems have on the physical, emotional, and financial wellbeing of their users.

The Index is innovative, fresh, and cutting-edge, with the potential to be very useful to other cities. It's a tool that is highly scalable and it has already garnered interest. Discussions are underway with Montréal, Perth, Australia, and Columbus, USA (winners of the US Department of Transportation's Smart City Challenge).

The first version of the Index is comprised of a composite score based on region or city-wide performance across 20 indicators, informed by 40 metrics derived from six theme areas that are deemed essential to the ultimate outcome of holistic citizen wellbeing. The product is flexible and future versions could incorporate AI (Artificial Intelligence), biometrics and other innovative approaches to citizen feedback (i.e. narration as data).

Combining our lens of urban design with SIPP's expertise in building communities with economic and social prosperity has allowed us to deliver a project that we believe has the potential for a significant, positive impact in Greater Victoria. We believe that the smartest projects are those that apply innovative and unique solutions to improve the lives of current and future residents.

—Charles Montgomery, Founding Principal, Happy City



Collaborating with Municipalities

Municipalities play a major role in SIPP's success. Over the past year, our team has presented to municipal councils on more than 15 occasions in order to report back and update on our activities. We also provided orientation sessions for new councillors and mayors following the October 2018 elections to emphasize the value and structure of our existing partnerships.

Why is it important for municipalities to support and participate in SIPP?

We foster a unique collaborative atmosphere where the sum is much greater than its parts. Municipalities play a vital role in SIPP's work and we could not exist without their support. This means we leverage municipal contributions into higher impact investments from the private sector that would not be possible without a region-wide partnership. Cooperation between the public and private sectors is an alliance creating powerful impact by linking the long-term vision of the public sector with the innovation of the private sector. It also means that Greater Victoria has a resilient, sustainable, and high-impact economic development model — a model that is in fact gaining national and international attention in just three short years. To illustrate the point, without SIPP's facilitative leadership, the region would not have become a finalist in Canada's Smart Cities Challenge, gaining a chance to bring $10 million to the region for smart and sustainable transportation options.

This is Prosperity Newsletter

Over the past year, we produced ten issues of our newsletter *This is Prosperity*. Keeping our members and stakeholders up to date on our latest activities is a priority and our newsletter now has over 500 subscribers.

Media Coverage

SIPP is gaining traction with many of our initiatives and the media is taking notice. Last year we issued 16 news releases to local media outlets resulting in more than 30 pieces of media coverage on our initiatives.

Daily Digital Engagement

SIPP`s social media channels continue to grow a following, and over the past year we have become more active on LinkedIn and Instagram in addition to Facebook and Twitter. Be sure to follow us for the latest updates.

Facebook @southislandprosperity
Instagram @southislandprosperity
Twitter @SIProsperity
LinkedIn South Island Prosperity Partnership

Smart Mobility Manifesto and Advertising Campaign

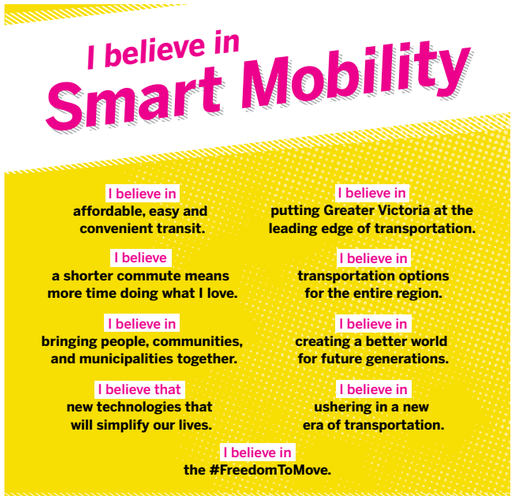
Last January, we rolled out an integrated Smart Mobility advertising campaign to promote our Smart Cities Challenge plans and gain support for our application. The theme of the campaign was Freedom To Move.

The campaign included a region-wide poster campaign, transit advertising, print ads, social media, and television and radio ads focused on driving people to sign a Smart Mobility manifesto. By doing so they pledged their support for a variety of mobility goals around shorter commute times, less traffic congestion, less automotive emissions, and easier, more affordable transportation options for the entire region.

Some Stats at a Glance

#FreedomToMove Campaign

- Social media impressions – 355,600
- TV / Radio impressions – 948,100
- Public attendance at events – 1,450
- One-on-one engagements at Pop-up Stations – 300+
- In-depth survey completions – 600



Community Engagement

Over the past year, we learned a lot about our fellow citizens and their needs, challenges, and aspirations for the future. Meeting face-to-face with hundreds of citizens and stakeholders in Greater Victoria, and engaging indirectly with thousands more through surveys, campaigns, and online impressions gave us valuable insight. We also reaffirmed how important citizen-inspired action is to our mission and to achieving our shared vision for a prosperous future.

One of our major areas of focus was engaging our community to not only to spread the word about our wide-ranging activities, but also to gain valuable feedback and insight into how we can make our community a better place.

You may have seen SIPP team members—decked out in bright green jackets and armed with iPads—in various places around the region asking questions, particularly around transportation. As part of our Smart South Island plan, we gathered meaningful feedback from citizens about local transportation challenges and opportunities.

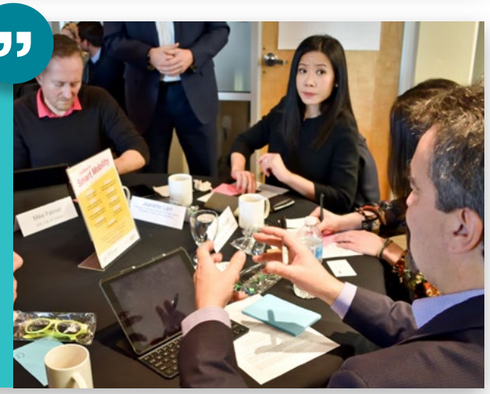
Transportation and Mobility Stakeholder Roundtable

SIPP organized the first-ever Transportation and Mobility Stakeholder Roundtable in December. Breakout sessions enabled key stakeholders in the region to share their thoughts on the future of transport and smart mobility in Greater Victoria and make new contacts.

The following organizations and people attended: BC Ferries, BC Transit, Bird Scooters, CFB Esquimalt, Cowlines Mobility Group, Esri Canada, Lime, Maximum Express Courier & Freight, MLA Adam Olsen, Modo Carshare Co-op, Privacy Dynamics, Seaspan, U-Bicycle North America, Victoria Airport Authority, Wilson's Transportation Group, BC Ministry of Jobs, Trade & Technology.

As a major stakeholder in the zero emissions transport and mobility industry, we are committed to a cleaner, greener future. We recognize that transportation is a major contributor to GHG and we commit to supporting SIPP in their application and look forward to collaborating throughout implementation.

—Ted Dowling, VP, BYD Canada Ltd.



Advanced Business Match (ABM) Event

The Vancouver Island Economic Alliance held an Advanced Business Match (ABM) event at the Victoria Conference Centre in March. The event was a form of 'speed dating' for businesses to meet, discuss projects, collaborate, and potentially sign agreements. SIPP participated in several meetings with potential members, current project partners, and new prospective collaborators from a broad range of industries.

Lead Investor Events

SIPP periodically hosts our lead investor members in exclusive events. Last spring, we gathered at CFB Esquimalt to update 70 business leaders and member representatives on our Smart South Island strategy. We received invaluable feedback from our community confirming that while we are getting excellent traction, we have barely scratched the surface of possibilities for what we can achieve together through collaboration.

Last fall, our Lead Investors gathered again at the Oak Bay Beach Hotel to hear guest speaker Alan Winter, BC's first Innovation Commissioner. Alan spoke about leveraging the BC brand in innovation and how we can improve our region's positioning on the global stage. He also spoke about the important role SIPP plays in raising Greater Victoria's profile.

Up Next?

- **We will launch the 'Future of' Series – a four-part thought-leadership series exclusive to SIPP members and sponsored by RBC. The series will explore the long-term external forces that impact the economy, the workforce, and our collective prosperity.**
- **We will publish the third edition of the South Island Prosperity Index.**
- **SIPP's members will conduct an organizational review in 2019-20 to explore the future of the SIPP approach.**
- **Comprehensive details about SIPP's plans in this area can be found in our 2019/20 Operational Plan on page 65.**

"Over the past three years SIPP has built a solid foundation and a stable, trusted platform to help our region prosper and flourish.

Craig Norris
Board Chair

South Island Prosperity Partnership

As we continue to grow in numbers, our governance model remains a strong, stabilizing force for achieving the ambitious goals and targets we have set for our region

As you read in this report, SIPP has received a number of local and international accolades. As we work together to continually raise the profile of the region, we can all be proud of how much we have accomplished in a short period of time.

SIPP's growth over the past year means our influence is expanding and we are becoming a more powerful force in the region.

The positive results and glowing feedback we have received is energizing and encouraging, and we're ready to carry the momentum from this year forward and build on our success.

Thank you to all of our members who have supported the organization with their valuable time and resources. Your contributions are deeply appreciated and make all of this possible.

1 Cluster and Innovation Development

Catalyze economic growth in key clusters and industries through advocacy, strategic partnerships, and regionally significant initiatives

2 Business Growth and Expansion

Stimulate and support the growth and expansion of existing companies by providing education, support and services

3 Business and Investment Attraction

Promote the South Island as a location of choice for new businesses and investors through marketing and recruitment activities

4 First Nations Economic Development

Engage First Nations in economic development and support First Nations-led economic development initiatives

5 Collaboration, Communication, and Research

Work with key partners and members on collaboration, communication and research to support our mission and mandate

Independent Auditors' Report

Year Ended March 31, 2019

To the Members of YYJ Prosperity Association (dba South Island Prosperity Partnership)

Report on the Financial Statements

We have audited the financial statements of YYJ Prosperity Association (dba South Island Prosperity Partnership) (the Entity), which comprise:

- the statement of financial position as at March 31, 2019
- the statement of operations and changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- notes to financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Entity as at March 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian Accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants
Victoria, Canada
May 30, 2019

Report on Other Legal and Regulatory Requirements

As required by the Societies Act (British Columbia), we report that, in our opinion, the accounting policies applied in preparing and presenting the financial statements in accordance with Canadian Accounting standards for not-for-profit organizations have been applied on a basis consistent with that of the preceding year.

March 31, 2019, with comparative information for 2018

Assets

		2019		2018
Current Assets:				
Cash	$	329,945	$	245,779
Accounts receivable		10,256		20,939
Grant receivable		64,048		147,390
Prepaid expenses		10,752		9,000
		415,001		423,108
Equipment and leasehold improvements (note 2)		25,024		7,618
Net assets, end of year	$	440,025	$	430,726

Liabilities and Net Assets

		2019		2018
Current Liabilities:				
Accounts payable and accrued liabilities	$	14,082	$	53,394
Deferred revenue		207,108		225,812
		221,190		279,206
Net assets		218,835		151,520
Commitment (note 4)				
	$	440,025	$	430,726

See accompanying notes to financial statements.

March 31, 2019, with comparative information for 2018

		2019		2018
Revenues:				
Membership dues	$	855,453	$	815,780
Grant revenue		415,354		207,917
Other income		9,705		1,035
		1,280,512		1,024,732
Expenses:				
Salaries and benefits		483,818		377,940
Consulting		191,130		286,367
Program advertising		140,612		128,485
Operations and occupancy		339,737		87,203
Travel and transportation		50,753		26,159
Amortization		7,147		2,303
		1,213,197		908,457
Excess of revenue over expenses		67,315		116,275
Net assets, beginning of year		151,520		35,245
Net assets, end of year	$	218,835	$	151,520

See accompanying notes to financial statements.

March 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	$ 67,315	$ 116,275
Amortization, an item not involving cash	7,147	2,303
Changes in non-cash operating working capital:		
Accounts receivable	10,683	(10,662)
Grant receivable	83,342	(147,390)
Prepaid expenses	(1,752)	(5,478)
Accounts payable and accrued liabilities	(39,312)	39,786
Deferred revenue	(18,704)	62,745
	108,719	57,579
Investing:		
Purchase of equipment and leasehold improvements	(24,553)	(7,138)
Increase in cash	84,166	50,441
Cash, beginning of year	245,799	195,338
Cash, end of year	$ 329,945	$ 245,779

See accompanying notes to financial statements.

March 31, 2019, with comparative information for 2018

I. Significant accounting policies:

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(a) Revenue recognition:

The Society follows the deferral method of accounting for contributions. Contributions related to capital assets are recognized as revenue on the same basis as the amortization expense related to these assets. Other restricted contributions are recognized in revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable and collection is reasonably assured. Membership fees received in advance of the year to which they relate are recorded as deferred revenue.

(b) Equipment and leasehold improvements:

Equipment is and leasehold improvements are recorded at cost. Contributed assets are recorded at fair value at the date of contribution. Amortization is provided on a straight line basis over the estimated useful life of the assets of 3 years. Equipment and leasehold improvements are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by a comparison of the asset's carrying amount to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of the asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the asset.

March 31, 2019, with comparative information for 2018

1. Significant accounting policies (continued):

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market and derivative contracts that are not designated in a qualifying hedging relationship are subsequently measured at fair value and all changes in the fair value are recognized in the statement of operations in the period incurred. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Society has not made any elections to carry financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Society determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Society expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(d) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

March 31, 2019, with comparative information for 2018

2. Capital assets:

March 31, 2019		Cost		Accumulated Amortization		Net Book Value
Furniture and fixtures	$	7,889	$	1,470	$	6,419
Computer equipment		16,886		7,421		9,465
Leasehold improvements		10,256		1,116		9,140
	$	35,031	$	10,007	$	25,024

March 31, 2018		Cost		Accumulated Amortization		Net Book Value
Computer equipment	$	10,478	$	2,860	$	7,618

3. Financial risks and concentration of risk:

(a) Interest rate risk:

Interest rate risk refers to the adverse consequences of interest rate changes in the Society's cash flows, financial position and income. The Society is not exposed to significant interest rate risk as its cash is invested in a bank account earning a fixed rate of interest.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Society deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Society monitors the credit risk of customers through routine review of outstanding receivables.

(c) Liquidity risk:

Liquidity risk is the risk that the Society will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Society manages its liquidity risk by monitoring its operating requirements. The Society prepares budget and cash flow forecasts to ensure it has sufficient funds to fulfill its obligations.

(d) Currency risk:

The majority of the Society's transactions are denominated in Canadian dollars, however, the Society is exposed to foreign exchange risk on transactions denominated in currencies other than Canadian dollars.

March 31, 2019, with comparative information for 2018

4. Commitment:

The Society is committed under an operating lease for its office premises. Annual basic lease payments are as follows:

2020	$	29,600
2021		29,600
2022		19,733
	$	78,933

5. Employee and contractor remuneration:

The BC Societies Act came into effect on November 28, 2016. The Act has a requirement for the disclosure in the financial statements of the remuneration of directors, employees and contractors for financial statements prepared after November 28, 2016. For employee and contractor remuneration, the requirement is to disclose amounts paid to individuals whose remuneration was greater than $75,000. For the year ending March 31, 2019, the Society paid remuneration of $313,776 to a total of three employees and contractors who received total annual remuneration of $75,000 or greater.

SIPP's nine-member Board of Directors is selected by its members to reflect the diversity of local businesses and regional leadership. Directors are selected on a competency and skill basis and the selection process is overseen by a Board Selection Committee. Board of Directors are elected for staggered terms of one, two, and three years.

2019-2020 Board of Directors

Craig Norris
Chair

Frank Bourree
Vice Chair

Sean Midwood
Secretary/Treasurer

Deirdre Campbell
Board Director

Tina Ryan
Board Director

Christina Clarke
Board Director

George Nassar
Board Director

Anna MacMillan
Board Director

Pat Elemans
Board Director

Kyman Chan
(ex officio)

SIPP Team

Bruce Williams
Interim CEO

Emilie de Rosenroll
CEO (on maternity leave)

Dallas Gislason
Director of Economic Development

Jacques van Campen
Director of Innovation

Taryn Malcolm
Marketing and Communications Specialist

Veronica Plihal
Office Manager and Project Assistant

Kieran Buggy
FDI Concierge

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