



REVISED AGENDA - VICTORIA CITY COUNCIL

Thursday, April 23, 2020, 12:00 P.M.

Council Chambers, City Hall, 1 Centennial Square

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

At this time, due to the COVID-19 Pandemic, public access to City Hall is not permitted. This meeting may be viewed on the City's live stream webcast at www.victoria.ca.

Council is committed to ensuring that all people who speak in this chamber are treated in a fair and respectful manner. No form of discrimination is acceptable or tolerated. This includes discrimination because of race, colour, ancestry, place of origin, religion, marital status, family status, physical or mental disability, sex, sexual orientation, gender identity or expression, or economic status. This Council chamber is a place where all human rights are respected and where we all take responsibility to create a safe, inclusive environment for everyone to participate.

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E. PUBLIC AND STATUTORY HEARINGS

F. REQUESTS TO ADDRESS COUNCIL

In accordance with the Class Order on COVID-19 from the Office of the Provincial Health Officer, Council has limited the number of delegations permitted to Address Council to six, until further notice.

G. UNFINISHED BUSINESS

*G.1 Letter from the Union of BC Municipalities

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Addendum

A letter dated April 8, 2020, regarding 2020 resolutions that were submitted to the Association of Vancouver Island Coastal Communities (AVICC).

H. REPORTS OF COMMITTEES

H.1 Committee of the Whole

H.1.a Report from the April 9, 2020 COTW Meeting

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Link to the April 9, 2020 COTW Agenda

H.1.a.a Short Term Rental (STR) Business Licence Appeal Process Policy

H.1.b Report from the April 16, 2020 COTW Meeting

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Link to the April 16, 2020 COTW Agenda

H.1.b.a Regional Growth Strategy Amendment Referral for Municipal Acceptance

H.1.b.b COVID-19 Update (Verbal)

H.1.b.c Temporary Council Process COVID-19 - Review and Report Back

*H.1.c Report from the April 23, 2020 COTW Meeting

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Addendum

Link to the April 23, 2020 COTW Agenda

*H.1.c.a Victoria Police Department - Special Funding Request for Topaz Park Policing Costs

*H.1.c.b 650 Speed Avenue: Temporary Use Permit with Variances Application No. 00016 (Burnside)

*H.1.c.c Heritage Advisory Panel and Advisory Design Panel Referrals During the COVID-19 Pandemic

*H.1.c.d Revenue and Tax Policy Benchmark Monitoring and 2020 Tax Rates

I. NOTICE OF MOTIONS

J. BYLAWS

J.1 Bylaw to Correct Clerical Error in Zoning Regulation Bylaw

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- 3rd reading and adoption of:
 - Zoning Regulation Bylaw, Amendment Bylaw (No. 1226) No. 20-056

At the March 26, 2020 Council meeting, the requirement for a public hearing was waived, pursuant to section 464(2) of the Local Government Act, as it is a clerical correction that makes no substantive changes and is consistent with the Official Community Plan, therefore third reading and adoption can now be considered.

The purpose of this bylaw is to amend the Zoning Regulation Bylaw to correct a clerical error by renumbering section 46 to 47.

J.2 Bylaw for Five Year Financial Plan 2020

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A report recommending:

- That Council:
 1. Amend the Five Year Financial Plan Bylaw, 2020 by replacing the bylaw that was given first reading on November 15, 2019 with the bylaw appended to the Five Year Financial Plan Bylaw, 2020 report, dated April 16, 2020.
 2. That the Five Year Financial Plan Bylaw No. 19-112 as amended be read a second and third time.

The purpose of the bylaw is to adopt the annual financial plan for the year 2020.

K. CORRESPONDENCE

L. NEW BUSINESS

M. QUESTION PERIOD

In accordance with the Class Order on COVID-19 from the Office of the Provincial

Health Officer, Council has suspended the Question Period section for in person participation until further notice.

N. CLOSED MEETING

MOTION TO CLOSE APRIL 23, 2020 COUNCIL MEETING TO THE PUBLIC

That Council convene a closed meeting that excludes the public under Section 90 of the *Community Charter* for the reason that the following agenda items deal with matters specified in Sections 90(1) and/or (2) of the *Community Charter*, namely:

Section 90(1) A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

Section 90(1)(c) labour relations or other employee relations;

Section 90(1)(e) the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality;

Section 90(1)(i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

Section 90(2) A part of a council meeting may be closed to the public if the subject matter being considered relates to one or more of the following:

Section 90(2)(b) the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.

O. APPROVAL OF CLOSED AGENDA

P. READING OF CLOSED MINUTES

Q. UNFINISHED BUSINESS

R. CORRESPONDENCE

***S. Presentations**

***S.1 Intergovernmental Relations - Community Charter Section 90(2)(b)**

Addendum

T. NEW BUSINESS

T.1 Land - Community Charter Section 90(1)(e)

T.2 Legal Advice - Community Charter Section 90(1)(i)

T.3 Employee Relations - Community Charter Section 90(1)(c)

U. CONSIDERATION TO RISE AND REPORT

V. ADJOURNMENT



MINUTES – SPECIAL VICTORIA CITY COUNCIL

March 23, 2020

And continued on March 24, 2020

Council Chambers, City Hall, 1 Centennial Square

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

PRESENT: Mayor Helps in the Chair, Councillor Alto, Councillor Dubow, Councillor Isitt, Councillor Loveday, Councillor Potts, Councillor Thornton-Joe, Councillor Young

STAFF PRESENT: J. Jenkyns - City Manager, C. Coates - City Clerk, S. Thompson - Deputy City Manager / Director of Finance, T. Zworski - City Solicitor, A. James - Head of Strategic Operations; K. Hoese - Director of Sustainable Planning and Community Development, C. Mycroft - Manager of Executive Operations, P. Martin - Council Secretary, M. Heiser – Committee Secretary.

A. APPROVAL OF AGENDA

Moved By Councillor Isitt

Seconded By Councillor Alto

That the agenda be approved.

CARRIED UNANIMOUSLY

C. CLOSED MEETING

Moved By Councillor Thornton-Joe

Seconded By Councillor Loveday

MOTION TO CLOSE THE MARCH 23, 2020 COUNCIL MEETING TO THE PUBLIC

That Council convene a closed meeting that excludes the public under Section 90 of the *Community Charter* for the reason that the following agenda items deal with matters specified in Sections 90(1) and/or (2) of the *Community Charter*, namely:

Section 90(1) A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

Section 90(1)(i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

CARRIED UNANIMOUSLY

D. APPROVAL OF CLOSED AGENDA

Moved By Councillor Isitt

Seconded By Councillor Alto

That the closed agenda be approved.

CARRIED UNANIMOUSLY

E. CLOSED - NEW BUSINESS

E.1 Legal Advice - Community Charter Section 90(1)(i)

Council received a verbal report providing legal advice.

The motion was recorded and kept confidential.

Council returned to the open meeting at 10:58 a.m.

Mayor Helps recessed the meeting until March 24, 2020 at 9:00 a.m. and advised the meeting would begin in closed.

Mayor Helps reconvened the meeting March 24, 2020 at 9:00 a.m.

Council returned to the open meeting at 9:39 a.m.

J. NEW BUSINESS

J.1 Consideration of a Declaration of a State of Local Emergency

Moved By Councillor Isitt

Seconded By Councillor Dubow

WHEREAS there is a global COVID-19 pandemic and associated social and economic disruption within the jurisdiction of the City of Victoria;

AND WHEREAS the social and economic disruption, which results in immediate hardship to many residents and businesses in the City of Victoria, including loss of income for thousands of residents, closures of hundreds of businesses and risk of widespread illness and suffering, poses an existing or imminent threat to people and property within the City of Victoria;

AND WHEREAS this medical, social and economic emergency requires prompt coordination of action or special regulation of persons or property to protect the health, safety, and welfare of people or to limit damage to property;

NOW THEREFORE:

IT IS HEREBY ORDERED pursuant to Section 12 (1) of the *Emergency Program Act* that a state of local emergency exists in the City of Victoria due to COVID-19 pandemic and associated social and economic disruption;

IT IS FURTHER ORDERED THAT the City Manager, Jocelyn Jenkyns, and the Deputy City Manager, Susanne Thompson, and any person acting under their direction are empowered pursuant to Section 13 (1) of the *Emergency Program Act* to do all acts and implement all procedures that are considered necessary to prevent or to alleviate the effects of the emergency, including:

- (a) pursuant to section 10(1)(e) and (l), to require all persons in the City of Victoria currently providing residential rental accommodation to others to render assistance to alleviate the effects of the current emergency by:
 - i. continuing to provide the residential rental accommodation for the duration of the emergency on the same terms and conditions (including rent) as existed on March 1, 2020; and
 - ii. not issuing any eviction notices based on failure to pay rent during the duration of the emergency,
- (b) pursuant to section 10(1)(e) and (l), to require all persons in the City of Victoria currently providing commercial rental premises to others to render assistance to alleviate the effects of the current emergency by:
 - i. continuing to provide the commercial rental premises for the duration of the emergency on the same terms and conditions (including rent) as existed on March 1, 2020; and
 - ii. not take any action (including evictions, distress, or other remedy whether in law or equity) based on failure of tenant to pay rent during the duration of the emergency.

ORDERED by the Council of the Corporation of the City of Victoria this date, March 23, 2020, to remain in force for seven days until March 30, 2020 at midnight unless cancelled by the Mayor of the City of Victoria or the Minister responsible.

Motion to postpone:

Moved By Councillor Loveday

Seconded By Councillor Alto

That Council postpone consideration of the Declaration of Local Emergency until Thursday, March 26, 2020.

CARRIED UNANIMOUSLY

K. ADJOURNMENT

Moved By Councillor Alto

Seconded By Councillor Dubow

That the Special Council Meeting be adjourned at 9:41 a.m.

CARRIED UNANIMOUSLY

CITY CLERK

MAYOR



MINUTES - VICTORIA CITY COUNCIL

April 2, 2020, 12:00 P.M.

COUNCIL CHAMBERS - 1 CENTENNIAL SQUARE, VICTORIA, BC

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

PRESENT: Mayor Helps in the Chair, Councillor Alto, Councillor Isitt, Councillor Dubow, and Councillor Young

PRESENT ELECTRONICALLY: Councillor Loveday, Councillor Potts, and Councillor Thornton-Joe

STAFF PRESENT: J. Jenkyns - City Manager, S. Thompson - Deputy City Manager / Director of Finance, C. Coates - City Clerk, P. Bruce - Fire Chief, T. Zworski - City Solicitor, T. Soulliere - Director of Parks, Recreation & Facilities, B. Eisenhauer - Head of Engagement, K. Hoese - Director of Sustainable Planning and Community Development, A. Meyer - Assistant Director of Development Services, N. Sidhu - Assistant Director of Parks, Recreation & Facilities, C. Havelka - Deputy City Clerk, C. Mycroft - Manager of Executive Operations, P. Martin - Council Secretary

A. CONVENE COUNCIL MEETING

B. APPROVAL OF AGENDA

Moved By Councillor Alto
Seconded By Councillor Dubow

That the agenda be approved as amended.

CARRIED UNANIMOUSLY

Council recessed from 12:06 p.m. until 12:18 p.m.

C. READING OF MINUTES

Moved By Councillor Alto
Seconded By Councillor Dubow

That the minutes from the daytime meeting held March 12, 2020 be adopted.

CARRIED UNANIMOUSLY

D. REQUEST TO ADDRESS COUNCIL

Moved By Councillor Isitt
Seconded By Councillor Alto

That the following speakers be permitted to address Council.

CARRIED UNANIMOUSLY

D.2 Christina Chan: Tax Relief for Small Businesses, Non-Profits, Arts and Culture Groups

The City Clerk read a submission provided by Christina Chan, who requested that Council formulate a plan to roll out an Interim Business Property Tax relief program due to the COVID-19 pandemic.

D.3 Thomas Hackney: Phasing Out the Use of Fossil Fuel Powered Landscaping and Gardening Equipment

The City Clerk read a submission provided by Thomas Hackney, who requested that Council begin the process to phase out fossil fuel powered landscaping and gardening equipment.

D.4 Ken Johnson: The Buildings at 1314 & 1316 Wharf Street

Ken Johnson provided a video submission, and outlined concerns relating to the heritage buildings at 1314 & 1316 Wharf Street and requested that Council take action.

E. UNFINISHED BUSINESS

E.1 Letter from the Minister of Veterans Affairs

A letter of response dated January 8, 2020, thanking the Mayor for congratulating them on their reappointment as Minister.

Moved By Councillor Alto

Seconded By Councillor Dubow

That the correspondence dated January 8, 2020 from the Minister of Veterans Affairs be received for information.

CARRIED UNANIMOUSLY

E.2 Letter from the Minister of Health

A letter of response dated January 16, 2020, thanking the Mayor for congratulating them on their appointment as Minister.

Moved By Councillor Alto

Seconded By Councillor Dubow

That the correspondence dated January 16, 2020 from the Minister of Health be received for information.

CARRIED UNANIMOUSLY

E.3 Letter from the Minister of Northern Affairs

A letter of response dated January 23, 2020, thanking the Mayor for congratulating them on their appointment as Minister.

Moved By Councillor Alto

Seconded By Councillor Dubow

That the correspondence dated January 23, 2020 from the Minister of Northern Affairs be received for information.

CARRIED UNANIMOUSLY

E.4 Letter from the Minister of Public Services and Procurement

A letter of response dated February 3, 2020, thanking the Mayor for congratulating them on their appointment as Minister.

Moved By Councillor Alto

Seconded By Councillor Dubow

That the correspondence dated February 3, 2020 from the Minister of Public Services and Procurement be received for information.

CARRIED UNANIMOUSLY

E.5 Letter from the Minister of Mental Health and Addictions

A letter of response dated February 6, 2020, regarding the resolutions on this year's Union of BC Municipalities agenda entitled: Safer Drug Supply to Save Lives (B171) and Observed Inhalation Sites for Overdose Prevention (B172).

Moved By Councillor Alto

Seconded By Councillor Dubow

That the correspondence dated February 6, 2020 from the Minister of Mental Health and Addictions be received for information.

CARRIED UNANIMOUSLY

E.6 Letter from the President of the Queen's Privy Council for Canada

A letter of response dated February 11, 2020, thanking the Mayor for congratulating them on their appointment as President of the Queen's Privy Council for Canada.

Moved By Councillor Alto

Seconded By Councillor Young

That the correspondence dated February 11, 2020 from the President of the Queen's Privy Council for Canada be received for information.

CARRIED UNANIMOUSLY

E.7 Letter from the Minister of Employment, Workforce Development and Disability Inclusion

A letter of response dated February 12, 2020, thanking the Mayor for congratulating them on their appointment as Minister.

Moved By Councillor Young
Seconded By Councillor Alto

That the correspondence dated February 12, 2020 from the Minister of Employment, Workforce Development and Disability Inclusion be received for information.

CARRIED UNANIMOUSLY

E.8 Letter from the Town of View Royal

A letter of response dated February 20, 2020, regarding an amendment to the Capital Regional District's Hartland Landfill Tipping Fee and Regulation Bylaw.

Moved By Councillor Dubow
Seconded By Councillor Alto

That the correspondence dated February 20, 2020 from the Town of View Royal be received for information.

CARRIED UNANIMOUSLY

E.9 Letter from the Capital Regional District

A letter of response dated March 12, 2020, advising that the Capital Regional District Board has accepted the regional context statement submitted by the City.

Moved By Councillor Alto
Seconded By Councillor Young

That the correspondence dated March 12, 2020 from the Capital Regional District be received for information.

CARRIED UNANIMOUSLY

F. REPORTS OF COMMITTEE

F.1 Committee of the Whole

F.1.a Report from the March 19, 2020 COTW Meeting

F.1.a.a Water Conservation Plan in Support of the Grant Application to the Investing in Canada Infrastructure Program

Moved By Councillor Alto
Seconded By Councillor Young

That Council approve the City of Victoria's water conservation plan, which is a requirement for the Investing in Canada Infrastructure Program grant application.

CARRIED UNANIMOUSLY

F.1.b Report from the March 26, 2020 COTW Meeting

F.1.b.a COVID-19 Update (Verbal)

Moved By Councillor Dubow
Seconded By Councillor Alto

That Council receive this report for information.

CARRIED UNANIMOUSLY

Councillor Isitt withdrew from the meeting at 12:46 p.m. due to a pecuniary conflict of interest with the following item, as his father lives within a 100 meters of the subject property.

Councillor Potts withdrew from the meeting at 12:46 p.m. due to a pecuniary conflict of interest with the following item, as she lives close to the subject property.

F.1.b.b330-336 Michigan Street: Revised Victoria Housing Reserve Fund Grant Application (James Bay)

Moved By Councillor Alto
Seconded By Councillor Dubow

That Council:

1. Revise the Victoria Housing Reserve Fund (VHRF) grant, approved on February 27, 2020, to the Capital Region Housing Corporation for the Michigan Square project located at 330-336 Michigan Street from \$990,000 to \$1,020,000 to reflect a shift from market to moderate (affordable) income rent for two of the eight proposed 3-bedroom units.
2. Issue the VHRF grant funding subject to the applicant executing a Housing Grant Agreement and a Housing Agreement to the satisfaction of the City Solicitor and Director of Sustainable Planning and Community Development to secure the provision of the affordable units pursuant to the

VHRF Guidelines as of March 21, 2019 on terms consistent with BC Housing's operating funding:

- a. 7 studio units for very low income level;
- b. 12 one-bedroom units for very low income level;
- c. 1 two-bedroom unit for very low income level;
- d. 9 one-bedroom units for low income level;
- e. 11 two-bedroom units for low income level;
- f. 2 three-bedroom units for low income level;
- g. 12 one-bedroom units for moderate income levels
- h. 4 two-bedroom units for moderate income levels;
- i. 11 two-bedroom units for moderate income levels;
- j. 20 two-bedroom units for moderate income levels; and
- k. 2 three-bedroom units for moderate income levels.

CARRIED UNANIMOUSLY

F.1.b.c Partnering Agreement to Support the Supply of Electric Vehicles Charging Infrastructure

Moved By Councillor Isitt

Seconded By Councillor Dubow

That Council authorise:

1. the City to enter into a partnering agreement for a term of one year until March 31, 2021 with the Government of British Columbia and the BC Hydro and Power Authority to provide a service, the CleanBC Home and Workplace EV Charging Program, on behalf of the City, subject to Council providing notice to the public pursuant to s. 24 of the Community Charter, and
2. any amendments to the partnering agreement that are substantially in accordance with the terms and conditions of the agreement, provided that the form and contents are satisfactory to the City Solicitor and the Acting Director of Engineering and Public Works; and
3. the City to renew the partnering agreement for further successive periods of one year each.

CARRIED UNANIMOUSLY

G. BYLAWS

G.1 Bylaw Amendment for Victoria Subdivision and Servicing

Moved By Councillor Young

Seconded By Councillor Alto

That the following bylaw **be adopted**:

1. Victoria Subdivision and Servicing Bylaw, Amendment Bylaw (No. 3) No. 20-040

CARRIED UNANIMOUSLY

G.2 Bylaw Amendment for Development Cost Charges

Moved By Councillor Isitt

Seconded By Councillor Young

That the following bylaw **be adopted**:

1. Development Cost Charges Bylaw, Amendment Bylaw (No. 2) No. 20-013

CARRIED UNANIMOUSLY

G.3 Bylaw for Alternative Municipal Tax Collection Scheme

Moved By Councillor Alto

Seconded By Councillor Young

That the following bylaw **be adopted**:

1. Alternative Municipal Tax Collection Scheme Bylaw No. 20-039

CARRIED UNANIMOUSLY

H. CORRESPONDENCE

H.1 Letter from the Association of Vancouver Island and Coastal Communities

A letter dated January 16, 2020, in which the City as carbon-copied, regarding a resolution on Revitalizing Island Rail that was endorsed by AVICC at their 2019 Convention.

Moved By Councillor Isitt

Seconded By Councillor Dubow

That the correspondence dated January 16, 2020 from the Association of Vancouver Island and Coastal Communities be received for information.

Amendment:

Moved By Councillor Isitt

Seconded By Councillor Dubow

That the motion be amended as follows:

That the correspondence dated January 16, 2020 from the Association of Vancouver Island and Coastal Communities be received for information, **and request that the Mayor write, on behalf of Council, to the President of AVICC expressing appreciation for AVICC advocating on this issue.**

CARRIED UNANIMOUSLY

Main motion as amended:

That the correspondence dated January 16, 2020 from the Association of Vancouver Island and Coastal Communities be received for information and

request that the Mayor write, on behalf of Council, to the President of AVICC expressing appreciation for AVICC advocating on this issue.

CARRIED UNANIMOUSLY

Mayor Helps recessed the meeting at 12:52 p.m.

Mayor Helps reconvened the meeting at 3:10 p.m.

Moved By Councillor Alto

Seconded By Councillor Isitt

That the agenda be amended to add three items from the April 2, 2020 Committee of the Whole agenda.

CARRIED UNANIMOUSLY

F. REPORTS OF COMMITTEE

F.1 Committee of the Whole

F.1.c Report from the April 2, 2020 COTW Meeting

F.1.c.a Council Member Motion: Scaling Up Growing in the City for Community Resilience

Moved By Councillor Isitt

Seconded By Councillor Loveday

That Council authorize the scaling up of the Growing in the City initiative with the following actions, to increase community resilience and food security in response to Covid-19:

1. Temporarily reprioritize the focus of some Parks Department capacity as outlined in Option 2 to grow food plants from seed in the municipal nursery and greenhouses for planting in the 2020 growing season, harnessing expertise on appropriate plant selection from stakeholders in the Urban Food Table.
2. Work with stakeholder organizations in the Urban Food Table, School District 61 and local farmers to develop a distribution plan for food plants, soil and educational resources to scale up food production and increase community resilience and food security.
3. Adhere strictly to workplace safety and public health guidelines during the implementation of this program.

FOR (7): Mayor Helps, Councillor Alto, Councillor Isitt, Councillor Loveday, Councillor Potts, Councillor Thornton-Joe, and Councillor Dubow

OPPOSED (1): Councillor Young

CARRIED (7 to 1)

Moved By Councillor Isitt
Seconded By Councillor Loveday

Motion Arising:

That staff report back on options for reallocating funds within the food systems budget to expand the distribution of gardening materials to neighborhoods.

CARRIED UNANIMOUSLY

F.1.c.b Development Application Processes - Considerations to Address COVID-19 Pandemic

Moved By Mayor Helps
Seconded By Councillor Alto

That Council direct staff to report back on modifications to development application processes, as detailed in this report and including consideration of electronic participation of the public, in order to continue to process applications through the COVID-19 pandemic, while complying with public health orders and meeting the transparency and accountability of land use processes:

- the Community Association Land Use Committee (CALUC) Procedures for Processing Rezoning and Variance Applications, particularly regarding the pre-submission requirement for CALUC Community Meetings
- processes and referrals to advisory committees
- processes related to the requirement for an Opportunity for Public Comment (OPC) that is linked with variance applications
- opportunities to expand delegated authority to staff to deal with minor variances and some subsets of development, particularly in relation to affordable housing
- opportunities to reconsider the requirement for public hearings associated with rezoning applications both in terms of the form they take and when they are required.

FOR (7): Mayor Helps, Councillor Alto, Councillor Potts, Councillor Thornton-Joe, Councillor Dubow, Councillor Young

OPPOSED (2): Councillor Isitt, and Councillor Loveday

CARRIED (7 to 2)

F.1.c.c COVID-19 Update (Verbal)

Moved By Councillor Loveday
Seconded By Councillor Alto

That Council receive this report for information and allocate up to \$200,000 from the 2020 Contingency, to the City Manager and

Fire Chief, to provide adequate supports to vulnerable populations without any further delay and mitigate risks to city facilities, with the City working to recover all costs from upper levels of government.

FOR (7): Mayor Helps, Councillor Alto, Councillor Isitt, Councillor Loveday, Councillor Potts, Councillor Thornton-Joe, and Councillor Dubow

OPPOSED (1): Councillor Young

CARRIED (7 to 1)

F.1.c.c Consideration of a Declaration of a State of Local Emergency

Moved By Councillor Isitt

That the following motion be lifted from the table:

Resolution: Request for Ministerial Authorization for State of Local Emergency if Required

The City of Victoria requests authorization from the provincial Minister of Public Safety to give effect to the following order, effective March 30, 2020, if the Provincial government deems that Province-wide action is not necessary:

Declaration of State of Local Emergency

ORDER

WHEREAS there is a global COVID-19 pandemic and associated social and economic disruption within the jurisdiction of the City of Victoria;

AND WHEREAS the social and economic disruption, which results in immediate hardship to many residents and businesses in the City of Victoria, including loss of income for thousands of residents, closures of hundreds of businesses and risk of widespread illness and suffering, poses an existing or imminent threat to people and property within the City of Victoria;

AND WHEREAS this medical, social and economic emergency requires prompt coordination of action or special regulation of persons or property to protect the health, safety, and welfare of people or to limit damage to property;

NOW THEREFORE:

IT IS HEREBY ORDERED pursuant to Section 12 (1) of the Emergency Program Act that a state of local emergency exists in the City of Victoria due to COVID-19 pandemic and associated social and economic disruption;

IT IS FURTHER ORDERED THAT the City Manager, Jocelyn Jenkyns, and the Deputy City Manager, Susanne Thompson, and any person acting under their direction are empowered pursuant to Section 13 (1) of the Emergency Program Act to introduce the following measure to alleviate the effects of the emergency:

- a. pursuant to section 10(1)(e) and (l), to require all persons in the City of Victoria currently providing commercial rental premises to others to render assistance to alleviate the effects of the current emergency by:
 - i. continuing to provide the commercial rental premises for the duration of the emergency on the same terms and conditions (including rent) as existed on March 1, 2020; and
 - ii. not take any action (including evictions, distress, or other remedy whether in law or equity) based on failure of tenant to pay rent during the duration of the emergency.

Failed to proceed due to no seconder

I. CLOSED MEETING

Moved By Councillor Dubow
Seconded By Councillor Alto

MOTION TO CLOSE THE APRIL 2 COUNCIL MEETING TO THE PUBLIC:

That Council convene a closed meeting that excludes the public under Section 90 of the *Community Charter* for the reason that the following agenda items deal with matters specified in Sections 90(1) and/or (2) of the *Community Charter*, namely:

Section 90(1) A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

Section 90(1)(c) labour relations or other employee relations;

Section 90(1)(i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose;

Section 90(1)(k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public.

CARRIED UNANIMOUSLY

J. APPROVAL OF CLOSED AGENDA

Moved By Councillor Alto
Seconded By Councillor Isitt

That the closed agenda be approved.

Amendment:

Moved By Councillor Alto

Seconded By Councillor Young

That the agenda of the April 2, 2020 Closed Council meeting be amended as follows:

Consent Agenda:

B.1 Minutes from the closed meeting held March 12, 2020

B.2 Minutes from the closed Committee of the Whole meeting held March 12, 2020

CARRIED UNANIMOUSLY

K. CONSENT AGENDA

Moved By Councillor Alto

Seconded By Councillor Young

That the following items be approved without further debate.

CARRIED UNANIMOUSLY

K.1 Minutes from the closed meeting held March 12, 2020

Moved By Councillor Alto

Seconded By Councillor Young

That the minutes from the closed meeting held March 12, 2020 be adopted.

CARRIED UNANIMOUSLY

K.2 Minutes from the closed Committee of the Whole meeting held March 12, 2020

Moved By Councillor Alto

Seconded By Councillor Young

That the minutes from the closed Committee of the Whole meeting held March 12, 2020 be adopted.

CARRIED UNANIMOUSLY

N. NEW BUSINESS

N.1 Proposed Municipal Service - Community Charter Section 90(1)(k)

Council discussed a proposed municipal service.

N.2 Employee Relations - Community Charter Section 90(1)(c)

Council discussed an employee relations matter.

The motion was recorded and kept confidential.

N.3 Employee Relations/Legal Advice - Community Charter Sections 90(1)(c) and 90(1)(i)

Council discussed an employee relations/legal advice matter.

All staff except for the City Manager withdrew from the meeting at 4:30 p.m.

N.4 Employee Relations - Community Charter Section 90(1)(c)

Council discussed an employee relations matter.

P. ADJOURNMENT

Moved By Councillor Alto

Seconded By Councillor Dubow

That the Council Meeting be adjourned at 5:39 p.m.

CARRIED UNANIMOUSLY

CITY CLERK

MAYOR



MINUTES - VICTORIA CITY COUNCIL

April 9, 2020, 12:00 P.M.

Council Chambers, City Hall, 1 Centennial Square

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

PRESENT: Mayor Helps in the Chair, Councillor Alto, Councillor Dubow, Councillor Isitt, Councillor Thornton-Joe, and Councillor Young

PRESENT ELECTRONICALLY: Councillor Loveday and Councillor Potts

STAFF PRESENT: J. Jenkyns - City Manager, S. Thompson - Deputy City Manager / Director of Finance, P. Bruce - Fire Chief, C. Coates - City Clerk, T. Soulliere - Director of Parks, Recreation & Facilities, T. Zworski - City Solicitor, B. Eisenhauer - Head of Engagement, K. Hoese - Director of Sustainable Planning and Community Development, C. Havelka - Deputy City Clerk, C. Mycroft - Manager of Executive Operations, P. Martin - Council Secretary, P. Bellefontaine - Assistant Director, Transportation, P. Angelblazer - Committee Secretary

A. APPROVAL OF AGENDA

The City Clerk outlined amendments to the agenda.

Councillor Isitt left the meeting at 12:04 pm.

Councillor Thornton-Joe left the meeting at 12:04 pm.

Moved By Councillor Alto
Seconded By Councillor Dubow

That the agenda be approved as amended.

CARRIED UNANIMOUSLY

B. READING OF MINUTES

Councillor Thornton-Joe returned to the meeting at 12:05 pm.

Moved By Councillor Alto
Seconded By Councillor Thornton-Joe

That the following minutes be adopted:

1. Minutes from the daytime meeting held March 5, 2020
2. Minutes from the evening meeting held March 12, 2020

3. Minutes from the daytime meeting held March 19, 2020

CARRIED UNANIMOUSLY

D. PROCLAMATIONS

D.1 "Human Values Day" - April 24, 2020

Moved By Councillor Dubow

Seconded By Councillor Young

That the following proclamation be endorsed:

1. "Human Values Day" - April 24, 2020

CARRIED UNANIMOUSLY

D.2 "Melanoma Awareness Month" - May 2020

Councillor Isitt returned to the meeting at 12:07 pm.

Moved By Councillor Young

Seconded By Councillor Thornton-Joe

That the following proclamation be endorsed:

1. "Melanoma Awareness Month" - May 2020

CARRIED UNANIMOUSLY

H. REPORTS OF COMMITTEES

H.1 Committee of the Whole

H.1.a Report from the April 2, 2020 COTW Meeting

**H.1.a.a582 St. Charles Street: Heritage Alteration Permit with
Variance Application No. 00020 (Rockland)**

Moved By Councillor Thornton-Joe

Seconded By Councillor Alto

That Council, after giving notice and allowing an opportunity for public comment at a meeting of Council, consider the following motion:

"That Council authorize the issuance of Heritage Alteration Permit with Variance Application No. 00020 for 582 St. Charles Street, in accordance with:

1. Plans, date stamped January 28, 2020.
2. Development meeting all Zoning Regulation Bylaw requirements, except for the following variance:
 - to permit a roof deck.

3. Final plans to be generally in accordance with the plans identified above to the satisfaction of the Director, Sustainable Planning and Community Development.
4. Heritage Alteration Permit lapsing two years from the date of this resolution."

CARRIED UNANIMOUSLY

H.1.a.b 1009 Southgate Street: Heritage Designation Application No. 000190 (Fairfield)

Moved By Councillor Thornton-Joe
Seconded By Councillor Alto

That Council approve the designation of the property located at 1009 Southgate Street, pursuant to Section 611 of the Local Government Act, as a Municipal Heritage Site, and that first and second reading of the Heritage Designation Bylaw be considered by Council and a Public Hearing date be set.

CARRIED UNANIMOUSLY

H.1.a.c 429 and 431 Parry Street: Development Variance Permit Applications No. 00234 and No. 00235 (James Bay)

Moved By Councillor Alto
Seconded By Councillor Young

That, subject to the preparation and execution of legal agreements to secure a Statutory Right-of-Way, to the satisfaction of the Director of Engineering, that Council, after giving notice and allowing an opportunity for public comment at a meeting of Council, consider the following motion:

That Council authorize the issuance of Development Variance Permit Applications No.00234 for 429 Parry Street and No.00235 for 431 Parry Street in accordance with:

1. Plans date stamped December 19, 2019 (429 Parry Street) and December 23, 2019 (431 Parry Street)
2. Development meeting all Zoning Regulation Bylaw requirements, except for the following variances:
 - For Development Variance Permit No. 00234 at 429 Parry Street:
 - a. reduce the front yard setback from 7.5m to 3.79m;
 - b. reduce the rear yard setback from 8.28m to 4.71m for the rear stairs and 5.61m for the building;
 - c. reduce the north side yard setback from 1.5m to 1.2m;
 - d. reduce the south side yard setback from 3m to 2m; and
 - e. reduce the combined side yard setback from 4.5m to 3.2m.
 - For Development Variance Permit No. 00235 at 431 Parry Street:

- a. reduce the front yard setback from 7.5m to 4.41m;
 - b. reduce the rear yard setback from 8.28m to 4.42m for the rear stairs and 4.95m for the building;
 - c. reduce the north side yard setback from 1.5m to 1.2m;
 - d. reduce the south side yard setback from 3m to 2m; and
 - e. reduce the combined side yard setback from 4.5m to 3.2m.
3. Registration of legal agreements on both property titles to secure a Statutory Right-of-Way, to the satisfaction of the Director of Engineering.
 4. The Development Permits lapsing two years from the date of this resolution.

CARRIED UNANIMOUSLY

H.1.a.d Council Member Motion: Parking in City Parkades

Moved By Councillor Alto

Seconded By Councillor Thornton-Joe

That this be referred to staff to give consideration and bring forward recommendations to Council.

CARRIED UNANIMOUSLY

J. BYLAWS

J.1 Bylaw to Correct Clerical Error in Zoning Regulation Bylaw

Moved By Councillor Dubow

Seconded By Councillor Alto

That the following bylaw **be given first and second readings:**

1. Zoning Regulation Bylaw, Amendment Bylaw (No. 1226) No. 20-056

CARRIED UNANIMOUSLY

J.2 Bylaw for Temporary Borrowing Bylaw Amendment

Moved By Councillor Alto

Seconded By Councillor Young

That the following bylaw **be given first, second, and third readings:**

1. Temporary Borrowing Bylaw, 2020, No. 20-058

CARRIED UNANIMOUSLY

Mayor Helps recessed the meeting at 12:11 p.m.

Mayor Helps reconvened the meeting at 1:53 p.m.

Moved By Councillor Thornton-Joe
Seconded By Councillor Dubow

That the agenda be amended to add item H.1.b, the report from the April 9, 2020 COTW Meeting.

CARRIED UNANIMOUSLY

H. REPORTS OF COMMITTEES

H.1 Committee of the Whole

H.1.b Report from the April 9, 2020 COTW Meeting

H.1.b.a Agreement Amendment for the CleanBC Better Homes and Home Renovation Rebate Program

Moved By Councillor Alto
Seconded By Councillor Isitt

That Council authorize:

- a. the City to amend the existing contribution agreement for a term of two years until March 31, 2022 with the Province of British Columbia, the BC Hydro and Power Authority, and FortisBC Energy Inc to provide additional funds towards the CleanBC Better Homes and Home Renovation Rebate Program, on behalf of the City; and
- b. any future amendments to the agreement that are substantially in accordance with the terms and conditions of the agreement, provided that the form and contents are satisfactory to the City Solicitor and the Acting Director of Engineering and Public Works; and
- c. the City to renew the contribution agreement for further successive periods, if required.

CARRIED UNANIMOUSLY

H.1.b.b COVID-19 Update (Verbal)

Moved By Councillor Isitt
Seconded By Councillor Dubow

That this update be received for information.

That Council directs staff to act immediately to deploy resources, facilities and personnel to meet the emergency lodging and support needs of vulnerable populations, while meeting protocols required by Island Health, working in partnership with other agencies, with initial priority given to:

- provision of shower facilities no later than April 10, 2020 for people currently sheltering on Pandora Avenue, through the

re-opening of existing shower facilities at Our Place, Crystal Pool or the Royal Athletic Park or any other suitable locations

FOR (7): Mayor Helps, Councillor Alto, Councillor Dubow, Councillor Isitt, Councillor Loveday, Councillor Potts, and Councillor Thornton-Joe
OPPOSED (1): Councillor Young

CARRIED (7 to 1)

H.1.b.c 2020 Financial Plan – Potential Adjustments

Moved By Councillor Alto
Seconded By Councillor Young

1. That Council direct staff to:
 - a. Defer the capital projects listed in the table on page 7 of this report;
 - b. Delay the initiatives listed in the table on page 9 of this report;
 - c. Reallocate \$11.64 million in unrestricted property tax funding from the deferred capital projects to offset actual and potential revenue shortfalls in the operating budget;
 - d. Create a larger operating budget contingency using the funding allocated to the delayed initiatives;
 - e. Extend the payment due date for utility bills to 90 days from 45 days and bring forward bylaw amendments to authorize that change;
 - f. Extend the payment due date for property taxes to August 1, 2020 to align with the date the City is required to pay the property taxes levied on behalf of the Capital Regional District, the Capital Regional Hospital District, BC Assessment, and the Municipal Finance Authority; and bring forward amendments to the Alternative Tax Scheme Bylaw to align with the August due date;
 - g. That Council review and consider amendments to the 2020 budget in July 2020 with specific attention to the tables on pages 7 and 9 of this report;
 - h. Reduce the transfer from property taxes by \$4.68 million to be proportionally allocated between the Heavy Equipment, City Equipment and Building and Infrastructure reserves to reduce the property tax increase to zero per cent for 2020; and
 - i. Amend the Alternate Tax Scheme Bylaw and adjust the penalties to 2 per cent per month for August, September, October, November and December for 2020.
2. That the Mayor on behalf of Council advocate to the Province of BC to:
 - a. Increase amounts for Homeowner Grants, and create a new category of grant applicable to persons who have lost income due to the pandemic;

- b. Reinstate the financial hardship Deferment Program and extend the program to commercial properties; and
- c. Amend legislation to align payment due dates for taxes collected on behalf of other agencies with municipal Alternative Tax Scheme Bylaws.

FOR (5): Mayor Helps, Councillor Alto, Councillor Dubow, Councillor Thornton-Joe, and Councillor Young

OPPOSED (3): Councillor Isitt, Councillor Loveday, and Councillor Potts

CARRIED (5 to 3)

H.1.b.d Potential Adjustments to Parking Fees due to COVID-19 Impacts

Moved By Councillor Alto

Seconded By Councillor Dubow

That Council direct staff, for duration of the provincial state of emergency:

1. Reduce rates in all parkades as follows:
 - a. Daily rate - \$1 per hour to a maximum of \$5, with the 1st hour free
 - b. Monthly rate - \$85
2. Reduce on-street metered rates to \$1 per hour;
3. Reduce parking lot rates to \$1 per hour with a \$5 daily maximum; and
4. Suspend enforcement of time-limited zones, except for 30-minute zones.

CARRIED UNANIMOUSLY

H.1.b.e Council Member Motion - DVBA 2020 Levy

Moved By Councillor Thornton-Joe

Seconded By Councillor Alto

That staff be directed to remit the DVBA levy in July 2020 as per the regular schedule.

CARRIED UNANIMOUSLY

N. CLOSED MEETING

Moved By Councillor Young

Seconded By Councillor Dubow

MOTION TO CLOSE THE APRIL 9 COUNCIL MEETING TO THE PUBLIC:

That Council convene a closed meeting that excludes the public under Section 90 of the *Community Charter* for the reason that the following agenda items deal with matters specified in Sections 90(1) and/or (2) of the *Community Charter*, namely:

Section 90(1) A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

Section 90(1)(c) labour relations or other employee relations;

Section 90(1)(e) the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality;

CARRIED UNANIMOUSLY

The closed meeting convened at 2:00 p.m.

O. APPROVAL OF CLOSED AGENDA

Moved By Councillor Alto

Seconded By Councillor Thornton-Joe

That the closed agenda be approved.

CARRIED UNANIMOUSLY

P. READING OF CLOSED MINUTES

P.1 Minutes from the Closed Meeting held March 19, 2020

Moved By Councillor Alto

Seconded By Councillor Young

That the minutes from the Closed Meeting held March 19, 2020 be approved.

CARRIED UNANIMOUSLY

S. NEW BUSINESS

S.1 Land - Community Charter Section 90(1)(e)

Council received a report on a land matter.

The motion was recorded and kept confidential.

All staff except the City Manager were excused at 2:31 p.m.

S.2 Employee Relations - Community Charter Section 90(1)(c)

Council received a verbal update on an employee relations matter.

U. ADJOURNMENT

Moved By Councillor Alto

Seconded By Councillor Dubow

That the Closed Council Meeting be adjourned at 2:50 p.m.

CARRIED UNANIMOUSLY

CITY CLERK

MAYOR

DRAFT

“GLOBAL LOVE DAY”

- WHEREAS** *The Love Foundation Inc., a non-profit organization, has announced GLOBAL LOVE DAY to facilitate in establishing LOVE & PEACE on our planet; and*
- WHEREAS** *GLOBAL LOVE DAY will establish a worldwide focus towards "unconditionally loving each other as we love ourselves"; and*
- WHEREAS** *We are One Humanity on this planet; and*
- WHEREAS** *All life is interconnected and interdependent; and*
- WHEREAS** *All share in the Universal bond of love; and*
- WHEREAS** *Love begins with self-acceptance and forgiveness; and*
- WHEREAS** *With respect and compassion we embrace diversity; and*
- WHEREAS** *Together we make a difference through love; and*
- WHEREAS** *The Love Foundation Inc. invites mankind to declare May 1, 2020 as GLOBAL LOVE DAY, a day of forgiveness and unconditional love. GLOBAL LOVE DAY will act as a model for all of us to follow, each and every day.*

NOW, THEREFORE I do hereby proclaim this Friday, May 1st, 2020, as **“GLOBAL LOVE DAY”** on the HOMELANDS of the Lekwungen speaking **SONGHEES AND ESQUIMALT PEOPLE** in the **CITY OF VICTORIA, CAPITAL CITY** of the **PROVINCE** of **BRITISH COLUMBIA**.

IN WITNESS WHEREOF, I hereunto set my hand this April 23rd, Two Thousand and Twenty.

**LISA HELPS
MAYOR
CITY OF VICTORIA
BRITISH COLUMBIA**

Sponsored by:
*Harold Becker
The Love Foundation*

“APRAXIA AWARENESS DAY”

- WHEREAS** *May 14, 2020 marks the 7th annual Childhood Apraxia of Speech Day during which awareness will be raised throughout Canada about Childhood Apraxia of Speech, an extremely challenging speech disorder in children; and*
- WHEREAS** *Childhood Apraxia of Speech (CAS) causes children to have significant difficulty learning to speak and is among the most severe speech deficits in children; and*
- WHEREAS** *the act of learning to speak comes effortlessly to most children, those with apraxia endure an incredible and lengthy struggle; and*
- WHEREAS** *without appropriate speech therapy intervention, children with apraxia are placed at high risk for secondary impacts in reading, writing, spelling, and other school-related skills; and*
- WHEREAS** *that such primary and secondary impacts diminish future independence and employment opportunities if not resolved or improved; and*
- WHEREAS** *most children with apraxia of speech will learn to communicate with their very own voices only if they receive early intervention, appropriate, intensive, and frequent speech therapy; and*
- WHEREAS** *it is imperative there be greater public awareness about childhood apraxia of speech in Victoria among community members, physicians, education professionals, policy makers, and elected officials; and*
- WHEREAS** *policy makers, intervention program administrators, schools and insurance providers are encouraged to recognize the critical need to provide adequate speech therapy and other services so that the impact of this disorder is minimized and so that thousands of affected children can grow into productive, contributing adult citizens; and*
- WHEREAS** *our highest respect goes to these children, as well as their families, for their effort, determination and resilience in the face of such obstacles.*

NOW, THEREFORE I do hereby proclaim May 14th, 2020 as **“APRAXIA AWARENESS DAY”** on the **HOMELANDS** of the Lekwungen speaking **SONGHEES AND ESQUIMALT PEOPLE** in the **CITY OF VICTORIA, CAPITAL CITY** of the **PROVINCE** of **BRITISH COLUMBIA**.

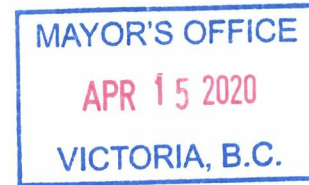
IN WITNESS WHEREOF, I hereunto set my hand this 23rd day of April, Two Thousand and Twenty.

LISA HELPS
MAYOR
CITY OF VICTORIA
BRITISH COLUMBIA

Sponsored by:
Leticia Villalpando Benavides
Apraxia Kids Volunteer

April 8, 2020

Mayor Lisa Helps
City of Victoria
1 Centennial Square
Victoria, BC V8W 1P6



Dear Mayor Helps:

Re: 2020 Resolution(s) Submitted to AVICC

UBCM is in receipt of the attached resolution(s) that your Council submitted to the Association of Vancouver Island and Coastal Communities (AVICC).

With the cancellation of the AVICC Spring Convention, your resolution(s) will be brought to the 2020 UBCM Convention in September for consideration.

As per the *UBCM Resolutions Process* letter dated March 4, 2020 that was sent to your Council, UBCM may have already, or may need to reach out to your staff to work on clarifying your resolution(s) in order to ensure it meets our criteria.

If you have any questions, please contact Jamee Justason, Resolutions and Policy Analyst at 604.270.8226 ext. 100 or jjustason@ubcm.ca.

Yours truly,

Maja Tait
UBCM President

Enclosure

Amend the *Residential Tenancy Act* to Reduce “No Pet” Clauses

Victoria

Whereas companion animals have significant quality of life and health benefits for pet owners, and there are also significant benefits to landlords of pet-friendly housing, such as higher rents and longer-term and more reliable tenants;

And whereas no pet clauses in lease agreements greatly reduce the availability and adequacy of rental suites for renters who own pets, further exacerbating extremely challenging rental market conditions for renters:

Therefore be it resolved that AVICC and UBCM call on the provincial government to amend the *Residential Tenancy Act* to reduce “no pet” clauses in lease agreements in British Columbia as long as responsible ownership and animal welfare issues are also considered.

Convention Decision:

**Amend the *Residential Tenancy Act* to Strengthen
Maintenance Standards**

Victoria

Whereas property maintenance standards are vital for protecting existing housing stock and tenants as they help to ensure that living environments are safe, secure, and appropriate;

And whereas many jurisdictions currently lack regional and municipal standards or regulations, including municipal bylaws or health standards:

Therefore be it resolved that the AVICC and UBCM call on the provincial government to amend the *Residential Tenancy Act* to strengthen standards of property maintenance that set out a breadth of health, safety, and security standards, and establishes enforcement mechanisms that ensure adherence to these standards.

Convention Decision:

Tax Land and Improvements Separately

Victoria

Whereas unaffordable housing generally reflects high land values that are driven up by speculation, which makes ownership very expensive to buy, but profitable for sellers and developers, and puts rental housing at a disadvantage when competing for buildable sites;

And whereas a lower property tax rate on improvements and a higher rate on land value could be made to keep taxes the same or lower for most properties, but would reduce the speculative gain from ownership and make rental housing developments more competitive:

Therefore be it resolved that UBCM request that the Province amend the *Community Charter* to grant municipalities the option of setting different property tax rates for land and improvements.

Convention Decision:

Provide Universal No-Cost Coverage of Prescription Contraception

Victoria

Whereas cost is a significant barrier to people accessing contraception, particularly to people with low incomes, youth, and people from marginalized communities;

And whereas providing free prescription contraception has been shown to improve health outcomes for parents and infants by reducing the risks associated with unintended pregnancy, and is likely to reduce direct medical costs on the provincial health system:

Therefore be it resolved that AVICC and UBCM call on the provincial government to make all prescription contraception in BC available at no cost under the Medical Services Plan.

Convention Decision:

Partnerships for Fare-Free Public Transit

Victoria

Whereas equitable access to mobility is fundamental to full and meaningful participation in local communities, including access to education, employment, services, recreation, culture and community life, and noting that emissions from transportation generate a majority of community-based emissions in many communities, meaning that changes in transportation options have the potential to have a substantial impact in reducing green-house gas emissions;

And whereas forward-looking jurisdictions around the world from Kingston, Ontario to Kansas City, Missouri, to Luxembourg and Estonia are eliminating user-fee barriers to public transit ridership, with residents paying for transit services through the tax system rather than at the fare box:

Therefore be it resolved that AVICC and UBCM call on the provincial government to work with local governments to introduce fare-free public transit services where communities support the elimination of user-fee barriers to public transit ridership.

Convention Decision:

COMMITTEE OF THE WHOLE REPORT
FROM THE MEETING HELD APRIL 9, 2020

For the Council meeting of April 23, 2020, the Committee recommends the following:

- F.3 Short Term Rental (STR) Business Licence Appeal Process Policy**
That Council approve the Short-Term Rental Business Licence Appeal Process Policy.

COMMITTEE OF THE WHOLE REPORT
FROM THE MEETING HELD APRIL 16, 2020

For the Council meeting of April 23, 2020, the Committee recommends the following:

I.2 Regional Growth Strategy Amendment Referral for Municipal Acceptance

That Council:

1. Accept the Regional Growth Strategy amendment, as set out in the Capital Regional District's Bylaw No. 4328 "Capital Regional District Regional Growth Strategy Bylaw No. 1, 2018, Amendment Bylaw No. 1, 2019" (Bylaw No. 4328) as per section 436 of the Local Government Act.
2. Direct staff to provide the Capital Regional District Board with a letter confirming the City of Victoria's acceptance of the Capital Regional District Bylaw No. 4328.

I.1 COVID-19 Update (Verbal)

That the report from the City Manager be approved as presented.

I.3 Temporary Council Process COVID-19 - Review and Report Back

That Council:

1. Authorize telephone participation for request to address Council participants.
2. Direct staff to report back on the suspension of Public Hearings upon receipt of further information from the Ministry of Municipal Affairs and Housing.
3. Direct staff to amend the council and Committee of the Whole schedule to continue with the suspension of evening meetings until May 30, 2020, or earlier should circumstances warrant.
4. Direct staff to report back with a verbal update by May 14, 2020, with an anticipated timeline for restoring ordinary opportunities for public participation.

COMMITTEE OF THE WHOLE REPORT
FROM THE MEETING HELD APRIL 23, 2020

For the Council meeting of April 23, 2020, the Committee recommends the following:

D.1 Victoria Police Department - Special Funding Request for Topaz Park Policing Costs

That Council authorize the following re-allocation of previously approved resources from the Late Night Great Night Program funding in the 2020 Provisional Financial Plan, to ensure public safety and public health during the COVID19 pandemic:

- a. Up to \$100,000 to book accommodation for vulnerable populations, including people facing domestic violence, with staff directed to deploy these resources with no delay, working with partners to provide appropriate support services; and
- b. Up to \$52,500 in additional public safety measures if required.

That staff report to Council if the remaining funds in the Late Night Great Night Program are expended, to consider a potential additional allocation to year end.

F.1 650 Speed Avenue: Temporary Use Permit with Variances Application No. 00016 (Burnside)

1. That Council waive the standard practice of holding an opportunity for public comment for this application but direct staff to continue other standard practices related to sign posting and public notification, including a request for written commentary to come back to Council for consideration prior to issuing the Temporary Use Permit.
2. And subject to the required notification and advertising, Council consider issuing the Temporary Use Permit as follows:

"That Council authorize the issuance of Temporary Use Permit Application No.00016 for 650 Speed Avenue in accordance with plans submitted to the Sustainable Planning and Community Development department, date stamped April 2, 2020, to permit the additional use of multiple dwelling, subject to the following conditions:

- i. No less than 15 parking spaces shall be provided for residents.
- ii. The planting beds in the front and rear yards shall be cleaned up and reinstated.
- iii. The Temporary Use Permit, if issued, expires two years from the date of this resolution."

G.2 Heritage Advisory Panel and Advisory Design Panel Referrals During the COVID-19 Pandemic

That Council:

1. Authorize meetings of the Heritage Advisory Panel and Advisory Design Panel to be conducted electronically during the period that the provincial declaration of a state of emergency made March 18, 2020, under section 9 (1) of the Emergency Program Act in relation to the COVID-19 pandemic and any extension of the duration of that declaration, is in effect.

G.3 Revenue and Tax Policy Benchmark Monitoring and 2020 Tax Rates

That Council:

1. Approve 2020 tax rates in alignment with the Revenue and Tax Policy as follows:

Residential	3.1152
Utility	34.4916
Major Industrial	10.3581

- | | |
|------------------|---------|
| Light Industrial | 10.3581 |
| Business | 10.3581 |
| Rec/Non Profit | 6.8316 |
2. Direct staff to bring forward Tax Bylaw, 2020 for introductory readings and adoption to the daytime Council meeting on May 7, 2020.

I.2 Council Member Motion: Re-Opening of Provincial Parks

That Council request the Province to re-open Provincial parks for day use in order to reduce levels of use in local and regional parks and allow for greater physical distancing giving particular consideration to provincial parks on Southern Vancouver Island, the Lower Mainland and in proximity to other urban population centres in the province.

ZONING REGULATION BYLAW, AMENDMENT BYLAW (NO. 1226)

A BYLAW OF THE CITY OF VICTORIA

The purpose of this bylaw is to amend the Zoning Regulation Bylaw to correct a clerical error by renumbering section 46 to 47.

Contents

- 1 Title
- 2 Amendment
- 3 Commencement

Under its statutory powers, including section 479 of the *Local Government Act*, the Council of the Corporation of the City of Victoria in a public meeting assembled enacts the following provisions:

Title

- 1 This Bylaw may be cited as the “ZONING REGULATION BYLAW, AMENDMENT BYLAW (NO. 1226)”.

Amendments

- 2 Bylaw No. 80-159, the Zoning Regulation Bylaw, is amended by renumbering the second section 46 as section 47.

Commencement

- 3 This Bylaw comes into force on adoption.

READ A FIRST TIME the **9th** day of **April** 2020

READ A SECOND TIME the **9th** day of **April** 2020

PUBLIC HEARING waived pursuant to section 464(2) of the *Local Government Act*

READ A THIRD TIME the day of 2020

ADOPTED on the day of 2020

CITY CLERK

MAYOR



Council

For the Meeting of April 23, 2020

To: Council **Date:** April 16, 2020
From: Susanne Thompson, Deputy City Manager/Chief Financial Officer
Subject: Five Year Financial Plan Bylaw, 2020

RECOMMENDATION

That Council:

1. Amend the Five Year Financial Plan Bylaw, 2020 by replacing the bylaw that was given first reading on November 15, 2019 with the bylaw appended to the Five Year Financial Plan Bylaw, 2020 report, dated April 16, 2020.
2. That the Five Year Financial Plan Bylaw No. 19-112 as amended be read a second and third time.

EXECUTIVE SUMMARY

The purpose of this report is to outline amendments to the Five Year Financial Plan Bylaw, 2020 that received first reading on November 15, 2019 and recommend second and third readings at today's Council meeting.

During November 2019, the City sought input from the public on the draft financial plan. Upon completion of the public consultation and based on the feedback received, Council allocated new property tax revenue from new development and 2019 surplus.

The following allocations are reflected in the amended Five Year Financial Plan Bylaw attached in Appendix A:

1. Ongoing allocation of new property tax revenue from new development - \$3.627 million

During the budget meetings, Council allocated funding of new property tax revenue from new development to various initiatives. On April 9, 2020, Council approved delaying \$1.508 million of the total ongoing allocation for initiatives that have yet to be actioned to create a larger contingency for unforeseen costs and revenue losses due to the COVID-19 pandemic. The delayed initiatives are outlined on page 9 of Appendix B.

The details on the remaining ongoing allocation, that have been actioned are outlined in the following chart:

Actioned Ongoing Allocation of New Property Tax Revenue from New Development		
Grant to Victoria Civic Heritage Trust	\$	500,000
Community and Senior Centre Funding	\$	234,333
Children's Book Prize	\$	5,000
Reduction of Recreation Fee Increase	\$	16,500
Housing Reserve Fund	\$	400,000
Asset Management Position - 1 FTE	\$	89,000
Community Energy and Emissions Specialist - 1 FTE	\$	108,000
Training and Development for Staff	\$	10,000
Zero Waste Strategy - 1 FTE	\$	100,000
Neighbourhood Grants	\$	28,116
Victoria Civic Heritage Trust Grant Increase	\$	2,250
Victoria Heritage Foundation Grant Increase	\$	5,962
Health and Safety Position - 1 FTE	\$	108,000
Secretary - Planning 1 FTE	\$	72,500
Centennial Square Clean Up	\$	35,000
Volunteer Coordinator Grant	\$	50,000
Growing in the City Start Up Grants	\$	30,000
Property Tax Penalty Reduction	\$	201,500
Buildings and Infrastructure Reserve	\$	61,374
Vehicle and Heavy Equipment Reserve	\$	61,373
Total	\$	2,118,908

2. One-time allocation of the 2019 surplus - \$3.330 million

The 2019 surplus was originally estimated at \$3 million. Now that the 2019 year end is complete, the final surplus amount has been confirmed at \$3.330 million, which Council has allocated to various initiatives.

The main driver for the surplus is staff vacancies and higher than expected revenues from parking, property leasing, payment in lieu of taxes and special assessments offset by larger than expected property tax appeals. Further surplus details will be provided in the 2019 Financial Statement report being presented to Council on May 7, 2020.

On April 9, 2020, Council approved delaying \$1.021 million of the total one-time allocation for initiatives that have yet to be actioned to create a larger contingency for unforeseen costs and revenue shortfalls due to the COVID-19 pandemic. The delayed initiatives are outlined on page 9 of Appendix B.

The following chart outlines the 2019 surplus allocation, that have been actioned:

Actioned One-Time Allocation of the 2019 Surplus		
Housing Reserve Fund	\$	250,000
Oil to Heat Pump Incentive Program	\$	100,000
Climate Action Program Investments	\$	165,000
Zero Waste Strategy	\$	200,000
South Island Prosperity	\$	220,000
Bike to Work Week	\$	7,500
Storage Facilities for Our Place	\$	50,000
Overnight Sheltering Support and Clean Up	\$	362,000
Bylaw Position - 1 FTE over 2 years	\$	189,000
Strategic Plan Support Services - Legal Services	\$	84,500
Tree Planting	\$	140,000
Pilot City-sponsored community partnership for spring distributions of gardening materials	\$	8,000
Youth Program Implementation	\$	30,000
Property Tax Penalty Reduction	\$	1,000
By Election	\$	170,000
Buildings and Infrastructure Reserve	\$	166,088
Vehicle and Heavy Equipment Reserve	\$	166,087
Total	\$	2,309,175

3. Capital Project 2020 Adjustments

The capital budget has been updated to include carry forwards for 2019 projects in progress, and additional projects approved by Council after the introduction of the Draft Financial Plan.

In March, staff brought forth reports to Council on the Dallas Road Balustrade Replacement and on Climate Action Corporate Building Energy and GHG Savings initiatives. Council approved to fund \$3.85 million from the Buildings and Infrastructure Reserve to replace the Dallas Road Balustrade. Climate action facility energy and emission upgrades of \$135,000 were approved to be funded from the Climate Action Reserve Fund.

During the budget deliberations, Council allocated funding for a variety of projects including a controlled stop light and Cook and Princess, accessible shoreline access design funded by the Accessibility Reserve, preliminary design and public engagement for the Banfield Park to Selkirk Bike Route from surplus and Climate Action initiatives funded from the Climate Action Reserve.

Council also approved deferring approximately \$22.287 million of capital projects that have yet to be actioned in response to COVID-19. The delayed initiatives are outlined on pages 7 and 9 of Appendix B.

The following chart outlines the 2020 Capital adjustments:

2020 Capital Adjustments		
Active Transportation	\$	8,559,000
Complete Streets	\$	877,000
Parks	\$	3,843,000
Street Infrastructure	\$	(560,000)
Retaining Walls and Railings	\$	3,924,000
Bridges	\$	1,763,000
Equipment	\$	7,129,000
Facilities	\$	6,055,000
Environmental Remediation	\$	1,964,000
Sanitary Sewers	\$	2,272,000
Stormwater	\$	3,062,000
Waterworks	\$	2,648,000
Police	\$	298,000
Total	\$	41,834,000

4. Other Operating Budget Adjustments

Since the draft financial plan was introduced in October 2019, Council has given approval of other initiatives including the Climate Leadership Plan Program funded by the Climate Action Reserve in addition to the ongoing and one-time investments referenced above and the extended hours and services at Our Place.

Remaining funding for operating budget projects underway, such as Victoria Housing Strategy Implementation, Downtown Core Area Plan, Accessibility Framework Training, Citizen's Assembly, Reconciliation and Indigenous Relations, High Risk Tree Removal, Emergency Management, Neighbourhood Transportation and Climate Action initiatives and Social Procurement have been carried forward to the 2020 year in the financial plan.

In response to the COVID-19 pandemic, on April 9, 2020, Council approved the creation of a larger contingency using the funding allocated to the delayed initiatives. In addition, to eliminate the property tax increase for 2020, Council approved the reduction in the transfers to reserves by \$4.68 million proportionately allocated between the Vehicles and Heavy Equipment, City Equipment and the Building and Infrastructure reserves.

Respectfully submitted,




Jo-Ann O'Connor
Deputy Director of Finance



Susanne Thompson
Deputy City Manager/Chief Financial Officer

Report accepted and recommended by the City Manager:

Date:


Apr. 17, 2020

List of Attachments

Appendix A: Five Year Financial Plan Bylaw, 2020

Appendix B: 2020 Financial Plan Potential Adjustments Report April 5, 2020

Bylaw No.19-112
Schedule 1 - April 23, 2020
City of Victoria
2020 - 2024 Operating Financial Plan

	2020	2021	2022	2023	2024
REVENUES					
Property Value Taxes	\$ 139,700,261	\$ 147,812,913	\$ 152,249,031	\$ 156,731,257	\$ 161,356,905
Property Value Taxes from New Assessments	3,626,979	507,500	500,000	500,000	500,000
Parcel Taxes	1,405,200	1,405,200	1,405,200	1,395,200	1,395,200
Special Assessments	1,353,000	1,353,000	1,353,000	1,353,000	1,353,000
Grants in Lieu of Taxes	6,205,500	6,223,350	6,241,557	6,260,128	6,279,071
User Fees and Charges	6,464,163	6,570,410	6,673,009	6,785,984	6,901,218
Permits and Licences	5,219,400	5,233,201	5,247,278	5,261,636	5,276,282
Parking Services	19,717,225	19,998,814	20,286,034	20,578,998	20,877,822
Water Utility Fees and Charges	22,197,705	22,953,997	23,497,709	24,058,020	24,636,062
Sewer Utility Fees and Charges	7,349,432	7,489,823	7,655,400	8,161,974	8,187,704
Stormwater Utility Fees and Charges	5,670,347	5,862,795	6,163,173	6,371,502	6,588,800
Other Sources	37,683,732	38,084,277	38,627,602	39,350,098	39,922,302
	256,592,944	263,495,281	269,898,994	276,807,798	283,274,365
TRANSFERS FROM					
Accumulated Surplus	3,329,825	-	-	-	-
Reserves					
Art in Public Places	450,500	150,000	150,000	150,000	150,000
Financial Stability	3,763,028	153,250	288,000	-	-
Tree Replacement Reserve	59,553	46,196	47,120	48,062	49,023
Climate Action Reserve	666,970	95,170	60,000	-	-
Police Emergency Response Reserve	32,000	32,640	33,293	33,959	34,638
	8,301,876	477,256	578,413	232,021	233,661
Total Operating Revenue per Bylaw	\$ 264,894,820	\$ 263,972,537	\$ 270,477,407	\$ 277,039,819	\$ 283,508,026

Bylaw No.19-112
Schedule 2 - April 23, 2020
City of Victoria
2020 - 2024 Operating Financial Plan

	2020	2021	2022	2023	2024
EXPENDITURES					
General Government	\$ 46,625,365	\$ 43,165,297	\$ 44,695,455	\$ 45,575,357	\$ 46,905,447
Police	58,630,810	60,864,341	62,385,759	63,949,150	65,556,150
Victoria Fire Department	17,816,836	17,718,628	17,713,030	17,762,503	17,815,069
Engineering and Public Works	22,468,348	20,834,954	21,265,798	21,606,766	22,044,814
Sustainable Planning and Community Development	6,920,141	6,148,565	6,245,057	6,369,808	6,497,054
Parks, Recreation and Facilities	24,263,727	24,504,360	25,014,317	25,535,835	26,069,199
Greater Victoria Public Library	5,542,404	5,653,252	5,766,317	5,881,643	5,999,276
Victoria Conference Centre	6,827,458	6,967,683	7,110,785	7,256,890	7,406,066
Water Utility	16,528,705	16,887,997	17,217,708	17,554,020	17,897,061
Sewer Utility	3,970,025	4,044,165	4,119,804	4,196,974	4,275,704
Stormwater Utility	3,645,857	3,718,835	3,793,274	3,869,205	3,946,657
	213,239,675	210,508,078	215,327,304	219,558,151	224,412,497
DEBT SERVICING					
Principal and Interest - General	5,020,574	5,020,574	5,020,574	4,693,937	4,655,237
Principal and Interest - Parking Services	761,682	761,682	761,682	737,832	603,838
	5,782,256	5,782,256	5,782,256	5,431,769	5,259,075
TRANSFERS TO					
Capital Funds					
General	11,640,000	12,140,000	12,640,000	13,140,000	13,640,000
Water Utility	3,899,000	4,296,000	4,510,000	4,734,000	4,969,000
Sewer Utility	3,559,000	3,735,000	3,915,000	4,354,000	4,301,000
Stormwater Utility	3,251,000	3,397,000	3,550,000	3,710,000	3,878,000
Reserves					
Equipment and Infrastructure					
City Equipment	957,577	944,679	931,522	918,103	904,415
City Vehicles and Heavy Equipment	1,357,277	1,177,198	1,162,928	1,148,372	1,133,524
City Buildings and Infrastructure	5,716,936	6,497,382	6,942,823	7,387,146	7,830,327
Parking Services Equipment and Infrastructure	3,550,348	3,716,473	3,894,971	4,100,841	4,420,418
Multipurpose Arena Facility Equipment and Infrastructure	142,000	144,840	147,737	150,692	153,705
Gas Tax	3,666,000	3,832,000	3,832,000	3,997,000	3,997,000
Police Vehicles, Equipment and Infrastructure	1,165,000	1,277,800	1,401,816	1,538,168	1,688,089
Water Utility Equipment and Infrastructure	1,770,000	1,770,000	1,770,000	1,770,000	1,770,000
Sewer Utility Equipment and Infrastructure	609,407	499,659	409,596	400,000	400,000
Stormwater Utility Equipment and Infrastructure	100,000	100,000	200,000	200,000	200,000
Recreation Facilities Equipment and Infrastructure	28,300	28,300	28,300	28,300	28,300
Financial Stability	2,947,618	2,852,368	2,747,368	3,179,005	3,217,705
Tax Sale Lands	50,000	50,000	50,000	50,000	50,000
Victoria Housing	900,000	658,000	666,160	674,483	682,973
Art in Public Places	150,000	150,000	150,000	150,000	150,000
Climate Action	313,961	316,040	318,161	320,324	322,531
Artificial Turf	99,465	99,465	99,465	99,465	99,465
	45,872,889	47,682,204	49,367,847	52,049,899	53,836,453
Total Operating Expenses per Bylaw	\$ 264,894,820	\$ 263,972,537	\$ 270,477,407	\$ 277,039,819	\$ 283,508,026

Bylaw No.19-112
Schedule 3 - April 23, 2020
City of Victoria
2020 - 2024 Capital Plan

	2020	2021	2022	2023	2024
REVENUES					
Utility Connection Fees	\$ 1,150,000	\$ 1,150,000	\$ 1,150,000	\$ 1,150,000	\$ 1,150,000
Grants and Partnerships	2,834,000	1,758,000	1,819,000	1,884,000	1,951,000
TRANSFERS FROM					
Operating Funds					
General	-	12,140,000	12,640,000	13,140,000	13,640,000
Water Utility	3,899,000	4,296,000	4,510,000	4,734,000	4,969,000
Sewer Utility	3,559,000	3,735,000	3,915,000	4,354,000	4,301,000
Stormwater Utility	3,251,000	3,397,000	3,550,000	3,710,000	3,878,000
Reserves					
Equipment and Infrastructure					
City Equipment	3,600,000	1,019,000	12,000	-	-
City Vehicles and Heavy Equipment	6,874,000	-	-	-	-
City Buildings and Infrastructure	26,557,000	1,412,000	350,000	-	-
Accessibility Capital Reserve	15,000	-	-	-	-
Debt Reduction Reserve	3,891,000	32,000,000	-	-	-
Climate Action Reserve	310,000	-	-	-	-
Parking Services Equipment and Infrastructure	1,112,000	445,000	270,000	275,000	281,000
Gas Tax	7,687,000	2,147,000	2,190,000	2,234,000	2,279,000
Police Vehicles, Equipment and Infrastructure	1,993,000	1,312,000	1,300,000	1,300,000	1,312,000
Police Emergency Response Reserve	53,000	-	-	-	-
Water Utility Reserve	2,648,000	-	-	-	-
Sewer Utility Reserve	3,738,000	1,654,000	1,687,000	1,721,000	2,005,000
Stormwater Utility Reserve	2,895,000	-	-	-	-
Multipurpose Arena Equipment and Infrastructure	58,000	-	-	-	-
Tax Sale Lands	1,964,000	-	-	-	-
Development Cost Charges	5,876,000	-	-	-	-
	\$ 83,964,000	\$ 66,465,000	\$ 33,393,000	\$ 34,502,000	\$ 35,766,000

Bylaw No.19-112
Schedule 4 - April 23, 2020
City of Victoria
2020 - 2024 Capital Plan

	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>2024</i>
EXPENDITURES					
Capital Equipment	\$ 12,196,000	\$ 1,584,000	\$ 1,595,000	\$ 1,568,000	\$ 1,517,000
Capital Programs and Projects					
Active Transportation	12,540,000	1,996,000	2,029,000	1,713,000	1,748,000
Complete Streets	6,377,000	6,200,000	6,900,000	7,600,000	7,648,000
Parks	4,048,000	810,000	20,000	20,000	20,000
Street Infrastructure	2,550,000	1,692,000	1,731,000	1,710,000	1,746,000
Retaining Walls and Railings	4,374,000	-	-	-	-
Bridges	1,763,000	-	-	-	-
Facilities	9,329,000	34,377,000	633,000	345,000	-
Environmental Remediation	1,964,000	-	-	-	-
Sanitary Sewers	8,835,000	6,555,000	6,785,000	7,276,000	7,275,000
Stormwater	9,469,000	6,049,000	6,255,000	6,470,000	6,694,000
Waterworks	8,194,000	5,533,000	5,781,000	6,041,000	6,564,000
Contingency	350,000	357,000	364,000	371,000	378,000
Police	1,975,000	1,312,000	1,300,000	1,300,000	1,312,000
Projects to be determined	-	-	-	88,000	864,000
	\$ 83,964,000	\$ 66,465,000	\$ 33,393,000	\$ 34,502,000	\$ 35,766,000



Committee of the Whole Report

For the Meeting of April 9, 2020

To: Committee of the Whole **Date:** April 5, 2020
From: Susanne Thompson, Deputy City Manager and Chief Financial Officer
Subject: 2020 Financial Plan – Potential Adjustments

RECOMMENDATION

1. That Council direct staff to:
 - a. Defer the capital projects listed in the table on page 7 of this report
 - b. Delay the initiatives listed in the table on page 9 of this report
 - c. Reallocate \$11.64 million in unrestricted property tax funding from the deferred capital projects to offset actual and potential revenue shortfalls in the operating budget
 - d. Create a larger operating budget contingency using the funding allocated to the delayed initiatives
 - e. Extend the payment due date for utility bills to 90 days from 45 days and bring forward bylaw amendments to authorize that change
 - f. Extend the payment due date for property taxes to August 1, 2020 to align with the date the City is required to pay the property taxes levied on behalf of the Capital Regional District, the Capital Regional Hospital District, BC Assessment, and the Municipal Finance Authority; and bring forward amendments to the Alternative Tax Scheme Bylaw to align with the August due date
2. That the Mayor on behalf of Council advocate to the Province of BC to:
 - a. Increase amounts for Homeowner Grants, and create a new category of grant applicable to persons who have lost income due to the pandemic
 - b. Reinstate the financial hardship Deferment Program and extend the program to commercial properties
 - c. Amend legislation to align payment due dates for taxes collected on behalf of other agencies with municipal Alternative Tax Scheme Bylaws

EXECUTIVE SUMMARY

On March 19, 2020 Council directed staff to initiate a number of actions related to impacts of COVID-19 including to:

1. Identify measures within municipal jurisdiction to reduce the economic hardship on individuals and organizations impacted by COVID-19 including the temporary deferral of fees, taxes and other payments owing to the City from those suffering hardship.
2. Prepare bylaw amendments to allow for the temporary waiver of financial penalties for non-payment of municipal utilities fees and taxes during provincially declared emergencies.

3. Request that the Province of British Columbia grant local governments the discretion to postpone payment of property taxes with no financial penalty in 2020 for those that meet a provincially determined threshold.
4. Look at the operational and capital plan for 2020 to see what will not be accomplished in this year due to COVID-19 and bring recommendations to Council as to what would come out of the budget accordingly.

Many in our community are facing financial challenges due to COVID-19 and staff have reviewed options within the City's jurisdiction that could provide some relief while balancing the funding requirements to continue to provide the many services our community relies on.

The City must have a balanced budget. Unlike senior levels of government, the City cannot budget for a deficit. Due to the pandemic, the City is experiencing impacts to some revenues, most notably parking. Although we do not know how long this pandemic will last and therefore how large the impact on those revenues will be, this report outlines a number of opportunities to reallocate funding to offset this known, and estimated future, revenue shortfall. In addition, the report outlines various reserve funds that could be used to manage any further gaps, as well as recommends establishing a larger contingency to address any unforeseen costs or additional revenue losses that may arise in the coming months. These opportunities will enable the City to continue providing services to the community and to maintain a balanced budget for 2020.

The City levies approximately \$192 million in utility fees and property taxes to deliver its services. In addition to that, the City also collects taxes on behalf of other agencies such as the Capital Regional District (CRD), Capital Regional Hospital District (CRHD), BC Transit, BC Assessment (BCA), Municipal Finance Authority (MFA) and School District #61. The City also collects user fees on behalf of the CRD for sewage treatment. In total, the City collects approximately \$100 million on behalf of these agencies, and due dates for payment from the City to those agencies are set in legislation. Consequently, these payments are due whether or not the City has collected these taxes. Almost 40% of taxes levied are for these other agencies.

In terms of relief for those experiencing financial hardship due to the pandemic, staff recommend extending due dates for utility bills and property taxes for all ratepayers, due to the limitations noted below. The proposed due date for property taxes is aligned with the date the City is required to remit payment of taxes levied on behalf of the CRD, the CRHD, BCA and the MFA, whether or not taxes have been collected. A number of other municipalities across the country are offering similar relief. The City of Vancouver has extended the payment due date to September; however, one notable difference is that Vancouver collects 'advance' taxes in February each year, equivalent to 50% of the prior year's total property taxes, so this extension only applies to the remaining amount due.

The City can vary property tax due dates, penalty amounts and penalty dates through an Alternative Tax Scheme Bylaw. Council has already adopted an Alternative Tax Scheme Bylaw that reduces the initial penalty on overdue property taxes to 5% - down from 10% in prior years - with a further 5% in September on those tax accounts that remain unpaid at that time. This Bylaw was actioned prior to the pandemic, but is noted here since it does provide some relief compared to prior years.

The City does not have the authority to only change taxation due dates or waive penalties for a certain group of individuals or organizations. That is, the City cannot delay due dates or penalties only for those who are experiencing financial hardship. In addition, the City does not have the ability to confirm, or audit, that someone is actually experiencing financial hardship. However, the Province's Homeowner Grant Program is an already existing scheme that provides some relief to taxpayers, including the ability to vary the amount of relief based on individual circumstances

(seniors receive a larger discount for example) and has the mechanism for audits and enforcement. Council may wish to advocate to the Province for a change to the Homeowner Grant Program for increases to homeowner grant amounts and/or the creation of a new grant category applicable to persons who have lost income due to the pandemic. Council may also wish to advocate to the Province to reinstate the Deferment Program for financial hardship they had in place a number of years ago, and also extend that to commercial properties. These programs would provide relief to individuals and businesses who have been financially impacted by the pandemic without affecting local governments' ability to provide services due to reduced cash flow. The Province sent an 'initial circular' on April 4, 2020 (attached as Appendix A) encouraging "good financial management, including: maintaining a strong level of cash assets, prioritizing core municipal operations, and possibly deferring non-essential capital expenditures until this event passes." There was no indication if further Provincial programs would be announced to assist, although the letter did mention that additional circulars would be shared.

Under normal circumstances, using the current established due dates and penalties, the City has the financial capacity on hand to maintain operations and advance capital projects and does not need to borrow short-term to assist with cash flow until property taxes are collected. The City's other revenue sources and reserves typically enable the temporary ability to cash flow operations. However, as a precautionary measure, staff have explored options should this become necessary this year. The City may be able to obtain a short-term loan from the MFA to assist in managing cash flow until property taxes are collected. The MFA has indicated that they are unable to lend every municipality in BC the funds needed to cover all property taxes and user fees for the year, which some might need should municipalities face collection challenges. They will have some capacity for short-term loans, but are unsure at this time the extent of that capacity. As a result of that limited capacity, they will be using screening criteria which will include a review of each municipality's attempts at managing its own cash flow through reduction in spending, use of reserves, and any changes to due dates and penalties that could impact cash flow.

As a contributor to the economic engine of the region, the City can play a major role both during this pandemic and as part of recovery efforts by continuing to provide services and maintain assets and capital projects, which includes the purchase of materials, equipment and services from a number of businesses in the region. Therefore, Council may consider it is increasingly important to ensure the City maintains the cash flow to do so.

As mentioned previously, the City normally has the cash flow capacity to deliver services without the need to borrow short-term until property taxes are collected. However, should due dates be much deferred and penalties waived (meaning there is no incentive to pay by due dates), and should the City be unable to obtain sufficient additional funding through the MFA, this would have significant impact on cash flow and the City's ability to continue service delivery. This report recommends some budget reductions while preserving core operations and continues projects and initiatives underway. It also recommends providing financial relief to taxpayers and ratepayers by extending due dates for both utility bills and property taxes that can be managed within the City's existing cash flow capacity, while avoiding the unintended consequence of slowing down the local economy by reducing the money the City puts back into the community.

PURPOSE

The purpose of this report is to provide information and seek Council direction on potential amendments to the 2020 Financial Plan and extensions to due dates to address financial impacts related to the COVID-19 pandemic.

BACKGROUND

The majority of the City's revenue comes from property taxes and utility user fees (approximately \$192 million or 71%). Delaying receipt of those revenues would impact the City's cash flow and as a result the ability to continue providing services and meeting payment obligations. In addition to the City's own taxes and utility fees, collections on behalf of other agencies total approximately \$100 million, for a total collection of approximately \$292 million.

The City's 2020 Financial Plan, operating and capital including projects carried forward from 2019, totals approximately \$375 million. The collection on behalf of other agencies brings that total to approximately \$475 million. While the City has accumulated reserves of approximately \$248 million, including ones for financial stability specifically set up to mitigate unforeseen circumstances such as these, they are insufficient to cover all expenditures should collection of taxes and utility user fees be much delayed.

On March 19, 2020 Council passed a number of motions including:

1. Direct staff to develop an Action Plan without delay identifying measures within municipal jurisdiction to reduce economic hardship on individuals and organizations impacted by COVID-19, including consideration of the following measures:
 - a) Temporary deferral of fees, taxes and other payments owing to the city from those suffering hardship.
2. Direct staff to prepare bylaw amendments to allow for the temporary waiver of financial penalties for non-payment of municipal utilities fees and taxes during provincially declared emergencies.
3. Request that the Province of British Columbia grant local governments the discretion to postpone payment of property taxes with no financial penalty in 2020 for those that meet a provincially determined threshold.
4. Direct staff to look at the operational and capital plan for 2020 to see what will not be accomplished in this year due to COVID-19 and bring recommendations to Council as to what would come out of the budget accordingly.

Due dates for remitting payment to the agencies the City collects property taxes on behalf of are established under various acts including the *Assessment Authority Act*, the *British Columbia Transit Act*, the *Municipal Finance Authority Act*, the *School Act*, the *Hospital District Act*, and the *Local Government Act* as follows:

- August 1 – BCA, MFA, CRHD, and CRD, approximately \$36 million
- On or before the 5th day after municipal taxation due date – 75% of school taxes, approximately \$38 million. Then monthly after that.
- December 31 – BC Transit, approximately \$10 million

ISSUES & ANALYSIS

There are a number of factors that impact the City's cash flow capacity. The following section outlines the main considerations.

Legislative Context

The City can, under current legislation, change the property tax due date and adjust penalty amounts and due dates. The City already has an Alternative Tax Scheme Bylaw in place that provides for a 5% penalty in July and a 5% penalty in September, rather than a 10% penalty in July.

The City does not have the ability to create distinctions, for tax or penalty purposes, based on individual circumstances. Section 193(2) of the *Community Charter* expressly provides that the normal power to establish variations for different circumstances does not apply to taxation bylaws. In other words, the City cannot provide different due dates or penalty provisions for those adversely affected by the COVID-19 pandemic and resulting economic disruption. Any changes would have to apply equally to all taxpayers.

Municipal Finance Authority

The City is likely able to obtain some short-term funds from the MFA, however, the MFA has indicated that they will not be able to fund all municipalities in BC to the full extent they may need. As such, screening criteria will be used to prioritize those that have made efforts to preserve their cash flow by reducing spending, using reserves and avoiding extending due dates and eliminating penalties that would negatively affect cash flow.

The City could also seek funding from a financial institution; however, our understanding is that their first priority is individuals and businesses so this is unlikely an option for the City.

In either case, the City would incur additional costs from interest on any loans, and would of course also need to repay such loans, which requires cash flow.

In anticipation of needing some level of short term financing, staff will bring forward amendments to the Revenue Anticipation Borrowing Bylaw passed earlier this year, to increase the authorized amount of borrowing to the maximum allowable under the legislation, which is 75% of the prior year's total tax levy.

Provincial Property Tax Deferment Programs and Other Legislative Changes

There are a number of Provincial property tax deferment programs in place that provide low interest loans to qualified individuals for residential properties as follows:

- 55 years of age or older, and surviving spouses of any age
- A person with disabilities
- Families with children

The Province did have an additional deferment program in place a number of years ago for those experiencing financial hardship, which could potentially be reinstated and also extended to commercial properties. In addition, the current Homeowner Grant Program may be possible to amend to increase amounts of grants and create a new category of grant applicable to persons who have lost income due to the pandemic.

The benefit to the City of these programs is that the Province pays the City for all approved deferment applications, and the City reduces the amount of school taxes paid by an amount equal to homeowner grants claimed, so the City is kept whole financially.

Due dates for remitting payment to the agencies the City collects property taxes on behalf of are established under various acts including the *Assessment Authority Act*, the *British Columbia Transit Act*, the *Municipal Finance Authority Act*, the *School Act*, the *Hospital District Act*, and the *Local Government Act*. The earliest payment date is August 1 for payments to BCA, MFA, CRHD, and CRD, whether or not taxes have been collected. The Province could consider aligning the due date for remitting these taxes with property tax due dates in municipal Alternative Tax Scheme Bylaws.

The City's Budget

The City's budget determines the amount of funding the City requires to provide its services, maintain infrastructure and deliver capital projects. The City is required under the *Community Charter* to have a balanced budget – that is, the City is not authorized to budget a deficit.

There are two ways in which the City can manage its cash flow needs:

1. Deferring projects to a future date reduces the need for funding at this time
2. Reallocating the funding for deferred projects, where not restricted, to offset revenue shortfalls

The majority of funding comes from property taxes and utility user fees (approximately \$192 million or 71%.)

The City has some additional revenue sources, including those from parking (budget of approximately \$19.6 million), construction permit fees (budget of approximately \$3 million), recreation (budget of approximately \$2 million), Victoria Conference Centre (budget of approximately \$3.6 million), and property leases (budget of approximately \$2.2 million). Some of these revenue sources have been greatly impacted by the pandemic and as such new revenue sources or reduction in expenditures to offset would be needed to ensure the City does not run a deficit.

We are currently experiencing much reduced revenues for parking. While there are some offsetting expenditure reductions, the estimated net financial impact on a monthly basis is approximately \$1.2 million.

Also, our recreation facilities have been closed resulting in no revenue generation. However, these operations are property tax subsidized, meaning expenditures exceed the revenue generated. Therefore, there is only a negligible net financial impact to the City.

The Victoria Conference Centre has also been closed. Some of the events that were to take place in the coming months have been rescheduled, some potentially to later this year and some to next year. Based on current information, there is a potential revenue shortfall related to events of approximately \$2 million in 2020. In addition, due to the closure of the VCC and also the Empress Hotel, parking revenues are much reduced with a potential shortfall of \$140,000 per month.

All other revenues appear to remain on track at this time, but we are monitoring all closely.

A portion of the City's budget provides grant funding to non-profit organizations. Staff recommend continuing this important funding through the City's various grant programs, some of which Council has already approved and staff have issued payment for. However, some proposed increases to some programs and the creation of a new program are included in the list of potential deferrals because they are unlikely be actioned this year.

In reviewing the budget to determine what can be deferred to free up cash flow capacity, staff used the following principles:

- Continue with projects that maintain existing infrastructure as opposed to creating new ones or expanding existing ones
- Continue with all safety related projects
- Continue with projects underway

Using the above principles, staff have determined that approximately \$22 million can be deferred as follows:

2020 Capital Projects - Potential Deferrals

	Draft Budget \$	Deferral \$	Remaining Budget \$
Active Transportation			
Bus Shelter Installation	\$ 31,000	\$ 31,000	\$ -
David Foster Harbour Pathway	2,468,000	968,000	1,500,000
Pathway Upgrades	982,000	432,000	550,000
	\$ 3,481,000	1,431,000	\$ 2,050,000
Neighbourhoods			
Wayfinding	\$ 45,000	45,000	\$ -
Parks			
Topaz Park - Southern Park Enhancements	\$ 3,800,000	\$ 3,800,000	\$ -
Topaz Park - Artificial Turf Field	4,794,000	4,494,000	300,000
Dogs in Parks	165,000	70,000	95,000
	\$ 8,759,000	\$ 8,364,000	\$ 395,000
Street Infrastructure			
LED Signal Head/Ped Countdown Signal and Audible Ped Signal Installation	\$ 108,000	\$ 108,000	\$ -
New Traffic Signal Safety Upgrades and Installations	458,000	100,000	358,000
Seasonal Animation	29,000	29,000	-
Traffic Controller Replacement Program	505,000	205,000	300,000
Gate Of Harmonious Interest Chinatown	1,181,000	831,000	350,000
Traffic Signal Fibre Optic Upgrade	89,000	25,000	64,000
Surface Infrastructure Program	530,000	80,000	450,000
Audible/Accessible Pedestrian Signals	17,000	17,000	-
Pagoda Fixtures - Electrical Upgrades	100,000	50,000	50,000
	\$ 3,017,000	1,445,000	\$ 1,572,000
Retaining Walls and Railings			
Wharf Street 1112 Retaining Wall	\$ 461,000	361,000	\$ 100,000
Ross Bay Seawall Replacement	150,000	150,000	-
	\$ 611,000	\$ 511,000	\$ 100,000
Facilities			
VCC Upgrades and Repairs	1,613,000	876,000	737,000
Parks Public Washroom	667,000	400,000	267,000
Crystal Pool & Wellness Centre Replacement Project	7,926,000	7,926,000	-
Public Works Facility Master Plan	250,000	250,000	-
Community Centre Improvement Program	589,000	539,000	50,000
	\$ 11,045,000	\$ 9,991,000	\$ 1,054,000
Total	\$ 26,958,000	\$ 21,787,000	\$ 5,171,000

Important to note, and as explained in further detail below, approximately half of the above projects are funded from capital reserves and can therefore not be redirected to fund revenue shortfalls in operations; however, deferring those projects do help with cash flow management. The other half is funded from property taxes (approximately \$11 million) and this funding can be reallocated to fund the revenue shortfalls identified.

Staff have also reviewed the new and expanded initiatives Council approved during the budget process that have yet to be actioned and could therefore be delayed. The following is a listing of those initiatives totalling approximately \$3 million:

Potential Available Reallocation	FTE	NMC (Ongoing)	2019 Surplus (One Time)	B&I
<u>Accessibility and Inclusion</u>				
Accessibility and Inclusion Recreation Role - 1 FTE	1	52,000		
Gender Diversity Training for All Staff			28,000	
Welcoming City Strategy			50,000	
<u>Housing</u>				
Tenant Housing Ambassador - 1 FTE	1	107,900		
Housing and Development Summit		15,000		
Social Planner - 1 FTE	1	125,111		
<u>Arts and Culture</u>				
Canada Day Special Duty Policing		107,000		
Festival Investment Grant Program		25,000		
Special Duty Policing - Cost for First Three Police Officers		53,000		
Create Victoria - Cultural Infrastructure Grant Program			100,000	
Create Victoria - Cultural Spaces Roadmap			25,000	
Create Victoria Implementation Position - 1 FTE	1	113,400		
Special Events - In Kind Services		19,000		
<u>Banfield Park to Selkirk Bike Route</u>				
Banfield Park to Selkirk Bike Route			35,000	
<u>Childminding</u>				
Childminding - Committees		1,800		
<u>Climate and Environment</u>				
Building Energy and Emissions Specialist - 1 FTE	1	108,000		
Climate Leadership Plan - Oil to Heat Pump Incentive Program			300,000	
Climate Champion Program			50,000	
<u>Heritage</u>				
Heritage Position - .5 FTE	0.5	50,000		
<u>Managing Growth and New Development</u>				
Secretary - Legislative Services - 1 FTE	1	80,500		
Development Services - 1 FTE	1	142,500		
<u>Greater Victoria Coalition to End Homelessness</u>				
Coordinated Implementation of Pandora Task Force			50,000	
<u>Placemaking</u>				
Place-Making - Engagement Costs			8,000	
<u>Protocol</u>				
Protocol			20,000	
<u>Reconciliation and Indigenous Relations</u>				
Reconciliation Training			34,650	
Truth and Reconciliation Dialogues			80,000	
Indigenous Relations Function			75,000	
Witness Reconciliation Program		30,000		
<u>Equity, Diversity and Inclusion</u>				
External Community Liaison - 2 FTE	2	215,900		
Equity and Inclusion Coordinator -1 FTE	1	107,900		
External Contractor			75,000	
<u>Strategic Plan Support Services</u>				
Engagement			75,000	
<u>Sustainability Mobility Strategy</u>				
Transportation - 1 FTE	1	142,600		
Public Secure Bike Parking				500,000
<u>NeighbourHub - 709/711 Douglas Street</u>		11,460		
<u>Banfield Park Swimming Dock Study</u>			15,000	
Total	11.5	\$ 1,508,071	\$ 1,020,650	\$ 500,000

There is an opportunity to manage the impact of the estimated revenue losses by reallocating the funding for the proposed deferred projects and initiatives, and to establish a larger contingency for further unforeseen costs or additional revenue losses. Establishing a larger contingency now would provide greater flexibility later, especially if this pandemic is prolonged.

There may be additional 'under-spends' within departmental budgets this year, as is the case many years, however, it is too early to estimate what those may be. These 'under-spends' would provide additional budget room should it become needed and as such, no adjustments to budgets are recommended at this time.

Another mitigation strategy is transfers to reserves, which can be done - and adjusted if necessary - at the end of the year once actual revenues and expenditures are known. Continuing to set aside funding in reserves as successfully as the City has been able to do to this point is what is enabling the City to have cash flow capacity for parts of the year. It is also what provides necessary funding for upgrades to City infrastructure and facilities, which would help in the recovery efforts for our community. Therefore, it is recommended that all reserve transfers remain as budgeted at this point. Again, by holding off on actual transfers until the end of the year, there is an opportunity to revisit these at a later date, if necessary.

If property taxes and utility billing due dates and penalties remain the same, and taking the above estimated revenue reductions and deferral of projects into account, the City should have the cash flow to fund all operations until the end of the year without having to obtain a short-term loan from the MFA. In other words, by deferring the projects and initiatives, those savings should be sufficient to cover the estimated short-fall in revenues.

Reserve Fund Capacity and Liquidity

The City has a number of reserves which are invested in various investment vehicles with different maturity dates. These reserves are what enables the City to continue funding operations and capital projects for the first part of the year before the property tax due date. Although the reserve levels are significant (approximately \$248 million), they are not significant enough to provide complete cash flow coverage for an entire year should payments of taxes and utility user fees not be received, especially considering the requirement to levy taxes on behalf of other agencies and remit those by legislated due dates.

The majority of the reserves are restricted for specific purposes and cannot be used to fund operations. In other words, while the reserves can be used to manage cash flow, they cannot be drawn down on to provide the funding to cover costs incurred to deliver programs and services, nor to offset revenue shortfalls.

However, the financial stability reserves were set up to mitigate unforeseen situations such as these. The target balances for the general, water and sewer reserves are equal to 60 days of expenses, and the stormwater reserve is equal to 45 days of expenses. The current balances in the reserves are:

General Fund	\$8 million
Water	\$920,000
Sewer	\$835,000
Stormwater	\$450,000

Council could choose to use some of these reserves to fund funding shortfalls should they materialize. However, given that there are a number of capital projects and other initiatives that

have yet to be actioned, there is an opportunity to first defer those before additional funding from these reserves is used. For awareness, should the financial stability reserves be used, there is no specific funding source within the budget to replenish them. Historically, they have been funded through annual surpluses. If depleted completely, it would likely take many years to replenish based on the assumption that Council may wish to continue using at least a portion of the annual surplus to fund one-time initiatives.

OPTIONS & IMPACTS

The following section outlines options for Council's consideration. These options are those that are fiscally prudent, align with the availability of financial stability reserve funding should it become needed, and would have the least impact on cash flow and service provision while still providing some relief to those suffering financial hardship in the community.

Extending Payment Due Dates

Utilities are currently billed 3 times per year with payment due 45 days after billing, after which a 5% penalty is applied. The City levies approximately \$200,000 in utility penalties annually.

Property taxes are due on the first business day in July, after which a 5% penalty applies, with a further 5% penalty in September on any remaining balance unpaid at that time.

Extending due dates for utilities to 90 days after billing would defer receipt of payment of approximately \$2-3 million monthly and can be managed within existing reserve levels and liquidity.

Extending the due date for property taxes has a larger impact on cash flow due to the legislative deadlines to pay the taxes collected on behalf of other agencies regardless of whether the City has actually collected the taxes or not. As such, delaying the due date beyond August 1 may result in cash shortages should the MFA be unable to provide sufficient funding.

The City cannot change the property tax due date for a select group of customers only, i.e. those suffering financial hardship. If offered, it would apply to all. For utilities, although legislation does not prohibit it, a system is not in place to administer this and the City does not have the ability to confirm or audit if a customer is experiencing financial hardship. In addition, user fees are established to cover costs and any costs incurred to administer the program would result in an increase to the user fees.

Eliminating Penalties

Council has provided direction to bring forward bylaw amendments to temporarily waive penalties for both utilities and property taxes during provincially declared emergencies.

The City must levy penalties on property taxes not paid by the due date. However, as the City has already done, an Alternative Tax Scheme Bylaw can be established that sets out multiple penalty dates and amounts. The City's Bylaw provides for a 5% penalty in July and a second 5% penalty in September rather than a 10% penalty in July. The City cannot provide different property tax penalty provisions for those adversely impacted by the pandemic.

Similarly to the discussion above regarding due dates, for utility bills, the City does not have a system in place, nor could one be easily set up, to only eliminate penalties on utility bills for those who have suffered financial hardship. If offered, it would apply to all. It is important to note that if there were no penalties, even those who could afford to pay may choose not to do so resulting in

potentially significant cash flow impacts. Therefore, waiving penalties is not recommended. An alternative approach could be extending due dates as described above.

Budget Reallocations or Reductions

Due to the revenue shortfall discussed in the 'Issues and Analysis' section of the report, and for fiscal prudence reasons as well as to limit the impact on services, it is not recommended that the property tax increase be reduced. The planned property tax increase for 2020 is 3.35%, which equates to \$85 for an average residential property and \$237 for a typical business. Staff recognize that many in our community are struggling financially at this very difficult time. Unfortunately, these increase amounts, if reduced, are unlikely to provide material relief to taxpayers. It is still unknown how long this pandemic will last and therefore the revenue loss estimates may be greater than anticipated, and/or City costs not covered by Emergency Management BC may increase (extensive facility cleaning for example). The recommended alternative approach is to reallocate funding and create a larger contingency by deferring some initiatives and capital projects identified using the principles outlined above.

Should Council wish to reduce the property tax increase, Council could consider:

1. Using the ongoing funding previously allocated to initiatives as outlined in the first column of the table on page 9 - \$1.5 million. Staff had recommended that this funding be set aside in a contingency to manage any unforeseen additional costs during this pandemic, and if not needed would be available to action those initiatives at a later date. The impact of using this funding to reduce the property tax increase would therefore result in a lower contingency and new funding would be required to action the initiatives later.
2. Reducing services and reallocating that funding. Staff have no direction on what those services might be, so further clarification would be necessary.
3. Reducing reserve fund transfers. As discussed in this report, the City has, over time, established significant reserves, and these reserves are what enables the City to have cash flow capacity for parts of the year. The reserves is also what provides necessary funding for upgrades to City infrastructure and facilities, which would help in the recovery efforts for our community. Staff had recommended, as a mitigation strategy, the reserve fund transfers remain as budgeted at this point. As outlined, by holding off on actual transfers to the end of the year, there is an opportunity to revisit these later in the year, should additional funding be needed for revenue shortfalls and/or cost increases related to the pandemic. Some of the transfers to reserves are restricted, such as Gas Tax grants from the Federal Government and other under contractual obligations. However, approximately \$12 million are unrestricted transfers of property taxes to equipment and infrastructure reserves.

Advocacy to the Province

The homeowner grant program administered by the Province provides for some limited assistance with property taxes to residential homeowners. The program provides for different amounts of a provincial grant toward property taxes depending on individual circumstances. Its administration already includes mechanisms for verification of entitlement and audit function. As such, it may be well suited to serve as a means to provide relief to those adversely affected by the pandemic and resulting economic disruption. For example, the homeowner grant amount could be increased for all who qualify. Alternatively, a new category of a grant could be added to provide increased grants to those who suffered income loss due to the pandemic. Such modifications would provide relief to homeowners without disrupting tax revenues for local governments and allowing local governments to continue to provide the critical services to their communities both during the pandemic and during the recovery period.

In addition, the Province had a Deferment Program in place a number of years ago specifically for those experiencing financial hardship. Therefore, this may be a simple but effective addition, especially if it is also expanded to include commercial properties.

Finally, as mentioned earlier in the report, amending the various acts that provide specific due dates for payment by local governments to the agencies they collect taxes on behalf of would reduce the impact on cash flow for municipalities.

The City does not have the ability to modify the homeowner grant program, the deferment program or change legislated due dates for payment of taxes to other agencies the City collects taxes on behalf of. However, Council could advocate for such changes with the Provincial Government, either directly or through organizations such as UBCM. At the staff level, we have already initiated conversations to raise awareness, and to seek support in advocacy efforts, with our professional associations such as the Government Finance Officers Association and the Local Government Management Association. In addition, we have raised this with staff at UBCM.

Accessibility Impact Statement

Many initiatives within the City's Financial Plan address accessibility challenges. Given the pandemic, some of these initiatives may be delayed.

2019 – 2022 Strategic Plan

Should Council determine that some projects and initiatives should be deferred, the timelines in the Strategic Plan would be adjusted.

Impacts to Financial Plan

Any Council decisions on changes to the project and initiative budgets would be incorporated into the 2020 Financial Plan before final approval.

Official Community Plan Consistency Statement

Not applicable.

CONCLUSIONS

The City contributes to the region's economy through continued service provision, and Council may consider it is of significant importance to position the City and the community for speedy recovery. By keeping our service levels as close to normal as possible, we are mitigating some of the economic impacts of the pandemic. Therefore, to preserve the City's cash flow capacity, eliminating penalties is not recommended.

However, Council could consider extending some payment terms for utilities, such as 90 days rather than the current 45 days without severely impacting the City's cash flow.

Also, Council could consider delaying the property tax due date to August 1 instead of July 2, 2020, with the 5% penalty on that date and a further 5% penalty on September 1.

Finally, the preferred option to preserve the City's cash flow capacity is to advocate to the Province to reinstate and expand the financial hardship Deferment Program to commercial properties, to

increase Homeowner Grant amounts and/or set up a new category for those experiencing financial hardship, and to amend the legislation that stipulates the payment dates the City must adhere to in remitting tax payments to other agencies we collect on behalf of.

Respectfully submitted,



Susanne Thompson
Deputy City Manager and Chief Financial Officer

Report accepted and recommended by the City Manager:

Date:




Attachments:

Appendix A – Ministry of Municipal Affairs Circular: Municipal Budgeting, Taxation, and Financial Reporting During Covid-19