



**Finance and Audit Committee
Electronic Meeting**

**Anderson Room, City Hall
6911 No. 3 Road**

Monday, December 1, 2025

**Immediately following the Open General Purposes Committee
meeting**

Pg. # ITEM

MINUTES

FIN-6 *Motion to adopt the **minutes** of the meeting of the Finance Committee held on November 3, 2025.*



RICHMOND PUBLIC LIBRARY

**1. 2026 OPERATING AND CAPITAL BUDGETS FOR RICHMOND
PUBLIC LIBRARY**

(File Ref. No. 03-0970-25-2026-01/) (REDMS No. 8209786)

FIN-9

See Page FIN-9 for full report

Designated Speaker: Susan Walters

STAFF RECOMMENDATION

- (1)** *That the 2026 proposed Richmond Public Library budget with a municipal contribution of \$12,642,700 as presented in Attachment 1 from the Chief Librarian and the Secretary of the Board, be approved; and*

- (2) *That the Richmond Public Library request for an additional municipal contribution of \$100,000 for physical collection from the Chief Librarian and the Secretary of the Board, be included as a recommended item in the report titled “2026 One-Time Expenditures” dated November 17, 2025 from the Director, Finance.*



RICHMOND OLYMPIC OVAL CORPORATION

2. **RICHMOND OLYMPIC OVAL CORPORATION – 2026 OPERATING AND CAPITAL BUDGETS**

(File Ref. No. 03-1200-09) (REDMS No. 8228489)

FIN-20

See Page FIN- 20 for full report

Designated Speaker: Rick Dusanj

STAFF RECOMMENDATION

That the Richmond Olympic Oval Corporation - 2026 Operating and Capital Budgets report from the Director, Finance, Innovation & Technology, Richmond Olympic Oval Corporation be received for information.



FINANCE AND CORPORATE SERVICES DIVISION

3. **2026 PROPOSED CAPITAL BUDGET**

(File Ref. No. 03-0970-25-2026-01) (REDMS No. 8201906)

FIN-34

See Page FIN-34 for full report

Designated Speaker: Jenny Ho

STAFF RECOMMENDATION

- (1) *That the 2026 Proposed Capital Budget as presented in Appendix 3 totaling \$245,724,000 be approved; and*
- (2) *That the 2026 Proposed Capital Budget as approved be included in the Consolidated 5 Year Financial Plan (2026-2030).*



4. **2026 PROPOSED OPERATING BUDGET**
(File Ref. No. 03-0985-01) (REDMS No. 8216955)

FIN-180

See Page FIN-180 for full report

Designated Speaker: Melissa Shiau

STAFF RECOMMENDATION

- (1) *That the 2026 Proposed Operating Budget as presented in Budget Option 2 for a total of 3.28% be approved as outlined below:*
- (a) *A same level of service budget increase of \$3,905,151 after tax growth with a tax increase of 1.19% be approved;*
 - (b) *Ongoing funding for expenditures previously approved by Council totaling \$2,742,450 as presented in Table 13 with a tax increase of 0.84% be approved;*
 - (c) *Emerging organizational additional levels in the amount of \$1,045,361 as presented in Attachments 10, 11, and 12, of the staff report titled 2026 Proposed Operating Budget with a tax increase of 0.32% be approved;*
 - (d) *The Rate Stabilization Account be used to pay for the one-time initial capital costs for the recommended No Tax Impact Positions from Attachment 11 totaling \$75,211 be approved;*
 - (e) *Transfer to reserves for Investment in Community Facilities as per Council's Long Term Financial Management Strategy in the amount of \$3,271,701 with a tax increase of 1.00% be approved;*
 - (f) *Senior level government and other government agency increase of \$1,479,436 with a tax increase of 0.45% be approved;*
 - (g) *Use of reserves for program expenditures for Affordable Housing, Child Care and Public Art programs of \$1,360,000 as presented in Attachment 9 be approved;*
 - (h) *Operating budget impacts from the 2026 Proposed Capital Budget totalling \$101,581 with a tax increase of 0.03% be approved; and*
 - (i) *The Rate Stabilization Account be used to reduce the overall impact of additional operating costs for a total of \$1,800,000 resulting in a tax decrease of 0.55% be approved.*

(2) *That the 2026 Operating Budget as approved be included in the Consolidated 5 Year Financial Plan (2026-2030); and*

(3) *That item 2 of the Long Term Financial Management Strategy (Council Policy 3707) be amended as follows:*

Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, and the Council initiatives account.



5. **2026 ONE-TIME EXPENDITURES**

(File Ref. No. 03-0985-01/) (REDMS No. 8217651)

FIN-261

See Page FIN-261 for full report

Designated Speaker: Melissa Shiau

STAFF RECOMMENDATION

That the one-time expenditures totaling \$3,504,797 as outlined in Attachment 1 of the 2026 One- Time Expenditures staff report, be approved with funding from the Rate Stabilization Account and included in the Consolidated 5 Year Financial Plan (2026-2030).



LULU ISLAND ENERGY COMPANY

6. **LULU ISLAND ENERGY COMPANY – 2026 OPERATING AND CAPITAL BUDGETS**

(File Ref. No.) (REDMS No.)

FIN-269

See Page FIN-269 for full report

Designated Speakers: Helen Zhao & Christopher David

STAFF RECOMMENDATION

That the Lulu Island Energy Company report titled "Lulu Island Energy Company – 2026 Operating and Capital Budgets", dated November 6, 2025 from the Chief Executive Officer and Chief Financial Officer, Lulu Island Energy Company be received for information.



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ITEM

ADJOURNMENT





Finance and Audit Committee

Date: Monday, November 3, 2025

Place: Anderson Room
Richmond City Hall

Present: Mayor Malcolm D. Brodie, Chair
Councillor Chak Au (by teleconference)
Councillor Carol Day
Councillor Laura Gillanders
Councillor Andy Hobbs
Councillor Alexa Loo
Councillor Bill McNulty
Councillor Michael Wolfe

Absent: Councillor Kash Heed

Call to Order: The Chair called the meeting to order at 4:28 p.m.

MINUTES

It was moved and seconded

That the minutes of the meeting of the Finance and Audit Committee held on October 6, 2025, be adopted as circulated.

CARRIED

LULU ISLAND ENERGY COMPANY

1. **2026 DISTRICT ENERGY UTILITY RATES**
(File Ref. No. 01-0060-20-LIEC1) (REDMS No. 8130011)

It was moved and seconded

- (1) *That the Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 10705 be introduced and given first, second and third readings;*

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Monday, November 3, 2025

- (2) *That the Oval Village District Energy Utility Bylaw No. 9134, Amendment Bylaw No. 10706 be introduced and given first, second and third readings; and*
- (3) *That the City Centre District Energy Utility Bylaw No. 9895, Amendment Bylaw No. 10707 be introduced and given first, second and third readings.*

In response to a query from Committee, staff advised that construction of the proposed Sewage Heat Recovery Plant is postponed to next year to better align with future residential development and anticipated increase in demand.

Discussion ensued with respect to (i) Lulu Island Energy Company (LIEC) users paying 14 percent less in energy costs than conventional systems, (ii) district energy being both competitive and sustainable, and (iii) LIEC Financial Model reflecting the decrease in development.

The question on the motion was then called and it was **CARRIED**.

FINANCE AND CORPORATE SERVICES & ENGINEERING AND PUBLIC WORKS DIVISIONS

2. **2026 UTILITY BUDGETS AND RATES**

(File Ref. No. 10-6060-01) (REDMS No. 8187579)

In response to queries from Committee, staff advised that (i) Metro Vancouver water rates are increasing by 6.4 percent, representing 58 percent of the City's Water Utility budget. After factoring in projected consumption and other related costs, the City recommends an 8.8 percent water rate increase, with 2.8 percent resulting from City costs, (ii) staff have asked Metro Vancouver to reduce Richmond's rates, noting the City's investment in water metering and water demand management merit an incentive or a rate break, (iii) \$500,000 infrastructure funding will support the City's water capital program, primarily replacing aging asbestos cement (AC) water mains which are at end of life, (iv) the City's total water use has decreased by 14 percent despite an increase in population of 34 percent, (v) there is an eight-tonne increase of flexible plastic packaging collected at the Recycling Depot, and (vi) the Pilot Dog Waste Collection program is complete, with expansion to all City managed dog off-leash areas included as a level of service recommended in Option 2. Staff were directed to recirculate the memorandum regarding the completed pilot project.

Discussion ensued with respect to (i) the City's significant advances in water metering, and (ii) education for residents regarding garbage cart size options and the associated costs.

It was moved and seconded

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That the 2026 utility budgets presented in the options listed below; as outlined in the report titled “2026 Utility Budgets and Rates”, dated October 21, 2025, from the General Manager, Engineering & Public Works and General Manager, Finance & Corporate Services be approved as the foundation for establishing the 2026 utility rates and be included in the Consolidated 5 Year Financial Plan (2026-2030):

- (a) Option 2 for Water (page 8);*
- (b) Option 2 for Sewer (page 15);*
- (c) Option 2 for Flood Protection (page 23); and*
- (d) Option 2 for Solid Waste and Recycling (page 29).*

The question on the motion was not called as discussion ensued with respect to (i) commercial rates for flood protection, and (ii) the proposed 2026 single-family total utility rate increase of 8.4 percent (\$175.30).

The question the motion was then called and it was **CARRIED**.

ADJOURNMENT

It was moved and seconded

That the meeting adjourn (5:15 p.m.).

CARRIED

Certified a true and correct copy of the Minutes of the meeting of the Finance and Audit Committee of the Council of the City of Richmond held on Monday, November 3, 2025.

Mayor Malcolm D. Brodie
Chair

Raman Grewal
Legislative Services Associate



City of Richmond

Report to Committee

To: Finance and Audit Committee **Date:** November 17, 2025
From: Elizabeth Ayers **File:** 03-0970-25-2026-
General Manager, Parks, Recreation and Culture 01/2025-Vol 01
Re: 2026 Operating and Capital Budgets for Richmond Public Library

Staff Recommendations

1. That the 2026 proposed Richmond Public Library budget with a municipal contribution of \$12,642,700 as presented in Attachment 1 from the Chief Librarian and the Secretary of the Board, be approved; and
2. That the Richmond Public Library request for an additional municipal contribution of \$100,000 for physical collection from the Chief Librarian and the Secretary of the Board, be included as a recommended item in the report titled "2026 One-Time Expenditures" dated November 17, 2025 from the Director, Finance.

Elizabeth Ayers
General Manager, Parks, Recreation and Culture
(604-247-4669)

Att. 1

REPORT CONCURRENCE		
ROUTED TO:	CONCURRENCE	APPROVED BY CAO
Finance Department	<input checked="" type="checkbox"/>	
CONCURRENCE BY SMT	INITIALS: 	



Report to Committee

To: City of Richmond Finance Committee **Date:** October 9, 2025

From: Susan Walters
Chief Librarian and Secretary to the Board
Richmond Public Library

Re: **2026 Operating and Capital Budgets for Richmond Public Library**

Staff Recommendation

1. That the 2026 Richmond Public Library budget including a municipal contribution of \$12,742,700 as presented in Attachment 1 from the Chief Librarian and the Secretary to the Board, be approved.

A handwritten signature in cursive script that reads "SWalters".

Susan Walters
Chief Librarian and Secretary to the Board
Richmond Public Library
(604-231-6466)

Att. 1

Staff Report

Origin

In accordance with the *Library Act, Section 10(1)*, the Richmond Public Library (RPL) Board must prepare and submit to City Council its annual budget for providing library services on or before March 1, 2026. Council must approve the draft budget with or without amendment. This library staff report details the 2026 Operating and Capital Budgets, which were approved for submission to the City by the Library Board at its July 30, 2025 meeting.

This report supports Council Strategic Plan 2022 – 2026: #4 Responsible Financial Management and Governance:

Responsible financial management and efficient use of public resources to meet the needs of the community.

4.1 Ensure effective financial planning to support a sustainable future for the City.

4.2 Seek improvements and efficiencies in all aspects of City business.

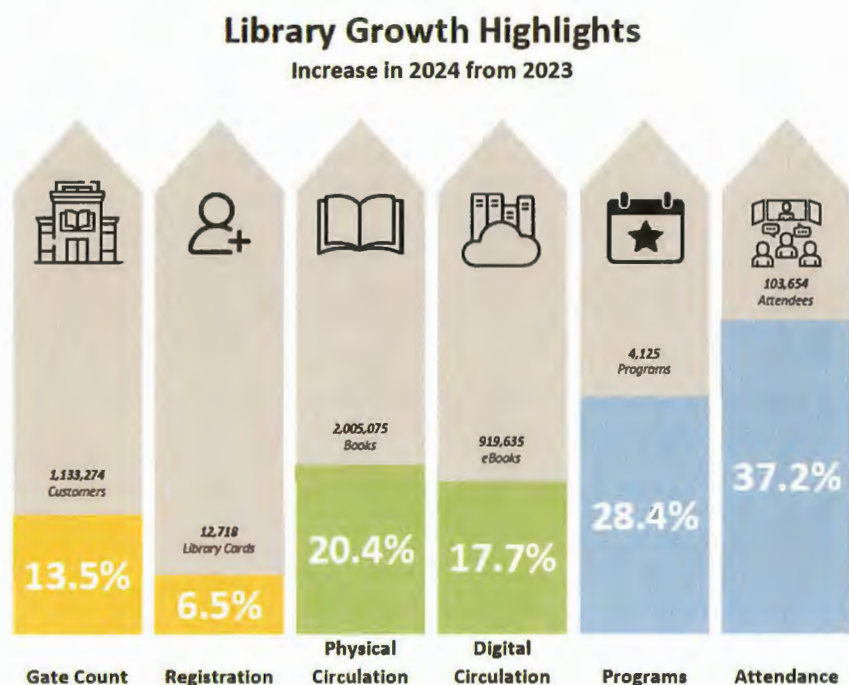
4.3 Foster community trust through open, transparent and accountable budgeting practices and processes.

4.4 Work with all levels of governments for grant and funding opportunities.

Statistical Analysis

Guided by the 2024-2028 Strategic Plan, which was developed with a data-driven and community-focused approach, the library is making intentional investments in collections, programs, spaces and technology that directly reflect the needs and values of our Richmond residents. Library usage has been steadily increasing over the past several years, reflecting the growing importance our community places on library services. In 2024, there was a consistent growth across key measures including visits, registrations, circulation, programs, and program participation, when compared to 2023. These upwards trends, as shown in Figure 1, indicate a community that is actively engaging with its library, and demonstrates the importance of maintaining and expanding resources to meet this demand.

Figure 1: Library Growth Highlights



2026 Operating & Capital Budget

The library's budget is inherently shaped by non-discretionary drivers such as collective agreement increases and contractual obligations. The ongoing challenge is to balance these mandatory cost increases with initiatives that enhance and modernize library services, all while operating within a realistic budget increase. The library remains committed to a strategic and fiscally responsible approach to financial planning. A 2026 Proposed Operating and Capital Budget is detailed in Attachment 1, and main cost drivers are summarized in Table 1.

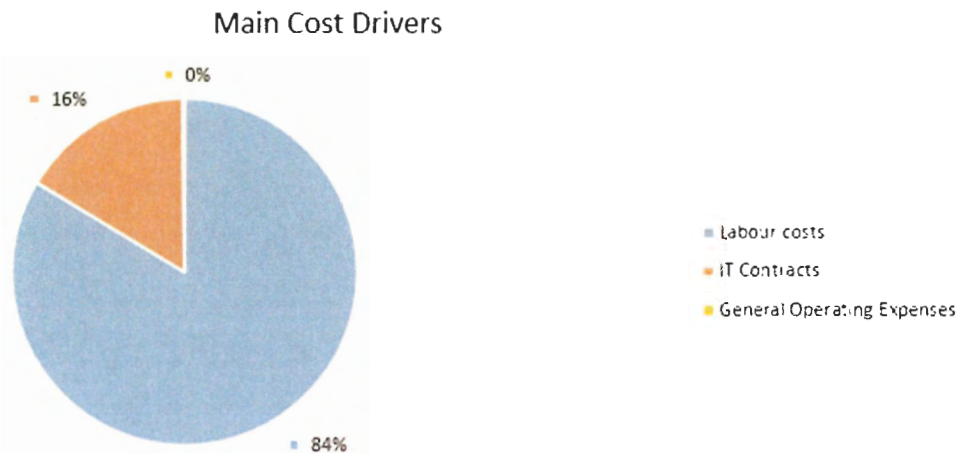
Table 1: Main Cost Drivers

Same Level of Service Increase	Amount	Municipal Contribution Increase
Labour costs	\$ 332,900	2.72%
Contracts related to IT and Cybersecurity	46,500	0.38%
Adoption of MS Phone System in Alignment with the City	18,000	0.15%
Others	700	0.01%
Same Level of Service Budget Increase	\$ 398,100	3.26%
Gradual elimination of one-time transfer of Budget Stabilization	22,000	0.18%
Proposed 2026 Operating Budget Increase	\$ 420,100	3.44%
Physical Collection	100,000	0.82%
Proposed 2026 Operating and Capital Budget Increase	\$ 520,100	4.26%

2026 Operating Budget

The 2026 operating budget presents the same level of service base budget resulting in a 3.26% municipal contribution increase for non-discretionary items. Including the continued gradual elimination of the transfer from Budget Stabilization from the previous year, the total municipal contribution increase is 3.44%. Figure 2 illustrates the breakdown of main cost drivers to provide the same level of service.

Figure 2: Main Cost Drivers for Same Level of Service



Labour expenses represent 84% of the main cost drivers, consistent with labour being the largest component of the operating budget.

Revenues:

Overall revenues have increased by \$48,000 partially due to an expected increase in InterLINK reimbursement, and growing demand for printing and photocopying services as library visits continue to rise. The main driver, however, is the utilization of donation funds to support the Library Champions program. Base provincial grant funding is expected to remain at the same level.

Expenditures:

Total labour costs are anticipated to increase by \$332,900. This increase includes an allowance for base wage increases, step increases, and salary fringe increases. Contracts related to Information Technology (IT) will increase by \$46,500. The library's self-checkout kiosks maintenance requires \$17,500 for ongoing support as per the service agreement contract, \$15,000 will support ongoing cybersecurity measures, and the remaining \$14,000 increase is due to other existing contractual increases.

In 2026, the City's IT department will be decommissioning the Cisco phone system, which is currently provided to the library at no cost. Aligning with City IT, the library will adopt Microsoft Teams as its communication platform. This shift will have a \$25,000 one-time implementation cost, which the library will support with existing surplus funds, and a \$18,000 ongoing cost that will impact our operating budget.

Provincial Enhancement Grant

In the past couple of years, the library has optimized the use of Enhancement Grants from the province of British Columbia to effectively meet the evolving needs of our communities. The library received an additional \$37,700 in 2025, but it has been made clear that the funding will cease for 2026. As such, a focus this year and future years will be to ensure our operating budget can continue to sustain these established initiatives for as long as possible.

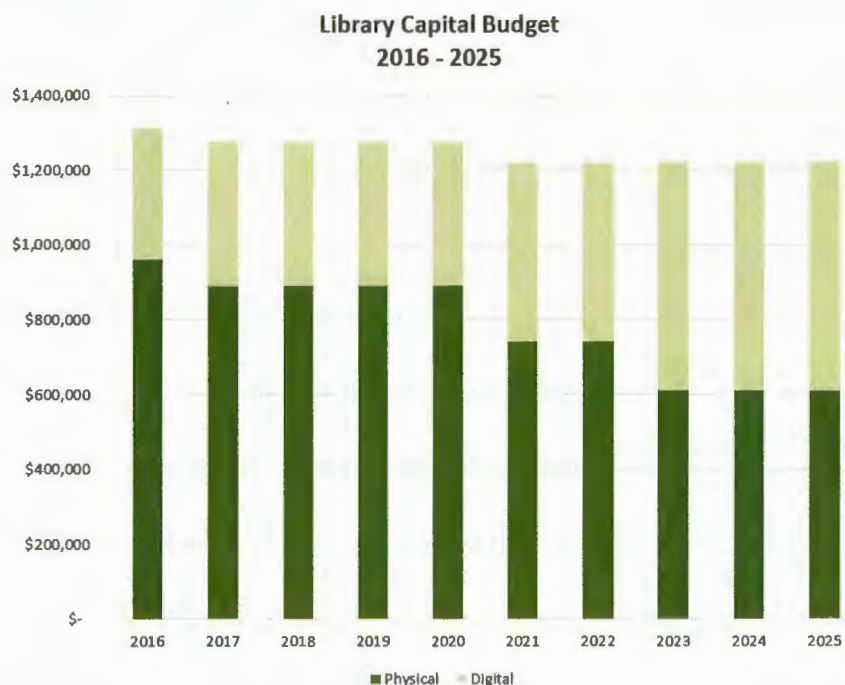
For example, recent federal funding cuts to Immigration, Refugees and Citizenship Canada (IRCC) have impacted various newcomers' programs, including the NewToBC Project. Recognizing the vital role this program plays in supporting Richmond's many newcomers, the library is collaborating with other libraries in the Lower Mainland on strategies to sustain the Library Champions program which brings newcomers together to learn about library resources and share back with their communities. The library is able to accomplish this in the current year with Enhancement Grant funding. In 2026, to ensure it can continue serving our community, the library will allocate donations funds to support its delivery. This will have no impact to our operating budget.

Since 2023, the Enhancement Grants have also supported the Community Services Connectors program (Connectors program), an initiative that trains individuals with lived and living experience to assist Richmond residents with low incomes by providing one-on-one, peer-led guidance on accessing social service benefits, affordable housing, employment resources and other essential community programs. The library will use the remainder of the Enhancement Grant to support this program for 2026 and as such will have no impact to our operating budget.

2026 Capital Budget

The library's capital budget for physical and digital collections has not increased since 2016. As shown in Figure 3, while the allocation between physical and digital collections have shifted over the years to reflect community's needs, the overall capital budget has remained the same. Last year, in response to the continued rise in circulation for physical materials, the library allocated \$150,000 from the Library Collection Provision to support the 2025 Capital Budget.

Figure 3: Library Capital Budget 2016 – 2025



In 2026, the library will further allocate \$200,000 of surplus funding from the Library Collection Provision towards building the initial collection at the new expanded Steveston library. In addition, a three-year plan will begin to invest \$240,000 of surplus funds from the same provision to strengthen our digital collections, as outlined in Table 3.

Table 3: Provision Funding for Digital Collections – 3 Year Plan

	2026	2027	2028	Total
Digital Collections	\$80,000	\$80,000	\$80,000	\$240,000

However, to sustain growing demands as indicated by increased circulation system-wide, the library is requesting an increase of \$300,000, distributed over three years to support physical print collection in the overall capital budget, as shown in Table 4. This budget increase request is informed by key data, drawing on relevant benchmarks, comparisons with other libraries' statistics, and an analysis of our own statistics, while being conscientious of budget constraints. A detailed analysis is provided in Attachment 2.

Table 4: Proposed Increases to Capital Budget for Physical Collections – 3 Year Plan

	2026	2027	2028	Total
Physical Collections	\$100,000	\$100,000	\$100,000	\$300,000

The total proposed collections budget for 2026 is \$1,320,100. \$610,000 continues to be allocated for eBooks and digital collections, and the remaining \$710,100 supports print collection.

Financial Impact

The proposed 2026 budget to maintain the same level of operating service, to include the gradual elimination of the transfer from Budget Stabilization from the previous years, and to include an increased investment to the library's physical collection requests a municipal contribution of \$12,742,700, which is a 4.26% increase over 2025's base contributions.

Conclusion

This report recommends a same level of operating service budget with a municipal contribution of \$12,742,700 be approved.



Susan Walters, Chief Librarian and Secretary to the Board
Richmond Public Library (604-231-6466)

Att. 1: Richmond Public Library 2026 Proposed Operating and Capital Budget

Attachment 1

**Richmond Public Library
2026 Proposed Operating and Capital Budget**

Description	2025 Budget*	2026 Proposed Budget	Budget Variance	%
Revenue:				
Provincial Grants	\$ 397,700	\$ 397,700	\$ -	0.0%
Other Revenue	80,000	128,000	48,000	60.0%
Investment income	20,000	20,000	-	0.0%
Total Revenues	\$ 497,700	\$ 545,700	\$ 48,000	9.6%
Expenses:				
Salaries and benefits***	\$ 9,965,500	\$ 10,123,400	\$ 157,900	1.6%
Library subscriptions and databases	789,800	870,000	80,200	10.2%
Supplies and equipment services***	546,200	487,400	(58,800)	-10.8%
General and administration	560,500	594,400	33,900	6.0%
Building, leases and maintenance	525,900	527,600	1,700	0.3%
Utilities	179,100	180,500	1,400	0.8%
Total Operating Expenses	\$12,567,000	\$12,783,300	\$ 216,300	1.7%
Transfer to Capital -- Physical Collections	\$ 760,100	\$810,100	50,000	6.6%
Transfer to Capital -- Physical Collections Increase	-	100,000	100,000	-%
Transfer from Provision - Capital	(150,000)	(200,000)	(50,000)	33.3%
Transfer from Provisions - Operating	-	(105,000)	(105,000)	-%
Transfer from Enhancement Grant	(412,800)	(78,000)	334,800	-81.1%
One-time transfer from Budget Stabilization	(44,000)	(22,000)	22,000	-50.0%
Total Expenses and Transfers	\$ 12,720,300	\$ 13,288,400	\$ 568,100	4.5%
Municipal Contribution	\$ 12,222,600	\$ 12,742,700	\$ 520,100	4.26%

*2025 Budget includes \$412,800 funded from Enhancement Grant: \$235,000 for Salaries and benefits, \$130,000 for Supplies and equipment services, and \$47,800 for General and administration. 2025 Budget also includes the reallocation of \$419,300 base budget to library for the portion of the Steveston Community Centre and Library OBI that is related to library operations.

**2026 Proposed Budget includes \$78,000 funded from remaining Enhancement Grant: \$60,000 for Salaries and benefits and \$18,000 for Supplies and equipment services.

Analysis of Library's Capital Budget for Physical Collections

For the past decade, the Richmond Public Library (RPL) has managed its collections within the same level of funding, carefully monitoring circulation trends and adjusting resources to meet community needs as effectively as possible. However, as both physical and digital circulation continues to increase, this is no longer sustainable. With the new Steveston Library scheduled to open in late 2026, its space will triple, creating greater capacity for an expanded physical collection to meet local demand. Increased funding will enable the library to purchase more books, respond more quickly to needs, reduce wait times for holds, and improve access for our customers. Increased investment is needed to allow the library to continue delivering the high level of service that Richmond residents have come to expect from their library.

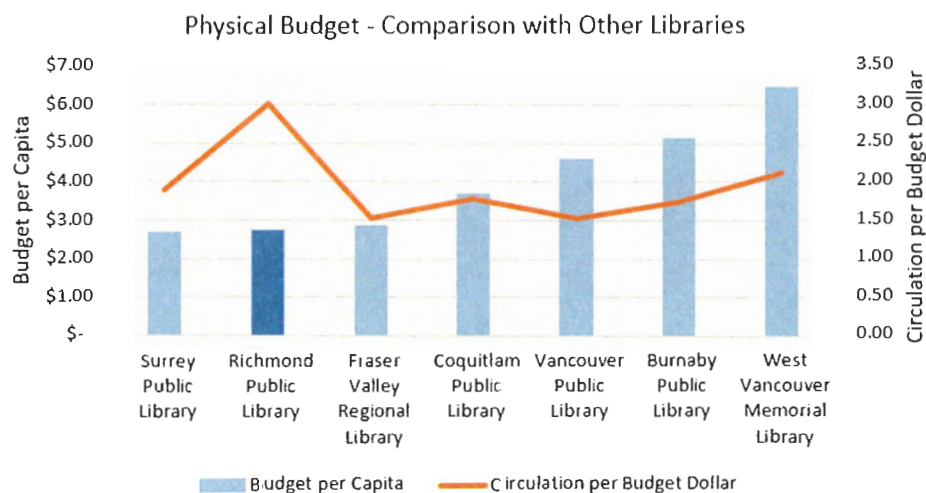
To make an informed request, we reviewed a range of benchmarks and performance data. Below are summaries of the most relevant analyses, highlighting both how the library compares to peer systems and where additional investment would have the greatest impact.

Benchmark – Books per Capita

As a general guide, the International Federation of Library Associations and Institutions (IFLA) recommends 2-3 books per capita for a library that serves a population of 100,000 and over. Recognizing that RPL is a popular reading library and the emphasis of our collection is on relevance over quantity, a reduced 1.50 books per capita was used in our analysis. The library currently has ratio of 1.43 books per capita, and to reach the goal of 1.50, an additional 17,830 items would need to be purchased, which equates to approximately \$535,000.

Comparison with Other Libraries

When compared with other libraries in Greater Vancouver for which relevant data is available, RPL ranks 6th out of 7 in capital budget for physical collections on a per capita basis. However, RPL ranks by far the highest in circulation generated per budget dollar, demonstrating the efficiency of our collections team, and their ability to make thoughtful, targeted purchases that not only meet community needs, but also maximize the value of every dollar invested.



Benchmark – Books per Square Footage

Guidelines for books per square foot vary widely depending on the type of library and intended usage. Most reputable sources cite a general benchmark of 5 to 20 items per square foot. By this measure, our current ratio of 4.61 items per square foot (including new expanded Steveston Library square footage) would require the addition of 27,610 books, or an investment of approximately \$828,300 to meet the minimum threshold of 5 items per square foot. However, as modern libraries increasingly dedicate space to diverse community functions, technology, and programming rather than solely housing collections, we consider this benchmark slightly less relevant than other measures analyzed in this report.

Digital

While circulation for digital resources continues to grow as well, and increased funding in this area could reasonably be expected to further boost usage, the library is not requesting an increase at this time given our strategy to utilize provision funds for the next three years. In recognition of budget constraints and a commitment to being fiscally responsible, our priority is to focus available resources on rebuilding and enhancing our physical collection to meet in-library demand.

Recommendation

The library recommends an increase of \$300,000, distributed over three years to support physical print collection in the overall capital budget. This recommendation will provide sufficient funding to support the new Steveston Library's expanded square footage and allow the library to continue improving access to physical collections, a service that our community relies on.



City of Richmond

Report to Committee

To: Finance and Audit Committee

Date: November 21, 2025

From: Jerry Chong
General Manager, Finance and Corporate Services

File: 03-1200-09/2025-Vol
01

Re: Richmond Olympic Oval Corporation - 2026 Operating and Capital Budgets

Staff Recommendation

That the Richmond Olympic Oval Corporation – 2026 Operating and Capital Budgets report from the Director, Finance, Innovation & Technology, Richmond Olympic Oval Corporation be received for information.

Jerry Chong
General Manager
Finance & Corporate Services
(604-276-4064)

REPORT CONCURRENCE

APPROVED BY CAO

DATE: November 20, 2025

TO: Serena Lusk
Chief Administrative Officer, City of Richmond

Jerry Chong
General Manager, Finance & Corporate Services, City of Richmond

FROM: Rick Dusanj, CPA, CA
Director, Finance, Innovation & Technology

Re: **Richmond Olympic Oval Corporation – 2026 Operating and Capital Budgets**

Origin

This staff report is provided to City Council for information. The Richmond Olympic Oval Corporation's (the "Corporation") Board of Directors ("BOD") approved the Corporation's 2026 operating budget and the 2026 capital budget on November 19, 2025 pending City Council approval of the 2026 City of Richmond (the "City") contribution to the Corporation.

Analysis

2026 Operating Budget

Overview

The Corporation is proud to present its 2026 Operating Budget—a reflection of continued progress and disciplined financial stewardship. Guided by the vision of its Board of Directors and strengthened by the streamlined management structure introduced in 2025, the Oval continues to evolve as a model of efficiency, sustainability and civic value. Every decision reflects a shared commitment to excellence – ensuring that the Oval remains not just a facility, but a vibrant hub of health, sport and connection for the Richmond community.

Following a year of unprecedented revenues in 2025, the Corporation is looking to sustain its upward financial momentum through 2026. Revenues from rentals, admissions, memberships, programs, parking, and leasing are projected to exceed \$15M in 2026, marking an increase of more than \$1M over the previous year. This growth will be achieved while reducing administrative costs by 7% and a continued decrease in reliance on the City's contribution—a clear indicator of the Corporation's growing financial independence. The result is a more agile, resilient organization that continues to expand its reach and value to the community while strengthening its long-term sustainability.

Thriving with Less; The Oval's Model for Sustainable Operations

Since its inception in 2010, the City's \$55M investment has been critical to ensuring that the Corporation continues to be upheld to a world-class standard. Through disciplined management and strategic

reinvestment, the Corporation has allocated \$35M back into the venue, while also building approximately \$13M in capital reserves. This has resulted in a net subsidy of just \$7M over 15 years—an average of only \$0.47M per year. The City’s investment for 2026, at \$2.5M, represents a 38% reduction since 2024 and a 30% reduction from 2025, yet the Oval continues to thrive. In fact, despite reduced municipal funding, the Corporation is transferring an additional \$3.5M into capital reserves in 2025, reinforcing its growing financial sustainability. Even with these efficiencies, the Oval continues to deliver expanded services to more than 1.6M guests annually. This evolution reflects a truly transformational change—driven by a unified focus from both staff and the Board—demonstrating the Corporation’s ability to achieve exceptional community impact while steadily reducing reliance on City investment.

Delivering on its High Performance and Community Mandate

Oval High Performance will continue to play a pivotal role in advancing the Corporation’s strategic and financial objectives for 2026. Consistent with the GOT funding requirements, the Corporation will further develop and enhance its collaborations with sport organizations at the local, provincial, and national levels. Revenues generated from events and sport hosting activities not only support GOT objectives but also make a substantial contribution to the local visitor economy, having produced over \$87 million in economic impact from 2022 through the end of 2024.

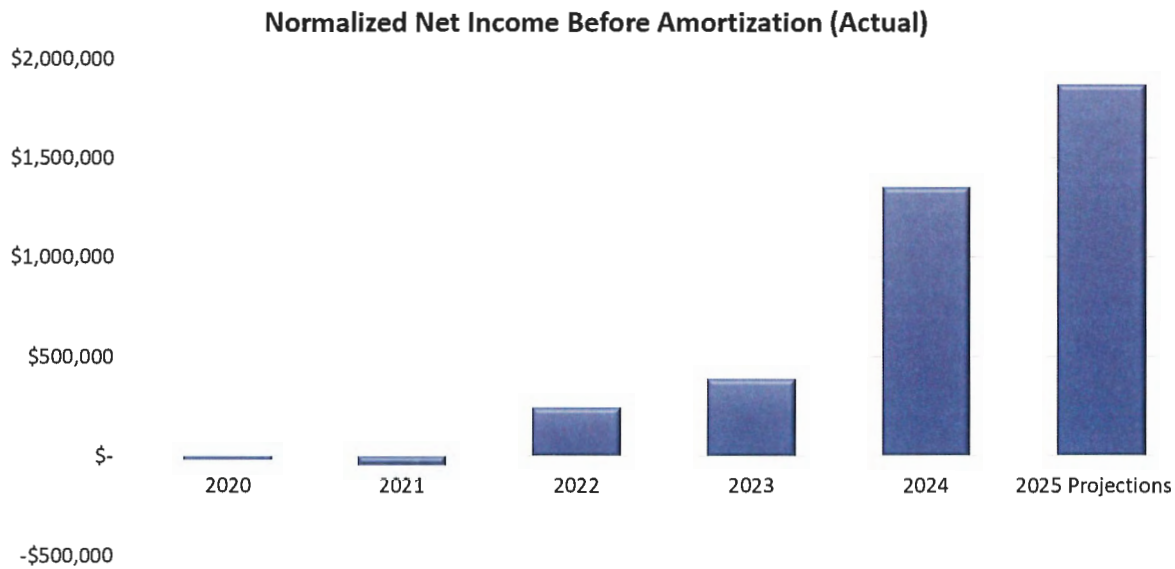
In addition, the Corporation continues to prioritize community engagement and accessibility and below are some key initiatives:

- **Oval Community Day:** The second annual event welcomed more than 7,500 residents in August for a free day of activities and celebration;
- **Forever Young 8K:** The 11th annual event sold out once again, as Canada’s only sanctioned 8K run exclusively for participants aged 55 and over;
- **Expanded Access and Inclusion:** Continued growth in participation through Richmond’s Fee Subsidy Program, and the introduction of Learn to Climb 55+ programs;
- **Free Access to the Richmond Olympic Experience:** Effective December 1, 2025, Richmond residents will receive complimentary access to the museum; and
- **Forever Young Wednesdays Membership:** This seniors’ program continues to thrive with nearly 100 active members, providing adults 55+ with weekly access at a nominal annual fee. In 2025, complimentary access was extended to Richmond Seniors Facility Pass holders, reinforcing the Corporation’s commitment to inclusive, community-based wellness and social engagement.

Financial Highlights

The chart below illustrates the Corporation’s financial performance, presented in a “normalized” format. Normalization means the data has been adjusted to remove irregular or one-time factors, allowing for an accurate, apples-to-apples comparison across different years. By doing so, we can better understand true operational performance and long-term trends without distortion from unique funding events or extraordinary circumstances.

This chart illustrates actual net income, normalizing data by adjusting for variations related to the City’s annual contribution, Games Operating Trust (GOT) funding, and external capital project funding.



• Figures are normalized for COR contributions, GOT funding, and capital project external funding

2025 Budget vs. 2026 Budget

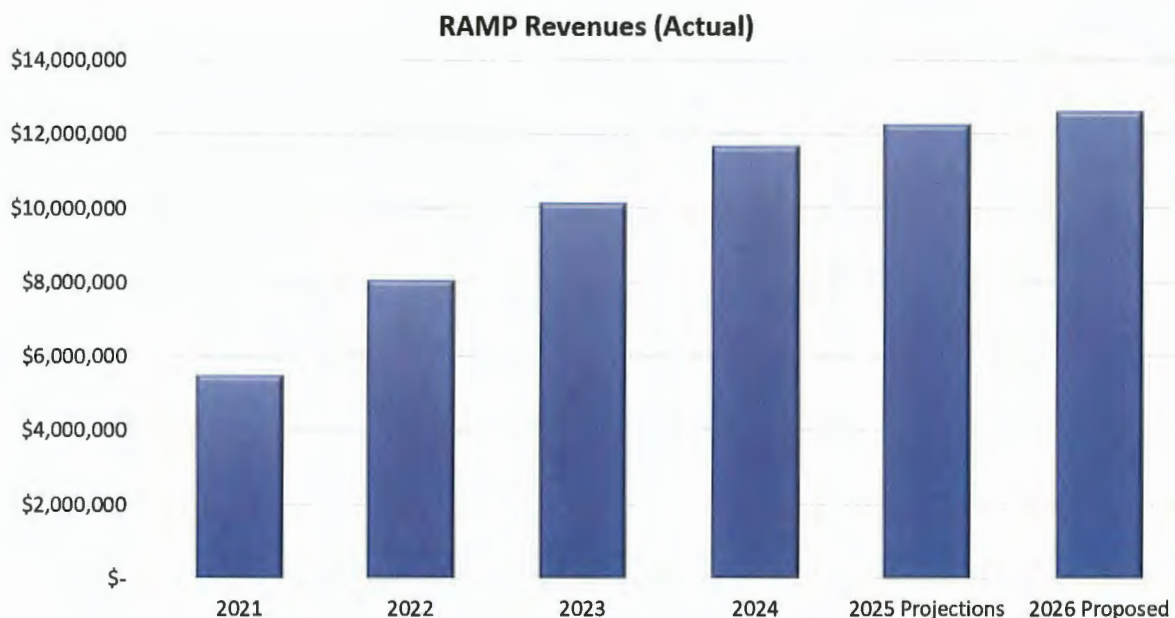
The statement of earnings below shows a breakdown of the changes from the 2025 budget to the 2026 proposed budget.

RICHMOND OLYMPIC OVAL CORPORATION				
Operating Budget				
For the fiscal year ending Dec 31, 2026				
Unaudited, prepared by management				
	2025 BUDGET	2026 BUDGET	\$ Incr. (decr.)	% Incr. (decr.)
REVENUES				
Rentals, admissions, memberships & programs (RAMP)	\$ 11,846,547	\$ 12,619,111	\$ 772,564	7%
Parking, leasing, interest and other	2,300,205	2,580,469	280,264	12%
2010 Games Operating Trust	3,200,000	3,200,000	-	0%
Contribution from City of Richmond (Note 1)	3,573,500	2,500,000	(1,073,500)	-30%
	20,920,252	20,899,580	(20,672)	0%
EXPENSES				
Rentals, admissions, memberships & programs (RAMP)	9,078,027	9,713,054	635,027	7%
Facility Operations	5,618,853	5,903,845	284,992	5%
Admin/Finance	3,765,731	3,512,250	(253,481)	-7%
	18,462,611	19,129,149	666,538	4%
Net income before amortization and transfers	\$ 2,457,641	\$ 1,770,431	\$ (687,210)	-28%
Amortization	2,500,000	2,200,000	(300,000)	-12%
Net income after amortization and before transfers	\$ (42,359)	\$ (429,569)	\$ (387,210)	-914%
Transfer to reserves/provisions (Note 2)	TBD	TBD		
Net income after amortization and transfers	TBD	TBD		
Note 1 - The 2026 budgeted amount reflects a reduction in the City Contribution of \$1.50M from 2024 and \$1.07M from 2025.				
Note 2 - Per the Richmond Oval Agreement, the transfer to reserves/provisions will be determined by the Capital Works Committee.				

The 2026 budget adopts a moderate approach to growth, balancing revenue generation with affordability and service quality. As shown above, despite the reduction in City funding of approximately \$1.07M, a budgeted net income before amortization of \$1.77M is proposed for 2026, which represents a \$0.69M decrease in net position compared to the 2025 approved budget or an improvement of \$0.39M when removing the impact of the City contribution. Each year, the majority of the net income earned from operations is transferred to the Corporation's capital reserves to fund the organization's future capital, which includes the long-term maintenance plan.

With respect to revenue growth, given the ongoing volatility and unpredictability of the broader financial and geopolitical landscape, the Board of Directors approved nominal rate increases for 2026 as a means of supporting families to remain healthy and active during an unpredictable financial period. This approach aims to balance the Corporation's financial responsibilities with the expectations of its members and clients.

The graph below shows the 2021 – 2026 trend of the Corporation’s rentals, admissions, memberships, and programs (RAMP) revenues.



On the expense side, staff will continue to pursue efficiencies and reduce operating costs wherever practical and feasible without sacrificing service levels. Labour costs are a key area, and since 2024, regular staffing levels have been either reduced or vacancy gapped by an estimated 11%, all the while the Oval continuing to be an employer of choice. Looking ahead, wage adjustments are set for the next two years across the unionized workforce, providing greater certainty for forecasting purposes for a significant number of employees. In addition, the Oval, like other facilities in the health, fitness, sport, and recreation sectors, is not immune to economic factors such as elevated equipment costs due to tariffs and the lingering effects of inflation, and staff will continue to manage these factors prudently.

For 2026, operating cost increases consist of:

- Non-discretionary expenditures (e.g., annual wage increases to remain competitive with the job market in addition to what is mandated by a Collective Bargaining Agreement);
- Expenses required to maintain vital infrastructure and due to increased plant and growth in the operations (e.g., janitorial and custodial supplies);
- Expenses required to be incurred due to contractual commitments and/or those outside of the Corporation’s control (e.g., subscription agreements for software utilized by the Corporation); and
- Expenses where the correlation to increased earnings is verifiable (for example, increased instructors for skating lessons where the gross margin has been established).

Please refer to Appendix 1 for additional information on the trends from 2021 to 2026 and Appendix 2 for further information on the 2026 operating budget.

2026 Capital Budget

Each year, senior staff aim to balance prioritizing maintenance, equipment, business initiatives and programming needs with the overall financial impact on the organization and its Capital Reserves. Following several years of strong financial performance, the Corporation has been able to gradually increase its Capital Reserves, while at the same time re-investing in preventative maintenance programs, equipment and new initiatives.

With respect to the 2026 capital budget process, the Corporation considered several criteria including, but not limited to: emphasis on maintaining the Oval's infrastructure as it pertains to mechanical, refrigeration, electrical and structural/building envelope systems, the importance to health and safety, ensuring consistency with the overall vision and objectives of the Corporation, maintaining the facilities to the standards of a National Training Centre as outlined in the Games Operating Trust Agreement, supporting the existing delivery of programs/services, and the impact on customer satisfaction.

The BOD approved 2026 capital budget of \$2.11M includes a minor capital budget of \$1.21M (inclusive of a \$0.20M contingency for items not previously contemplated and/or required for operations) and a major capital budget of \$0.90M as shown in Appendix 3. Appendix 4 provides an illustration of the estimated uncommitted Capital Reserves balance relative to the projected Capital Plan. Based on the reduction of the City contribution for 2026 and the anticipated long term capital projects and increased maintenance required in the coming years, the capital reserves balance will be impacted.

The 2026 minor capital budget mainly consists of life cycle replacement items and includes those capital projects that are required to: maintain the Oval's existing capital assets and infrastructure (e.g. server room improvements); ensure technology infrastructure and systems are up to date, including computer hardware and networking replacements; and support Oval programs and services through the provision of fitness, sports equipment and other essential fixtures, furnishings and equipment.

The 2026 major capital budget includes the replacement of north side access doors and duct relocation of air handling unit #4. Both projects have been approved by the Capital Works Committee (CWC). The North Side Access Doors require replacement due to ongoing concerns of the current doors' functionality in security, safety and programming. North side access doors are large sliding doors used in facilities for moving oversized and heavy equipment. Unlike hinged doors, they slide open, saving space by not requiring room for a door swing. This project is critical to providing functional access to and from the activity level and north plaza. With respect to the Duct Relocation of Air Handling Unit #4, this is critical to the Oval's indoor climate, providing core HVAC services throughout the building to areas such as office spaces, studios and team rooms. The current air intake for this unit is drawing air from underneath the outdoor pond, which is resulting in moisture entering the air intake unit and causing deterioration of the unit's floor and walls. This project is critical as it entails the duct relocation of the air handling unit #4 to a more sustainable area.



Rick Dusanj, CPA, CA
Director, Finance, Innovation & Technology

APPENDIX 1

2021 – 2026 TRENDS

The following charts show the 2021 – 2026 financial trends reflecting 2021-2024 actuals, 2025 projections, and 2026 proposed figures:

Chart A - RAMP Revenue Breakdown

- This chart shows the breakdown of RAMP revenues in three categories: memberships/admissions, registered programs, and rentals/events.

Chart B – Ratio of City Contribution vs. RAMP Revenues

- This chart shows the Corporation's reduced reliance on the City contribution relative to its RAMP revenues. In 2021 this was 67% and in 2026 this is projected to be 20%.

Chart C – Labour Expenses vs. Earned Revenues

- This chart shows the total labour expenses compared to total earned revenues. Earned revenues consist of RAMP, parking, leasing, interest and other revenues.

Chart A

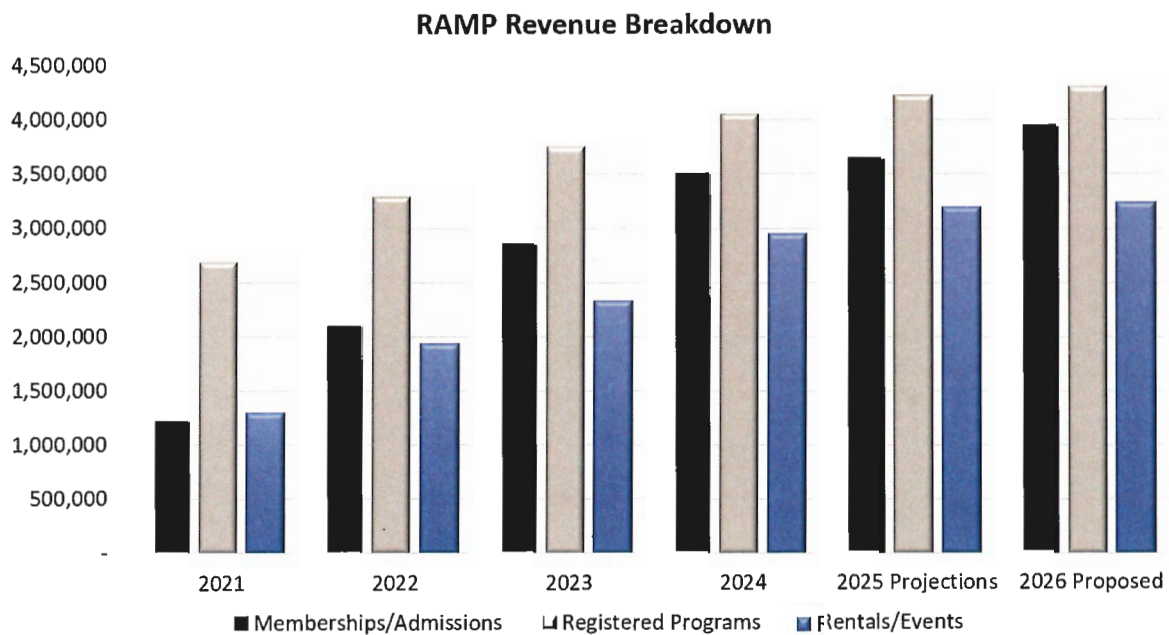


Chart B

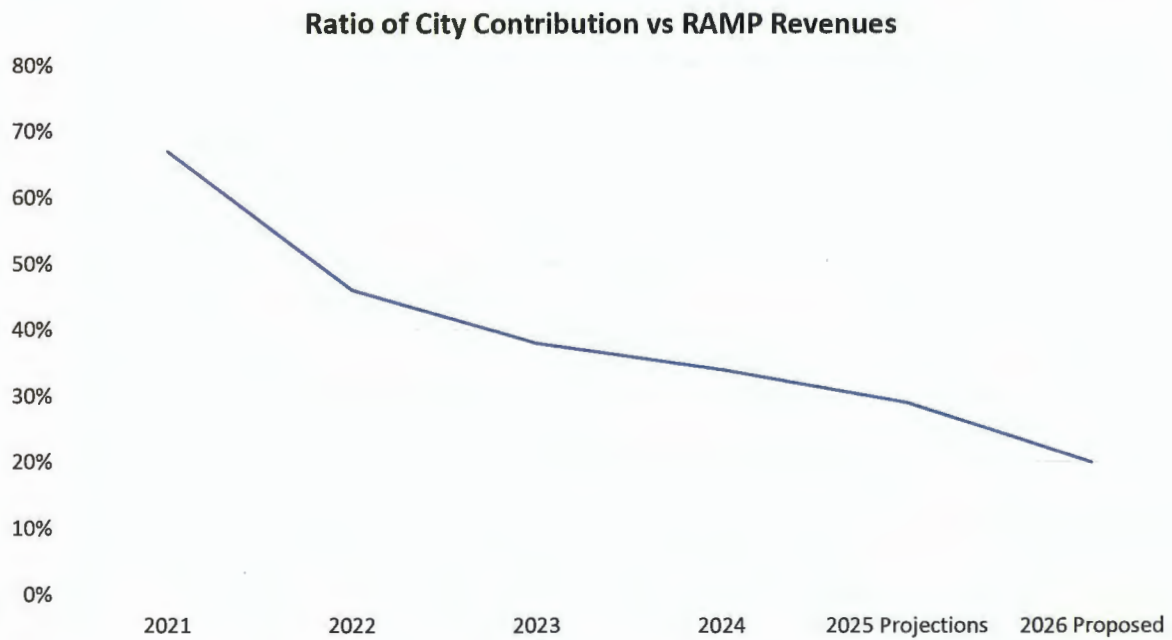
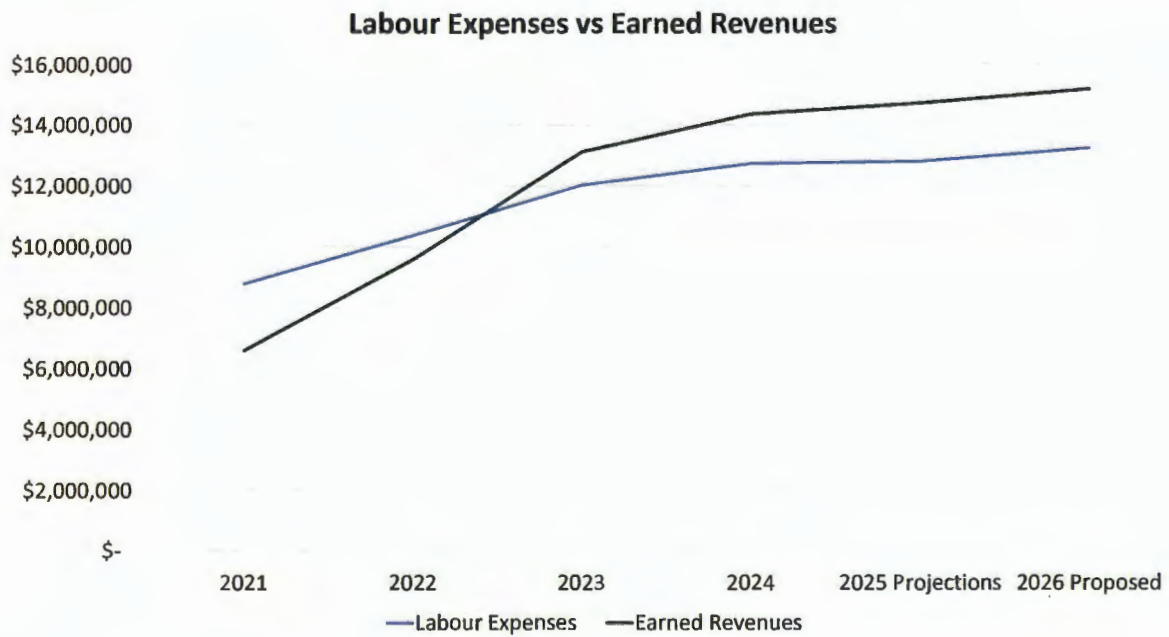


Chart C



APPENDIX 2

2026 BUDGETED REVENUES AND EXPENSES

RICHMOND OLYMPIC OVAL CORPORATION				
2026 Budgeted Revenues and Expenses				
Category	Approved Budget 2025	Proposed Budget 2026	2026 Budget vs 2025 Budget \$ Increase (Decrease)	2026 Budget vs 2025 Budget % Increase (Decrease)
RAMP Revenues				
Memberships/Admissions	3,696,986	3,928,098	231,112	6%
Programs	4,737,641	5,047,121	309,480	6%
Rentals/Events	3,411,920	3,643,892	231,972	6%
Total RAMP Revenues	11,846,547	12,619,111	772,564	7%
Category	Approved Budget 2025	Proposed Budget 2026	2026 Budget vs 2025 Budget \$ Increase (Decrease)	2026 Budget vs 2025 Budget % Increase (Decrease)
Parking, leasing, interest and other				
Parking	770,000	1,045,000	275,000	36%
Leasing	504,113	522,603	18,490	4%
Interest	610,000	625,000	15,000	2%
Other	416,092	387,866	(28,226)	-7%
Total Parking, leasing, interest and other revenues	2,300,205	2,580,469	280,264	12%
Category	Approved Budget 2025	Proposed Budget 2026	2026 Budget vs 2025 Budget \$ Increase (Decrease)	2026 Budget vs 2025 Budget % Increase (Decrease)
Games Operating Trust funding	3,200,000	3,200,000	-	0%
City of Richmond funding	3,573,500	2,500,000	(1,073,500)	-30%
Total Revenues	20,920,252	20,899,580	(20,672)	0%

Category	Approved Budget 2025	Proposed Budget 2026	2026 Budget vs 2025 Budget \$ Increase (Decrease)	2026 Budget vs 2025 Budget % Increase (Decrease)
RAMP Expenses				
Memberships/Admissions				
- Labour	1,339,466	1,376,951	37,485	3%
- Non-labour	367,303	409,795	42,492	12%
Total	1,706,769	1,786,746	79,977	5%
Programs				
- Labour	5,075,968	5,544,334	468,366	9%
- Non-labour	1,083,447	1,131,141	47,694	4%
Total	6,159,415	6,675,475	516,060	8%
Rentals/Events				
- Labour	985,718	1,027,002	41,284	4%
- Non-labour	226,125	223,832	(2,294)	-1%
Total	1,211,843	1,250,833	38,990	3%
Total RAMP Expenses	9,078,027	9,713,054	635,027	7%

Category	Approved Budget 2025	Proposed Budget 2026	2026 Budget vs 2025 Budget \$ Increase (Decrease)	2026 Budget vs 2025 Budget % Increase (Decrease)
Facility Operations				
- Labour	2,662,438	2,853,889	191,451	7%
- Non-labour	2,956,415	3,049,956	93,541	3%
Total Facility Operations expenses	5,618,853	5,903,845	284,992	5%
Admin/Finance				
- Labour	2,677,360	2,459,973	(217,387)	-8%
- Non-labour	1,088,371	1,052,276	(36,095)	-3%
Total Admin/Finance expenses	3,765,731	3,512,250	(253,481)	-7%
Amortization	2,500,000	2,200,000	(300,000)	-12%
Total Expenses	20,962,611	21,329,149	366,538	2%

2025 Budget vs. 2026 Budget

Revenues:

For 2026, total overall revenues are budgeted at \$20.9M, remaining consistent with 2025. While modest growth is anticipated in RAMP revenues (7%) and parking, leasing, interest, and other revenues (12%), this is largely offset by a 30% reduction in the City of Richmond's contribution.

The net increase in RAMP revenue anticipated is primarily from the following business lines:

Memberships and Admissions, Fitness, Events, Sport Programs, High Performance, Retail, and Richmond Olympic Experience (ROX).

Expenses:

Total expenses are budgeted at \$21.3 million, representing a 2% increase over the prior year's budget.

The increase primarily reflects higher operating expenditures across RAMP (7%) and facility operations (5%), which is partially offset by lower administration (7%) and amortization (12%) expenses.

The RAMP expenses primarily include the following: Memberships and Admissions, Fitness, Events, Sport Programs, High Performance, Retail, and Richmond Olympic Experience. The RAMP expenses are more than offset by the budgeted increase in RAMP revenues.

Labour costs represent a core element of the organization's cost structure, enabling consistent and effective program and service delivery, and some of these expenses are offset by increased revenues. For the 2026 labour budget, non-discretionary salary increases are proposed at 3.5% and are based on comparators from union agreements. In addition, the 2026 operating budget reflects a 2% adjustment to the benefits burden rate to align with market cost trends and maintain the organization's ability to attract and retain skilled employees, which is critical to delivering high-quality services. Despite these factors noted above and the additional expenditures expected from the organization's continued growth which are estimated to result in a 7% increase in RAMP revenues for 2026, the increase in the overall labour budget is approximately \$0.52M (4%) from \$12.74M in 2025 to \$13.26M in 2026. The Oval's 2026 labour budget will allow the organization to effectively manage rising visitation levels, expanded programming, and increased community demand, demonstrating strong fiscal management and operational performance.

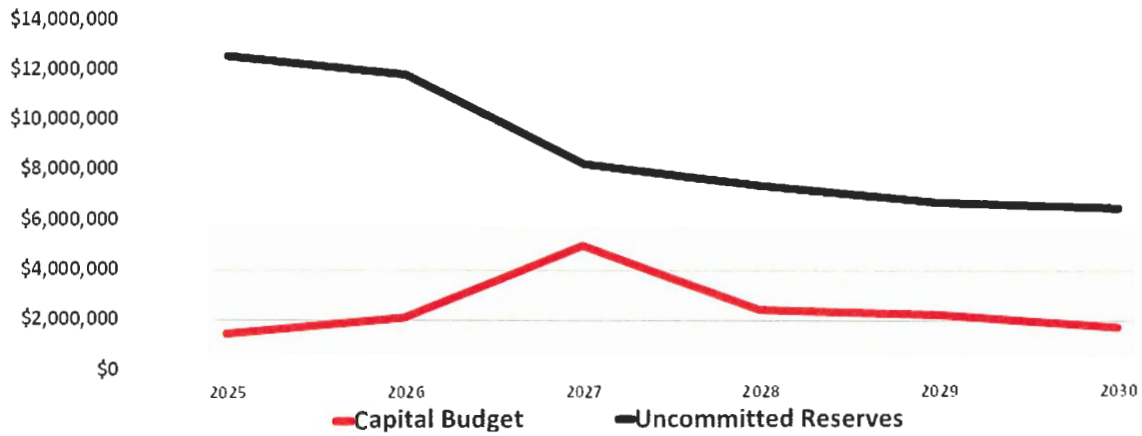
APPENDIX 3
2026 Capital Budget

MINOR CAPITAL

	Amount
Programming & Services Related Equipment	
Climbing, Sport & Programming Equipment	\$ 159,000
High Performance Training Centre and Programming Equipment	\$ 21,000
	<u>\$ 180,000</u>
Servicing Members Related Equipment	
Fitness Strength & Cardio Equipment	\$ 53,000
Sport Servicing Equipment	\$ 60,000
	<u>\$ 113,000</u>
Computer Software & Related Equipment	
Computer Equipment	\$ 224,000
Computer Networking Equipment	\$ 75,000
	<u>\$ 299,000</u>
Building Operations Requirements	
Building Operations & Equipment	\$ 151,000
Long-Term Facility Maintenance	\$ 145,000
Watersky Gardens Plaza Bridge Improvements – Phase 2	\$ 125,000
	<u>\$ 421,000</u>
Contingency	\$ 200,000
TOTAL MINOR CAPITAL BUDGET	\$ 1,213,000
MAJOR CAPITAL	
North Side Access Doors	\$ 550,000
Duct Relocation of Air Handling Unit #4	\$ 350,000
TOTAL 2026 CAPITAL BUDGET	<u><u>\$ 2,113,000</u></u>

APPENDIX 4

Projected Trend Analysis (Internally Funded Capital Projects)



The black line in the chart represents the projected uncommitted Capital Reserve balances that are used to fund future capital programs, including long term facility maintenance related items.



City of Richmond

Report to Committee

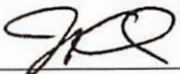


To: Finance and Audit Committee
From: Mike Ching, CPA, CMA
Director, Finance
Re: 2026 Proposed Capital Budget

Date: November 12, 2025
File: 03-0970-25-2026-
01/2025-Vol 01

Staff Recommendation

1. That the 2026 Proposed Capital Budget as presented in Appendix 3 totaling \$245,724,000 be approved; and
2. That the 2026 Proposed Capital Budget as approved be included in the Consolidated 5 Year Financial Plan (2026-2030).

Mike Ching, CPA, CMA
Director, Finance
(604-276-4137)

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
SENIOR MANAGEMENT TEAM	INITIALS: 
APPROVED BY CAO 	

Executive Summary

The City is responsible for providing and maintaining infrastructure, facilities, and other capital assets to serve its residents and businesses. The capital budget outlines the planned expenditures for adding, improving, replacing and extending the useful life of these assets. During the 2026 Capital Budget process, the Review Team (RT) reviewed and ranked each project submission based on the established capital ranking criteria, with Council's strategic plans, policies and priorities as the primary factors. The Senior Management Team (SMT) further reviewed the capital budget recommendations, and this report presents the final recommendation for the Finance and Audit Committee's consideration.

The 2026 Proposed Capital Budget recommends allocating \$245.7 million, which represents 89 capital projects. Some of the highlights include the City's Works Yard Replacement - Phase 1, investment in the flood protection program, the asphalt re-paving program, and renewal of community amenities. The Building and Infrastructure programs make up 68.2 per cent (or \$167.6 million) of the proposed budget. The Building program includes \$74.0 million for the Works Yard Replacement Phase 1 project and \$4.0 million for the Richmond Ice Centre sprinkler system replacement.

The City continues to invest in the Accelerated Flood Protection Program to address sea level rise. As such, \$33.6 million is recommended for the Flood Protection program which includes dike upgrade designs and improvements, drainage pump station rehabilitation and generator upgrade program, canal stabilization, and utility improvements.

The 2026 investment in the Parks program is \$5.6 million, comprising \$0.8 million for the Richmond Nature Park Enhancements, \$0.2 million to install ten pickleball courts and \$0.6 million for the Garden City Community Park Pedestrian Bridge Replacement. Other capital project highlights include \$0.4 million for Phase 1 of the Railway Greenway Solar Lighting project and \$0.7 million for the Timber and Natural Play Replacement Program.

The Equipment program totals to \$9.5 million, of which \$3.1 million is related to the replacement of a fire rescue vehicle and fire equipment, and \$5.6 million for corporate fleet replacement and utility vehicle purchases.

The Capital Budget proposes a \$3.0 million investment in the Information Technology (IT) program, with \$0.8 million for Workforce Management integration and implementation, and \$0.1 million for MyBusiness enhancements. The IT program also includes refreshing various IT equipment and infrastructure for \$1.7 million.

The Land program includes \$50.0 million for strategic real estate acquisitions. Council approval is required for each real estate transaction.

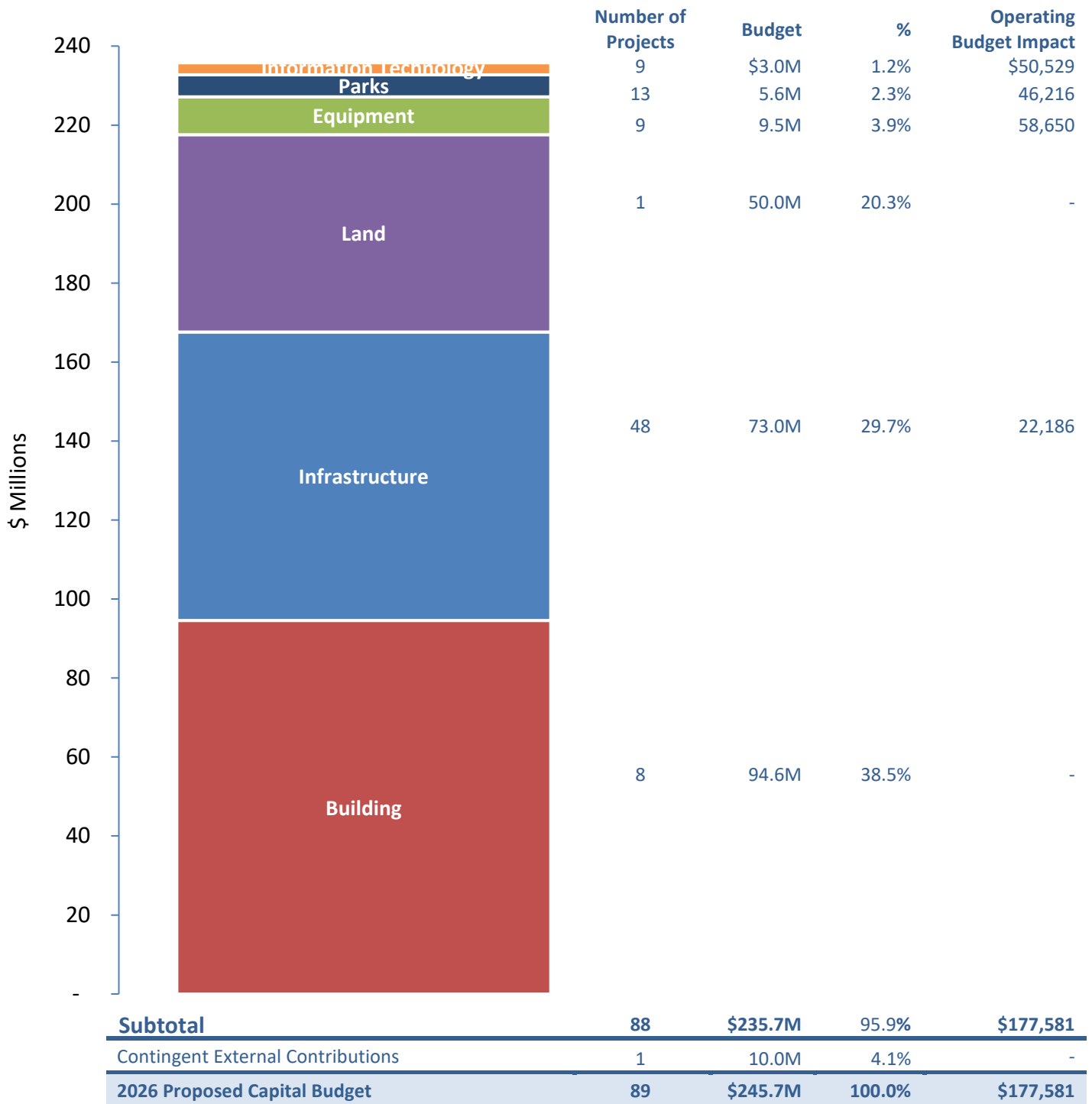
The timing and availability of potential grant opportunities and developer contributions are uncertain during the budget process. To account for this, \$10.0 million has been allocated as a contingency for potential external capital funding that may become available but was not anticipated at the time of the budget process.

In conclusion, the 2026 Proposed Capital Budget enables the City to replace its Works Yard, maintain its ageing infrastructure and facilities, and advance new capital works which are necessary to meet our growing community needs. The Operating Budget Impact (OBI) associated with these

projects is \$177,581. It is recommended that the 2026 Proposed Capital Budget be included in the Consolidated 5 Year Financial Plan (2026-2030).

The 2026 Proposed Capital Budget is summarized in Figure 1 with the complete list of recommended projects included in Appendix 3.

Figure 1: 2026 Proposed Capital Budget



Staff Report

Origin

Subsection 165(1) of the *Community Charter* requires the City to adopt a 5 Year Financial Plan (5YFP) Bylaw. The Proposed Capital Budget (Budget) is one of the main components of the 5YFP Bylaw. The Budget includes all capital expenditures that add, improve, replace and extend the useful life of the City's asset inventory. The Proposed Capital Budget allows the City to sustain existing civic infrastructure, while also adding new assets to service the growing community.

The Long Term Financial Management Strategy (LTFMS - Policy 3707) is a set of principles created by Council to guide the financial planning process. A key component of the LTFMS is to “ensure that long term capital funding for infrastructure (e.g. parks, trails, facilities, roads, etc.) is in place in order to maintain community liveability and generate economic development.”

This report supports Council's Strategic Plan 2022-2026 Strategy #4 Responsible Financial Management and Governance:

Responsible financial management and efficient use of public resources to meet the needs of the community.

4.1 Ensure effective financial planning to support a sustainable future for the City.

4.2 Seek improvements and efficiencies in all aspects of City business.

4.3 Foster community trust through open, transparent and accountable budgeting practices and processes.

4.4 Work with all levels of governments for grant and funding opportunities.

Analysis

This report presents the 2026 Proposed Capital Budget detailing the 2026 recommended projects, its justifications and the associated Operating Budget Impacts (OBI). This report also includes the projects currently planned for years 2027-2030 as required; however, the projects will be subject to final approval in each subsequent year.

The City owns \$4.3 billion in assets (historical cost), and the asset portfolio is highly diversified. The City's infrastructure includes 636 km of water pipes, 569 km of sewer pipes, 154 sanitary sewer pump stations, 1,338 km of asphalt roads, and other infrastructural assets. The City has one of the most comprehensive flood protection systems in British Columbia, including 49 km of dikes, 599 km of drainage pipes, 61 km of culverts and tunnels, 151 km of channelized watercourses and 39 pump stations to keep the City a safe place to live, work and play. The City's park system comprises of 140 parks totaling approximately 2,153 acres and more than 136 km of trails. Within the parks, there are parks improvement assets like sports fields, playgrounds, shelters and community gardens. In addition, the City is responsible for approximately 180 civic facilities including seven fire halls, four police stations, eight community centres and three arenas.

Richmond's current population is estimated at 241,375. Between the 2016 and 2021 censuses, the City experienced a population growth of 5.9 per cent, contributing to increased demand for infrastructure and services. To maintain service levels and support continued growth, investment in new infrastructure is essential. Additionally, Richmond's existing infrastructure requires ongoing maintenance and renewal to reduce the risk of service disruptions to residents and businesses.

In essence, Richmond's \$4.3 billion portfolio of ageing infrastructure, combined with steady population growth and rising service demands, underscores the need for sustained capital investment to maintain reliable services and community resilience.

Capital Budget Process

The capital budget is one of the most important processes that the City undergoes and the outcome represents the interests of taxpayers. The capital budget submission process is conducted utilizing established criteria to evaluate and prioritize capital projects that fulfill the needs of the City and the goals and objectives of Council. The use of objective criteria to prioritize capital projects will result in optimal capital decisions that withstand public review.

The capital budget process begins in early summer. Each division prepares its capital submissions based on its area of expertise, needs assessment, Council priorities and funding availability. In accordance with the Capital Submission Process administrative directive (3713 AD), each capital submission must include a business case. Every division's preparer must self-score their capital submissions and provide a rationale to support the assigned scores based on the established criteria as summarized in Appendix 1. Each capital submission may include an Operating Budget Impact (OBI) request for the on-going operating and maintenance costs that arise specifically from the capital projects. An OBI request must be supported by a business case which forms part of the capital submission. Each division must explicitly justify actual OBI expected along with any assumptions made.

A Review Team (RT), approved by the Chief Administrative Officer (CAO), is tasked to review and rank the capital submissions. The RT is composed of the Chair and Directors nominated by the Senior Management Team (SMT) from their respective divisions. The RT reviews the submissions in accordance with corporate objectives and Council Strategic Plan priorities. The recommendation is provided to the SMT for review and discussion.

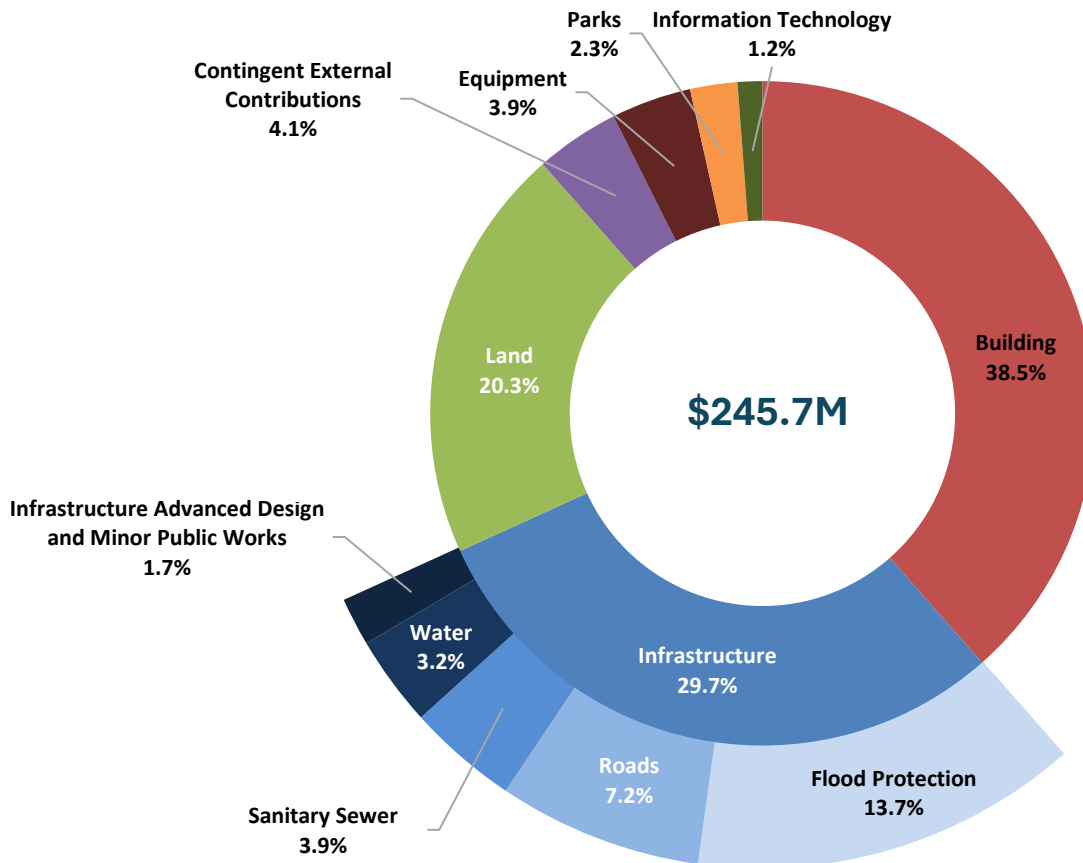
The 2026 Proposed Capital Budget includes and presents the final recommendation from the SMT to the Finance and Audit Committee for review, approval and inclusion in the Consolidated 5 Year Financial Plan (2026-2030). The capital budget process is illustrated in Appendix 2.

All in all, the City's capital budget process ensures that every proposed project is evaluated through a transparent, data-driven framework resulting in a prioritized list of investments that align with the Council's strategic goals; forming the basis of the 2026 Proposed Capital Budget.

2026 Proposed Capital Budget

The 2026 Proposed Capital Budget amounts to \$245.7 million of capital investment, focusing on infrastructure renewals, acceleration of the flood protection program, and the replacement of the City's Works Yard. The following graph (Figure 2) summarizes the 2026 Proposed Capital Budget by program.

Figure 2: 2026 Recommended Projects by Program



Infrastructure Program

The proposed capital budget for the Infrastructure program is \$73.0 million, with \$33.6 million allocated to the Flood Protection program and \$17.7 million to the Roads program.

The City's Accelerated Flood Protection Program outlines a 50-year implementation plan to raise all 49 km of the City's dike. In 2020, the City was awarded \$13.8 million of grant funding from the Disaster Mitigation Adaptation Fund for the design and construction of drainage pump station upgrades and perimeter dike raising. \$10.1 million of the grant has already been included in previous Council-approved capital projects. The remaining \$3.7 million of the grant, which has not yet been incorporated into the capital project, is included in the 2026 capital budget.

The Budget includes a \$6.7 million investment in flood protection and dike improvements and \$4.7 million in dike upgrade designs. While the Flood Protection and Dike Improvements Project emphasize flood protection improvements, the Dike Upgrade Designs Project will focus on planning, designing and providing detailed reports to facilitate the City's Accelerated Flood Protection Program.

Within the Roads program, a total of \$9.3 million has been allocated to asphalt re-paving to maintain roadway service levels and support proactive roadway upgrades. This includes an additional funding of \$3.0 million that is anticipated to be awarded in 2026 for the Major Road Network Corridor deficiencies identified by TransLink. Another key initiative is the \$2.0 million Arterial Roadway Improvement Program, which includes a planned upgrade of the No. 6 Road and Vulcan Way intersection to a signalized intersection.

Other key infrastructure projects include \$5.5 million to the Watermain Replacement and Upgrades Program, targeting to replace 3,434 m of watermain, and \$7.8 million to the Steveston Sanitary Sewer Rehabilitation Program, which is part of a multi-year program to assess, rehabilitate or replace ageing gravity sewers in the Steveston area.

Building Program

The Building program proposes a \$94.6 million capital investment, comprising of \$74.0 million for the Works Yard Replacement Project, \$4.0 million for the sprinkler system replacement at the Richmond Ice Centre, and \$3.7 million for the skylight dome repair and air handling unit replacement at the Richmond Cultural Centre.

On July 28, 2025, staff presented the program, form, phasing and budget of the Works Yard Replacement capital project to Council. Council approved the program totalling approximately 400,000 sq. ft. and the building form. The Council-approved Phasing Strategy consolidates the schedule from four phases to three and shortens the overall project timeline from 12 years to 10 years. Council also endorsed adding the Workshop Program and other related elements to the scope of work for Phase 1. In addition, Council endorsed that a capital submission for the Works Yard Replacement – Enabling Works and Phase 1 Project, reflecting a scope change and a budget increase of \$74.0 million (2025 dollars), be prepared for Council's consideration as part of the 2026 budget process. This capital submission will be funded from the following funding sources:

- \$42.7 million from the Capital Building and Infrastructure reserve
- \$7.3 million from the Capital Reserve (Revolving Fund)
- \$10.0 million from the Sanitary Sewer reserve
- \$14.0 million from the Water Supply reserve

By implementing the Workshop facilities earlier in the schedule, the City can proceed with procurement and installation of key equipment sooner, which supports operational continuity and helps mitigate the impact of market-driven cost escalation. Earlier workshop delivery also enhances scheduling flexibility for subsequent phases and reduces dependency on ageing infrastructure that would otherwise remain in use longer under the initial phasing plan. Additional efficiencies can be realized by locating the staff parking lot beneath the Main Building (Administration and Workshop).

Parks Program

The 2026 Parks program is \$5.6 million. The majority of the funding has been allocated to infrastructure-renewal projects such as the pedestrian bridge replacement within the Garden City Community Park (\$0.6 million) and the Timber Play replacement in various playgrounds (\$0.7 million). In addition to the renewal projects, the City will invest \$0.4 million in solar lighting for the Railway Greenway and \$0.2 million in Pickleball Court installations. It is anticipated that another ten pickleball courts will become available upon project completion.

Land Program

The 2026 Proposed Capital Budget includes \$50.0 million allocated for future strategic real estate acquisition. Any real estate acquisition must meet the Council Approved Strategic Real Estate Investment Plan, and a separate Council approval is required for each real estate acquisition transaction.

Equipment Program

The Equipment program amounts to \$9.5 million, of which \$3.1 million is related to fire equipment and vehicle replacement and \$4.7 million related to the replacement of the City's vehicles and equipment.

Information Technology Program

The 2026 Capital Budget proposes a \$3.0 million investment in the Information Technology program. The City will continue its investment in the enhancement of the MyBusiness platform (\$0.1 million) to shorten the licensing process time, and advanced technologies like data analytics (\$0.1 million) and workforce management integration and implementation (\$0.8 million). Other investments include refreshing various IT equipment and infrastructure.

The 2026 recommended capital projects are listed in Appendix 3. Capital projects that are not recommended for funding are summarized in Appendix 7. Individual capital submission details can be found in Appendices 8 and 9.

At the discretion of the Finance and Audit Committee, any capital project recommended by staff for funding may be removed from the recommended list. In addition, any capital project that is not recommended for funding may be reconsidered for recommendation by the Finance and Audit Committee, subject to funding availability.

Capital Budget Funding Sources

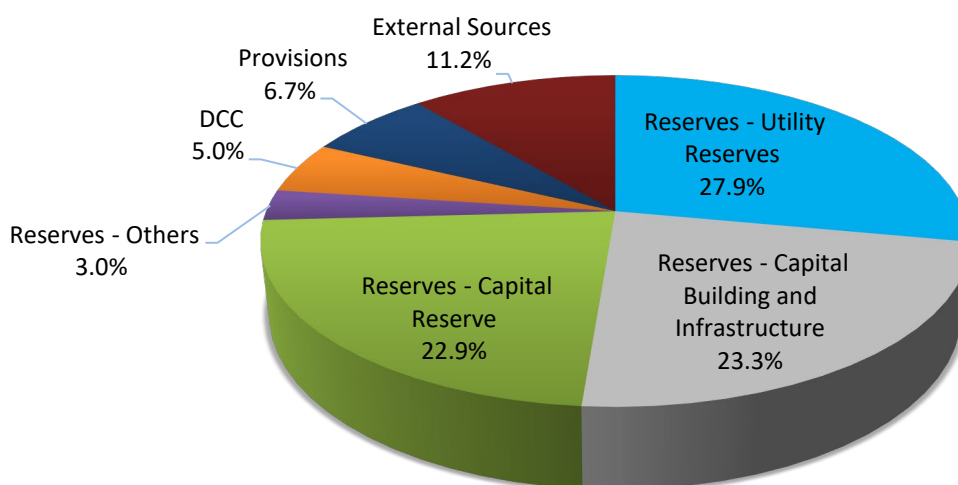
The City balances capital investment with various funding sources to maximize the investment value. The Capital funding is summarized as follows:

- **Development Cost Charges (DCC):** These are legislated levies placed on new developments that result in increased demands on the City's infrastructure and may only be used to pay for capital costs related to parkland acquisition and development, storm drainage, roads, sanitary sewer, and water infrastructure.
- **Reserves:** These are funds established by bylaws for specific capital purposes and are funded primarily by contributions from the Operating and Utility Budgets and developer contributions.

- **Provisions:** These include funds set aside for future commitments and obligations and developer contributions (other than DCCs).
- **Rate Stabilization Account:** This is the operating surplus that is set aside for one-time funding opportunities or for deferring the City's tax increases to a future year.
- **Debt:** These include external borrowings to fund long-term capital projects.
- **External sources:** These include grants, and other non-City funding sources.

The 2026 Proposed Capital Budget by funding source is illustrated in Figure 3.

Figure 3: 2026 Proposed Capital Budget by funding source



Development Cost Charges (DCC)

The 2026 recommended capital projects that are funded from DCCs are listed in Appendix 6. In addition to growth, a DCC-funded capital project can also benefit the existing population. For the 2026 recommended capital projects, the benefit allocation to the existing population ranges from 0 to 75 per cent. In accordance with the *Local Government Act*, the City is responsible for paying for the portion of the total infrastructure that benefits the existing population through tax or other funding sources. Additionally, the City pays one per cent of the infrastructure cost as the municipal assist factor to assist future growth. The City funding related to the Drainage, Water and Sanitary Sewer DCC programs will be funded from their corresponding utility reserves. The funding for Roads, Parks Acquisition and Parks Development DCC programs will be funded from the Capital Reserve (Revolving Fund).

Capital Reserves

The City established various capital reserves to finance the majority of its capital renewal projects through the collection of utility fees or property taxes. The Capital Reserve (Industrial Use) is also funded through rental income, as well as proceeds from real estate disposition. The contributions to these reserves are built-in to the Utility and Operating budgets and any increase in the contribution will require Council approval. These annual contributions strengthen the reserve balance, which is essential for major capital investments like the Accelerated Flood Protection Program and the replacement of ageing infrastructure.

Capital Building and Infrastructure (CBI) Reserve

In September 2003, City Council approved the Long Term Financial Management Strategy (LTFMS - Policy 3707) directing a one per cent tax increase in transfer to reserves for infrastructure replacement needs. Since the establishment of this policy, the City has funded a number of major facility projects such as:

- Fire Hall No. 1
- Fire Hall No. 3
- Minoru Centre for Active Living
- Phoenix Net Loft deconstruction
- Richmond Animal Shelter
- Bowling Green Community Activity Centre
- West Richmond Pavilion (formerly called Hugh Boyd Community Facility and Fieldhouse)
- Works Yard Replacement – Phase 1

The major facility replacement that is anticipated to be in service in 2025 is the Bowling Green Community Activity Centre. The Steveston Community Centre and Library is currently under construction and is anticipated to be completed before the end of 2026. The Works Yard is another major facility replacement that has a 10-year timeline and is currently underway. The entire project budget is estimated to be \$410.0 million and \$100.0 million of that has been approved thus far. The Proposed 5 Year Capital Plan (2026-2030) includes \$230.0 million for this project. The Covered Lacrosse Box and the Japanese Duplex Restoration and Fit Out are the other major facility projects that have been included in the Proposed 5 Year Capital Plan.

The CBI Reserve is not only being used for replacement of major facilities, but also to fund capital improvements for more than 180 City-owned buildings. A building assessment is conducted regularly on the buildings to identify the capital work required. Feasibility level review and costing is then performed before submitting the capital requests to the budget process.

To support the Works Yard Replacement project budget, the City will need to maintain a one per cent annual property tax increase for the next 10 years. This is in line with the Council's Long Term Financial Management Strategy Policy 3707. Other submissions that will be funded in 2026 include capital works at the Richmond Ice Centre and Richmond Cultural Centre. The list of CBI-funded 2026 capital projects are listed in Appendix 5.

Capital Reserve (Revolving Fund)

The Capital Reserve (Revolving Fund) was established to fund new assets that are required to support Council's new initiatives. This fund also supports new programs that are not within the approved DCC plan and existing asset renewals that are not financed by a designated capital reserve. For 2026, there are 16 capital submissions competing for funding, with a total funding request of \$17.5 million from the Revolving Fund. Of this, 12 capital projects such as the Railway Greenway Solar Lighting - Phase 1 and Richmond Nature Park Enhancements are recommended. The 2026 recommended projects funded from the Revolving Fund are listed in Appendix 4. Replacement of ageing infrastructure and the City's Works Yard are considered priorities in 2026.

Provisions

Provisions include funds set aside for future commitments and obligations and developer contributions (other than DCCs). One of the examples is the Capstan Neighbourhood Park activation that will be funded from a developer contribution. The City has received \$0.3 million from the developer as part of the rezoning consideration, and it will be used to install park features or amenities in the Capstan Neighbourhood Park.

Rate Stabilization Account (RSA)

The Rate Stabilization Account (RSA) was approved by Council in 2013 to ensure that funding would be available to help balance the budget for non-recurring items and level out tax increases. It could also be used to fund one-time capital expenditure requests. Each year, once the City's accounts from the prior year are finalized, any resulting surplus is transferred into the RSA. The RSA has an unaudited balance of \$16.8 million as of October 31, 2025. There are no capital projects to be funded by the RSA in 2026.

Debt

Debt financing is preserved for significant large-scale capital projects based on internal funding levels and external market conditions. The City has secured a \$96.0 million capital loan for the Steveston Community Centre and Library capital project, with a repayment term of 20 years. The unaudited long term debt balance as of September 30, 2025, is \$85.5 million.

External Sources

External sources include grants, senior government funding received by the City and external contributions. By securing these external resources, the City can optimize its capital investment by pursuing larger-scale capital projects at a faster rate to support the City's initiatives and infrastructure development.

The 2026 Proposed Capital Budget includes external grants for the following capital projects:

- Arterial Roadway Improvement Program
- Top 20 Collision Prone Intersection
- Transit-Related Amenity and Roadway Improvement Program
- Disaster Mitigation and Adaptation Fund Infrastructure Upgrades

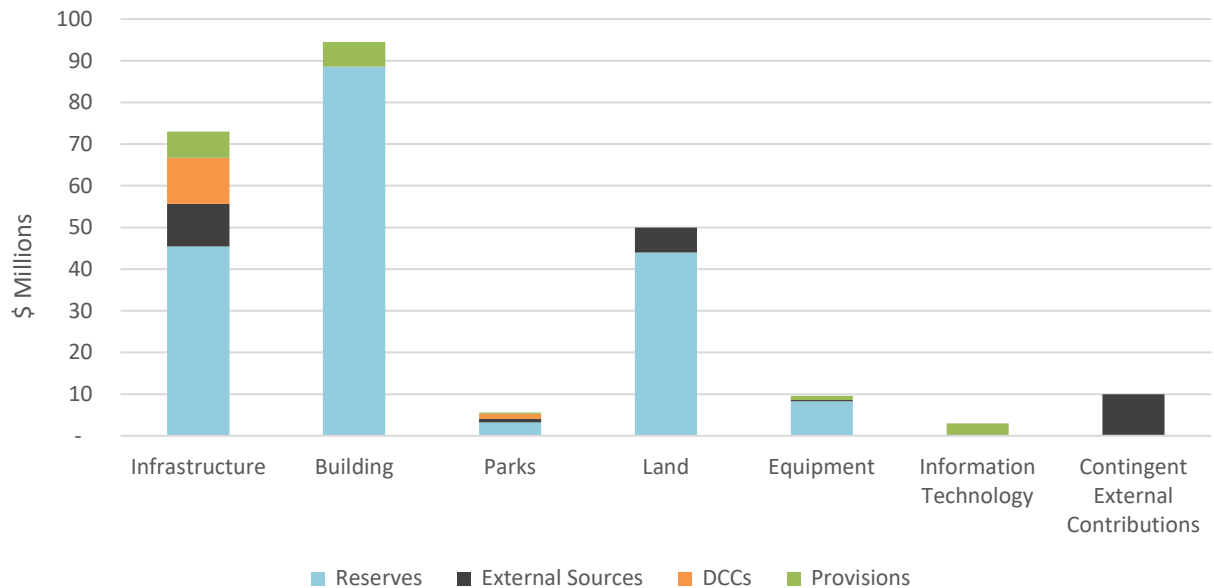
Senior government funding includes the Canada Community Building Fund which supports infrastructure and capacity-building projects with environmental outcomes, the Housing Accelerator Fund (HAF) for new affordable housing initiatives, and TransLink's Operations, Maintenance and Rehabilitation (OMR) program for the rehabilitation of the major road network. These senior government programs provide funding to the following 2026 capital projects:

- Annual Asphalt Re-Paving Program – MRN
- Energy Management – Continuous Optimization Project
- Pickleball Court Installation
- Supplementary MRN Road Rehabilitation Program
- Strategic Real Estate Acquisition
- Timber and Natural Play Replacement Program

The budget includes \$17.4 million external funding, and an additional \$10.0 million which is for potential grant opportunities and developer contributions that cannot be anticipated at the time of the budget process.

The 2026 Capital Program by funding source is illustrated in Figure 4.

Figure 4: 2026 Capital Program by Funding Source



2026 Operating Budget Impact (OBI)

Operating Budget Impacts (OBIs) are ongoing additional operating and maintenance costs associated with new, upgraded and contributed assets. Operating and maintenance costs can include labour, materials, utilities, equipment usage, annual software subscriptions and support contracts. These OBIs need to be added to the City's operating budget to maintain the City's service level.

The total OBI relating to the 2026 recommended projects is \$177,581, which can be summarized as follows:

Table 1: 2026 Capital OBI

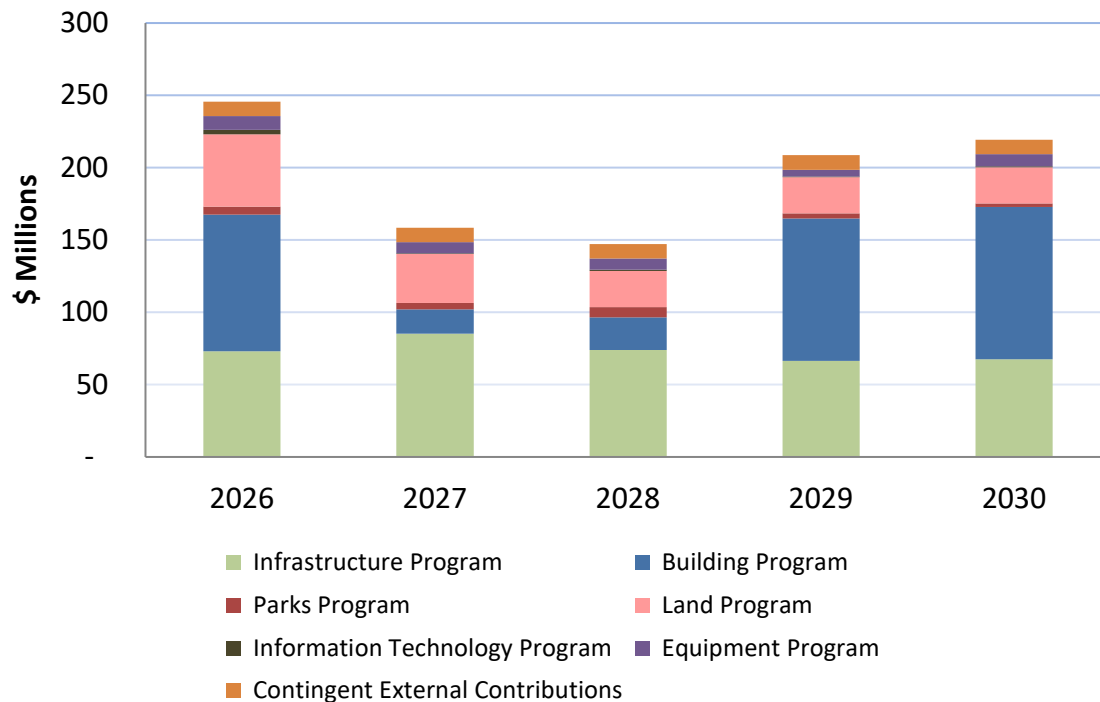
2026 Capital OBI Breakdown	Amount
Supplies and materials	\$ 88,138
Contract services	24,092
Public works maintenance	65,351
Total	\$ 177,581

The OBIs resulting from the approved capital projects will be added to the Operating Budget in the same year that they are approved by Council. Of this amount, \$76,000 is related to utility projects and is included within the Equipment program. If the respective projects are approved, this amount will be incorporated into the 2027 utility rate budget since the 2026 Utility Budgets and Rates report was approved on November 10, 2025.

Proposed 2026 to 2030 Capital Plan

The Proposed 5 Year Capital Plan emphasizes the renewal of critical infrastructure assets, investment in major facility replacements, conservation of the City's heritage buildings and expansion of multi-use pathways. The majority of the Plan is allocated to the Infrastructure program and the Building program, with the distribution of capital funding by program illustrated in Figure 5.

Figure 5: Capital Budget by Program (2026-2030)



Within the Infrastructure program, \$157.3 million has been allocated to the Flood Protection program, and \$8.4 million is planned for the construction of a multi-use pathway on Shell Road, between Highway 99 and River Road. The City will continue to invest \$230.0 million in the Works Yard Replacement project, \$18.4 million in the Richmond Ice Centre building renewals, \$6.8 million to build a new Covered Lacrosse Box, and \$8.0 million in the Japanese Duplex Restoration and Fit Out. A summary of the 5 Year Capital Plan (2026-2030) is presented in Appendix 10, and the funding sources are presented in Appendix 11. A detailed listing of these projects, sorted by program, is presented in Appendix 12. Highlights of the 2027–2030 projects are summarized in Appendix 14.

Due to funding constraints, not all capital submissions for future years can be included in the Plan. A summary of submissions that are not recommended for funding is provided in Appendix 13. One of the key projects is Lulu Island Park, envisioned as the City's premier waterfront park in the City Centre area. All necessary parkland acquisitions were completed in 2024. Funding for the Park's Master Plan has been secured and \$2.75 million has been allocated for detailed design work in the 5 Year Capital Plan. Construction will be phased, with capital cost estimates to be refined during the detailed design stage.

As DCC funding depends on the timing of new developments, and future funding availability cannot be precisely determined, the City has adopted a conservative approach in projecting DCC funding for future years. Consequently, capital submissions for the construction of Lulu Island Park's Phase 1 and Phase 2 in 2029 to 2030 are not included in the 5 Year Capital Plan due to funding availability. Any future capital submissions that are currently excluded from the Plan may be reconsidered and potentially recommended in future budget cycles. Priorities, asset conditions, cost escalations and funding availability are continuously reviewed. All capital submissions will be subject to final approval in each subsequent year.

Financial Impact

The 2026 Proposed Capital Budget with a total value of \$245,724,000 will enable the City to maintain and advance the asset inventory in order to provide necessities and benefits to the community. It is recommended to include the 2026 Proposed Capital Budget and the Operating Budget Impact of \$177,581 in the Consolidated 5 Year Financial Plan (2026–2030).

Conclusion

The recommended capital budget for 2026 is \$245,724,000. The Review Team worked closely with the SMT to represent the interests of all stakeholders to ensure that the 2026 capital program addresses Council's strategic plans, policies and priorities and meets the needs of the community while effectively utilizing available funding.



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- Appendix 1: Capital Ranking Criteria
- Appendix 2: 2026 Capital Budget Process
- Appendix 3: Summary of Capital Projects – Recommended for funding in 2026
- Appendix 4: 2026 Summary of Projects Funded by Revolving Fund
- Appendix 5: 2026 Summary of Projects Funded by Capital Building and Infrastructure Reserve
- Appendix 6: 2026 Summary of Projects Funded by Development Cost Charges
- Appendix 7: Summary of Capital Projects – Not Recommended for funding in 2026
- Appendix 8: Details of Projects Recommended for funding in 2026 by Program
- Appendix 9: Details of Projects Not Recommended for funding in 2026 by Program
- Appendix 10: 5 Year Capital Plan Summary (2026 - 2030)
- Appendix 11: 5 Year Capital Plan by Funding Sources (2026 - 2030)
- Appendix 12: 5 Year Capital Plan by Program (2026 - 2030) – Recommended
- Appendix 13: 5 Year Capital Plan by Program (2026 - 2030) – Not Recommended for funding
- Appendix 14: 2027 - 2030 Capital Plan Highlights
- Appendix 15: Glossary of Terms

Capital Ranking Criteria

Alignment with City Vision	<ul style="list-style-type: none"> Does this support Council's Strategic Plan or an approved City strategy?
Risk Management	<ul style="list-style-type: none"> Is there a legal or regulatory compliance requirement and/or a risk that needs to be managed?
Social	<ul style="list-style-type: none"> Will this enhance social equity, vibrancy and/or health and wellness of the community?
Environmental	<ul style="list-style-type: none"> Will this improve environmental conditions or reduce waste?
Economic	<ul style="list-style-type: none"> Is there Operating Budget Impact (OBI) and external funding for the project?
Innovation & Efficiency	<ul style="list-style-type: none"> Is this innovative and does it increase productivity? (applicable only to IT related submissions)

2026 Capital Budget Process



Project Name	External Funding	City Funding ¹	Total Investment	Total OBI	Ref
INFRASTRUCTURE PROGRAM					
Roads					
Active Transportation Improvement Program	-	250,000	250,000	12,880	27
Annual Asphalt Re-Paving Program - MRN	1,807,000	-	1,807,000	-	28
Annual Asphalt Re-Paving Program - Non-MRN	-	4,447,000	4,447,000	-	29
Arterial Roadway Improvement Program	700,000	1,300,000	2,000,000	3,057	30
Citywide Connector Walkway Improvement Program	-	250,000	250,000	-	31
Road Sensors Program	-	100,000	100,000	-	32
Sidewalk and Walkway Improvement Program	-	750,000	750,000	-	33
Special Crosswalk Program	-	300,000	300,000	3,949	34
Street Light Condition Assessment - Phase 2	-	400,000	400,000	-	35
Supplementary MRN Road Rehabilitation Program	3,037,000	-	3,037,000	-	36
Top 20 Collision Prone Intersections	907,403	992,597	1,900,000	-	37
Traffic Calming Program	-	200,000	200,000	2,300	38
Traffic Signal Power Backup System (UPS) Program	-	400,000	400,000	-	39
Traffic Signal Upgrade Program	-	500,000	500,000	-	40
Traffic Video and Communication Program	-	400,000	400,000	-	41
Transit-Related Amenity and Roadway Improvement Program	100,000	150,000	250,000	-	42
Transportation Planning and Design	-	750,000	750,000	-	43
Total Roads	\$6,551,403	\$11,189,597	\$17,741,000	\$22,186	
Flood Protection					
Box Culvert Repair	-	1,584,000	1,584,000	-	45
Burkeville Utility Improvements	-	521,000	521,000	-	46
Canal Stabilization and Drainage and Irrigation Upgrades	-	1,864,000	1,864,000	-	47
Development Coordinated Works - Flood Protection	-	250,000	250,000	-	48
Dike Upgrade Designs	-	4,688,000	4,688,000	-	49
Disaster Mitigation and Adaptation Fund Infrastructure Upgrades	3,693,600	9,450,400	13,144,000	-	50
Drainage Chamber Rehabilitation and Upgrades	-	150,000	150,000	-	51
Drainage Pump Station Rehabilitation and Generator Upgrade Program	-	500,000	500,000	-	52
Flood Protection and Dike Improvements	-	6,662,000	6,662,000	-	53
Invasive Species Management	-	200,000	200,000	-	54
Laneway Drainage Upgrades	-	3,263,000	3,263,000	-	55
Riparian and Instream Habitat Monitoring	-	100,000	100,000	-	56
SCADA System Improvements	-	200,000	200,000	-	57
Watercourse Rehabilitation and Replacement	-	450,000	450,000	-	58
Total Flood Protection	\$3,693,600	\$29,882,400	\$33,576,000	-	
Water					
Development Coordinated Works - Water	-	250,000	250,000	-	60
Fire Hydrant Upgrades	-	400,000	400,000	-	61
Water Metering Program	-	1,500,000	1,500,000	-	62
Watermain Replacement and Upgrades Program	-	5,515,000	5,515,000	-	63
Watermain Tie-in and Restoration	-	300,000	300,000	-	64
Total Water	-	\$7,965,000	\$7,965,000	-	

¹ City Funding includes funding from the Development Cost Charges, reserves, funds set aside for future commitments and obligations, and sources other than external sources.

Project Name	External Funding	City Funding ¹	Total Investment	Total OBI	Ref
INFRASTRUCTURE PROGRAM					
<i>Sanitary Sewer</i>					
Development Coordinated Works - Sanitary	-	250,000	250,000	-	66
Sanitary Pump Station and Forcemain Upgrades and Rehabilitation	-	800,000	800,000	-	67
Sanitary Sewer Gravity System Assessment and Rehabilitation	-	600,000	600,000	-	68
Sanitary Sewer Tie-in and Restoration	-	150,000	150,000	-	69
Steveston Sanitary Sewer Rehabilitation	-	7,838,000	7,838,000	-	70
Total Sanitary Sewer	-	\$9,638,000	\$9,638,000	-	
<i>Infrastructure Advanced Design and Minor Public Works</i>					
Public Works Infrastructure Advanced Design	-	2,500,000	2,500,000	-	72
Public Works Minor Capital - Dikes	-	150,000	150,000	-	73
Public Works Minor Capital - Drainage	-	350,000	350,000	-	74
Public Works Minor Capital - Roads	-	350,000	350,000	-	75
Public Works Minor Capital - Sanitary	-	150,000	150,000	-	76
Public Works Minor Capital - Sanitation and Recycling	-	350,000	350,000	-	77
Public Works Minor Capital - Water	-	250,000	250,000	-	78
Total Infrastructure Advanced Design and Minor Public Works	-	\$4,100,000	\$4,100,000	-	
TOTAL INFRASTRUCTURE PROGRAM	\$10,245,003	\$62,774,997	\$73,020,000	\$22,186	
BUILDING PROGRAM					
<i>Building</i>					
Annual Facility Services Infrastructure Replacements	-	3,000,000	3,000,000	-	80
Annual Project Development Building Improvements	-	5,954,000	5,954,000	-	81
Capital Buildings Project Development Advanced Design	-	500,000	500,000	-	82
East Richmond Community Hall Envelope and HVAC Renewals	-	700,000	700,000	-	83
Richmond Cultural Centre Skylight Dome Repair and Air Handling Unit Replacements	-	3,700,000	3,700,000	-	84
Richmond Ice Centre – Sprinkler System Replacement	-	4,000,000	4,000,000	-	85
Works Yard Replacement – Phase 1	-	74,000,000	74,000,000	-	86
Total Building	-	\$91,854,000	\$91,854,000	-	
<i>Heritage</i>					
London Farm Envelope Restorations	-	2,700,000	2,700,000	-	88
Total Heritage	-	\$2,700,000	\$2,700,000	-	
TOTAL BUILDING PROGRAM	-	\$94,554,000	\$94,554,000	-	

¹ City Funding includes funding from the Development Cost Charges, reserves, funds set aside for future commitments and obligations, and sources other than external sources.

Project Name	External Funding	City Funding ¹	Total Investment	Total OBI	Ref
PARKS PROGRAM					
<i>Parks</i>					
Capstan Neighbourhood Park Activation	-	262,000	262,000	-	90
Experience the Fraser Trail Enhancements – Phase 1	-	100,000	100,000	3,450	91
Garden City Community Park Pedestrian Bridge Replacement	-	600,000	600,000	-	92
Minoru Lakes District Tree Art Plan	-	100,000	100,000	-	93
Parks Advanced Planning and Design	-	600,000	600,000	-	94
Parks Ageing Infrastructure Rehabilitation Program	-	700,000	700,000	-	95
Parks General Development	-	500,000	500,000	2,401	96
Parks Identity and Wayfinding Signage Program	-	150,000	150,000	11,500	97
Pickleball Court Installation	200,000	-	200,000	8,050	98
Playground Replacement Program	-	600,000	600,000	-	99
Railway Greenway Solar Lighting – Phase 1	-	360,000	360,000	13,340	100
Richmond Nature Park Enhancements	-	750,000	750,000	7,475	101
Timber and Natural Play Replacement Program	650,000	-	650,000	-	102
TOTAL PARKS PROGRAM	\$850,000	\$4,722,000	\$5,572,000	\$46,216	
LAND PROGRAM					
<i>Land</i>					
Strategic Real Estate Acquisition	6,000,000	44,000,000	50,000,000	-	104
TOTAL LAND PROGRAM	\$6,000,000	\$44,000,000	\$50,000,000	-	
EQUIPMENT PROGRAM					
<i>Vehicle</i>					
Flood Protection Vehicle Purchase	-	180,000	180,000	41,400	106
Sanitary Sewer Vehicle Purchase	-	170,000	170,000	46,000	107
Utility Department Vehicle Purchase	-	580,000	580,000	-	108
Vehicle and Equipment Replacement (PW and Corporate Fleet)	-	4,711,000	4,711,000	-	109
Total Vehicle	-	\$5,641,000	\$5,641,000	\$87,400	
<i>Fire Vehicle and Equipment</i>					
Fire Equipment Replacement	-	451,000	451,000	-	111
Fire Vehicle Replacement	-	2,627,000	2,627,000	-	112
Total Fire Vehicle and Equipment	-	\$3,078,000	\$3,078,000	-	
<i>Equipment</i>					
Energy Management – Continuous Optimization Project	325,000	175,000	500,000	(28,750)	114
Minoru Centre for Active Living Fitness Equipment Replacement	-	150,000	150,000	-	115
Parking Mobile Payment Solution	-	203,000	203,000	-	116
Total Equipment	\$325,000	\$528,000	\$853,000	(\$28,750)	
TOTAL EQUIPMENT PROGRAM	\$325,000	\$9,247,000	\$9,572,000	\$58,650	

¹ City Funding includes funding from the Development Cost Charges, reserves, funds set aside for future commitments and obligations, and sources other than external sources.

Project Name	External Funding	City Funding ¹	Total Investment	Total OBI	Ref
INFORMATION TECHNOLOGY PROGRAM					
<i>Information Technology</i>					
Annual Hardware Refresh	-	1,013,000	1,013,000	-	118
Annual Virtual Hosts Refresh	-	150,000	150,000	-	119
Application Traffic Load Balancer Refresh	-	163,000	163,000	-	120
Data Analytics Services 2026	-	119,000	119,000	-	121
MyBusiness 2.0 Enhancements	-	143,000	143,000	-	122
Network Security Infrastructure Refresh	-	104,000	104,000	16,100	123
PeopleSoft Application Assessment	-	203,000	203,000	-	124
Telecommunications Infrastructure Refresh	-	271,000	271,000	34,429	125
Workforce Management Integration and Implementation	-	840,000	840,000	-	126
TOTAL INFORMATION TECHNOLOGY PROGRAM	-	\$3,006,000	\$3,006,000	\$50,529	
TOTAL 2026 CAPITAL PROGRAM BEFORE CONTINGENT EXTERNAL CONTRIBUTIONS					
	\$17,420,003	\$218,303,997	\$235,724,000	\$177,581	
CONTINGENT EXTERNAL CONTRIBUTIONS					
Contingent External Contributions	10,000,000	-	10,000,000	-	128
TOTAL CONTINGENT EXTERNAL CONTRIBUTIONS	\$10,000,000	-	\$10,000,000	-	
TOTAL 2026 CAPITAL PROGRAM					
	\$27,420,003	\$218,303,997	\$245,724,000	\$177,581	

OBI Type	
Operating OBI	\$101,581
Utility OBI	\$76,000
Total OBI	\$177,581

¹ City Funding includes funding from the Development Cost Charges, reserves, funds set aside for future commitments and obligations, and sources other than external sources.

The Revolving Fund is utilized to fund various capital projects and is funded from taxes.

Project Name	Revolving Fund	Total Investment	Total OBI	Ref
INFRASTRUCTURE PROGRAM				
<i>Roads</i>				
Citywide Connector Walkway Improvement Program	250,000	250,000	-	31
Road Sensors Program	100,000	100,000	-	32
Sidewalk and Walkway Improvement Program ¹	250,000	750,000	-	33
Street Light Condition Assessment – Phase 2	400,000	400,000	-	35
Total Roads	\$1,000,000	\$1,500,000	-	
<i>Infrastructure Advanced Design and Minor Public Works</i>				
Public Works Minor Capital - Roads	350,000	350,000	-	75
Total Infrastructure Advanced Design and Minor Public Works	\$350,000	\$350,000	-	
TOTAL INFRASTRUCTURE PROGRAM	\$1,350,000	\$1,850,000	-	
BUILDING PROGRAM				
<i>Building</i>				
Works Yard Replacement – Phase 1	7,300,000	74,000,000	-	86
TOTAL BUILDING PROGRAM	\$7,300,000	\$74,000,000	-	
PARKS PROGRAM				
<i>Parks</i>				
Garden City Community Park Pedestrian Bridge Replacement	600,000	600,000	-	92
Minoru Lakes District Tree Art Plan	100,000	100,000	-	93
Parks Ageing Infrastructure Rehabilitation Program	700,000	700,000	-	95
Playground Replacement Program	600,000	600,000	-	99
Railway Greenway Solar Lighting – Phase 1	360,000	360,000	13,340	100
Richmond Nature Park Enhancements	750,000	750,000	7,475	101
TOTAL PARKS PROGRAM	\$3,110,000	\$3,110,000	\$20,815	
Total Projects Funded by Revolving Fund	\$11,760,000	\$78,960,000	\$20,815	
The City funding related to Roads DCC and Parks DCC capital projects are also funded by the Revolving Fund.				
City funding for Parks Development DCC capital projects	80,325			
City funding for Roads DCC capital projects ²	353,585			
Total City Funding for DCC Capital Projects	\$433,910			
TOTAL FUNDING FROM REVOLVING FUND	\$12,193,910			

¹ The Sidewalk and Walkway Improvement Program is funded from both Roads DCC and Capital Reserve (Revolving Fund). The City funding related to the Roads DCC portion of the capital work is \$29,750, which is also funded from the Capital Reserve (Revolving Fund), and is separately included under the City funding for Roads DCC capital projects category. The combined funding from the Capital Reserve (Revolving Fund) for the Sidewalk and Walkway Improvement program is \$279,750.

² This includes \$29,750 of City funding for the Roads DCC portion of the capital work for the Sidewalk and Walkway Improvement program.

The Capital Building and Infrastructure General Fund is used for facility construction and is funded from taxes.

Project Name	Capital Building and Infrastructure Fund	Total Investment	Total OBI	Ref
BUILDING PROGRAM				
<i>Building</i>				
Annual Facility Services Infrastructure Replacements	3,000,000	3,000,000	-	80
Capital Buildings Project Development Advanced Design	500,000	500,000	-	82
East Richmond Community Hall Envelope and HVAC Renewals	700,000	700,000	-	83
Richmond Cultural Centre Skylight Dome Repair and Air Handling Unit Replacements	3,700,000	3,700,000	-	84
Richmond Ice Centre – Sprinkler System Replacement	4,000,000	4,000,000	-	85
Works Yard Replacement – Phase 1	42,700,000	74,000,000	-	86
<i>Total Building</i>	<i>\$54,600,000</i>	<i>\$85,900,000</i>	<i>-</i>	
<i>Heritage</i>				
London Farm Envelope Restorations	2,700,000	2,700,000	-	88
<i>Total Heritage</i>	<i>\$2,700,000</i>	<i>\$2,700,000</i>	<i>-</i>	
TOTAL BUILDING PROGRAM	\$57,300,000	\$88,600,000	-	
GRAND TOTAL	\$57,300,000	\$88,600,000	-	

Development Cost Charges (DCC) are levies placed on new development that result in increased demands on City infrastructure and can be used on capital projects included in the approved DCC plan.

Project Name	DCC Funding	City Funding¹	Total Investment²	Total OBI	Ref
ROADS DCC					
<i>Roads</i>					
Active Transportation Improvement Program	235,125	14,875	250,000	12,880	27
Arterial Roadway Improvement Program	1,222,650	77,350	2,000,000	3,057	30
Sidewalk and Walkway Improvement Program	470,250	29,750	750,000	-	33
Special Crosswalk Program	282,150	17,850	300,000	3,949	34
Top 20 Collision Prone Intersections	933,537	59,060	1,900,000	-	37
Traffic Calming Program	188,100	11,900	200,000	2,300	38
Traffic Signal Power Backup System (UPS) Program	376,200	23,800	400,000	-	39
Traffic Signal Upgrade Program	470,250	29,750	500,000	-	40
Traffic Video and Communication Program	376,200	23,800	400,000	-	41
Transit-Related Amenity and Roadway Improvement Program	141,075	8,925	250,000	-	42
Transportation Planning and Design	705,375	44,625	750,000	-	43
Total Roads	\$5,400,912	\$341,685	\$7,700,000	\$22,186	
<i>Infrastructure Advanced Design and Minor Public Works</i>					
Public Works Infrastructure Advanced Design ³	188,100	11,900	2,500,000	-	72
Total Infrastructure Advanced Design and Minor Public Works	\$188,100	\$11,900	\$2,500,000	-	
TOTAL ROADS DCC	\$5,589,012	\$353,585	\$10,200,000	\$22,186	
DRAINAGE DCC					
<i>Flood Protection</i>					
Dike Upgrade Designs	1,556,100	3,131,900	4,688,000	-	49
Disaster Mitigation and Adaptation Fund Infrastructure Upgrades	1,881,000	5,719,000	13,144,000	-	50
TOTAL DRAINAGE DCC	\$3,437,100	\$8,850,900	\$17,832,000	-	
WATER DCC					
<i>Water</i>					
Watermain Replacement and Upgrades Program	1,798,297	113,768	5,515,000	-	63
TOTAL WATER	\$1,798,297	\$113,768	\$5,515,000	-	
SANITARY SEWER DCC					
<i>Flood Protection</i>					
Laneway Drainage Upgrades	140,580	1,420	3,263,000	-	55
Total Flood Protection	\$140,580	\$1,420	\$3,263,000	-	
<i>Infrastructure Advanced Design and Minor Public Works</i>					
Public Works Infrastructure Advanced Design ³	61,875	625	2,500,000	-	72
Total Infrastructure Advanced Design and Minor Public Works	\$61,875	\$625	\$2,500,000	-	
TOTAL SANITARY SEWER DCC	\$202,455	\$2,045	\$5,763,000	-	

¹ The City funding includes the funding for the portion of the DCC capital project that benefits the existing population and the municipal assist factor.

² The Total Investment includes all funding sources: External and City Funding, refer to Appendix 3.

³ This project is funded from multiple funding sources including Roads DCC and Sanitary Sewer DCC. The grand total of the total investment has been adjusted accordingly as the same project has been shown under multiple DCC categories.

Project Name	DCC Funding	City Funding ¹	Total Investment ²	Total OBI	Ref
PARKS DEVELOPMENT DCC					
<i>Parks</i>					
Experience the Fraser Trail Enhancements – Phase 1	94,050	5,950	100,000	3,450	91
Parks Advanced Planning and Design	564,300	35,700	600,000	-	94
Parks General Development	470,250	29,750	500,000	2,401	96
Parks Identity and Wayfinding Signage Program	141,075	8,925	150,000	11,500	97
TOTAL PARKS DEVELOPMENT DCC	\$1,269,675	\$80,325	\$1,350,000	\$17,351	
GRAND TOTAL	\$12,296,539	\$9,400,623	\$38,160,000	\$39,537	

¹ The City funding includes the funding for the portion of the DCC capital project that benefits the existing population and the municipal assist factor.

² The Total Investment includes all funding sources: External and City Funding, refer to Appendix 3.

Project Name	External Funding	City Funding	Total Investment	Total OBI	Ref
INFRASTRUCTURE PROGRAM					
<i>Roads</i>					
Ageing Traffic Signal Infrastructure Replacement Program	-	1,050,000	1,050,000	-	130
Street Light LED Upgrade Program	-	490,000	490,000	-	131
Supplementary Asphalt Re-Paving Program – Non-MRN	-	2,000,000	2,000,000	-	132
TOTAL INFRASTRUCTURE PROGRAM	-	\$3,540,000	\$3,540,000	-	
PARKS PROGRAM					
<i>Parks</i>					
Steveston Ball Diamond Improvements	-	2,225,000	2,225,000	-	134
TOTAL PARKS PROGRAM	-	\$2,225,000	\$2,225,000	-	
TOTAL 2026 CAPITAL PROGRAM – NOT RECOMMENDED FOR FUNDING	-	\$5,765,000	\$5,765,000	-	

Infrastructure Program

The City's Infrastructure Program assets include: Road, Flood Protection, Water, and Sanitary Sewers.

Infrastructure – Roads Program

The City's Roads program includes projects that enhance mobility, safety and accessibility of the City's transportation system. Projects range from road safety upgrades, replacement of ageing infrastructure, traffic enhancements, expansion of walking and cycling facilities, neighbourhood traffic calming and improving access and amenities for transit users. These projects align with the objectives of the City's Official Community Plan and Community Energy and Emissions Plan and support a number of Council's Strategic Focus areas through infrastructure projects that expand safe, sustainable and active travel in the City.

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Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Active Transportation Improvement Program	Submission ID:	7113

Location:

Various Locations

Cost:

\$250,000

Funding Sources:

Roads DCC:

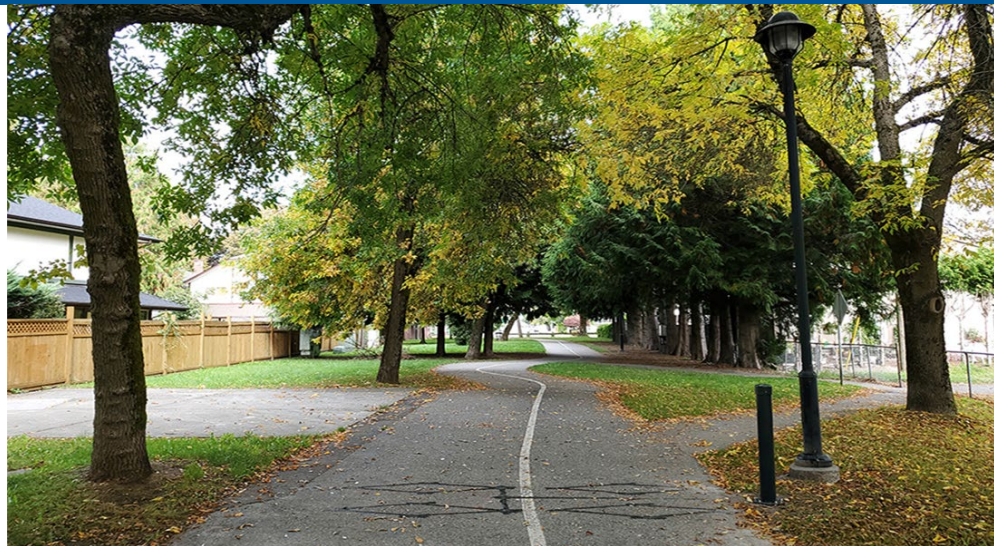
\$235,125

Capital Reserve (Revolving Fund):

\$14,875

OBI:

\$12,880

**Scope:**

This project involves the implementation of walking, cycling and rolling improvements throughout the City. Projects may involve expansion of on-street cycling routes and off-street multi-use pathways, enhancements to existing infrastructure to improve safety, comfort and accessibility of vulnerable road users, installation of bicycle parking infrastructure, pavement markings, signage and associated roadway geometric improvements, and other active transportation initiatives such as education and outreach materials.

Projects planned for 2026 include:

- Installing 4 secured bicycle parking systems in high traffic areas.
- Installing 10 new eco-counters along high-volume active transportation routes to monitor cyclist, pedestrian and scooter usage volumes.
- Minor infrastructure improvements.

Program: Infrastructure Program
Project Name: Annual Asphalt Re-Paving Program - MRN

Sub-program: Roads
Submission ID: 7235

Location:

Various Locations

Cost:

\$1,807,000

Funding Sources:

MRN Rehabilitation:
 \$1,807,000

OBI:

\$ -

**Scope:**

This project involves re-paving Major Road Network (MRN) roads in order to maintain a high level of service to residents and minimize life cycle costs. The project is in alignment with the Pavement Management Plan as well as the City's long-term transportation infrastructure goals. The project scope includes costs associated with ancillary work relating to re-paving Major Road Network roads, including but not limited to, curb and gutter repairs, road base repair, asphalt parking re-paving, manhole and valve box adjustments and line painting. Timely rehabilitation of these corridors will extend pavement service life, reduce the need for costly future interventions and support efficient asset management practices aligned with long-term transportation infrastructure goals.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Annual Asphalt Re-Paving Program - Non-MRN	Submission ID:	7406

Location:
Various Locations

Cost:
\$4,447,000

Funding Sources:
Asphalt Capping:
\$4,447,000

OBI:
\$ -



Scope:
This project involves re-paving City-owned Non-MRN roads in alignment with the City's 2025 Ageing Utility and Road Infrastructure Planning – Update and Pavement Management Plan. The project scope includes costs associated with ancillary work, including but not limited to, curb and gutter repairs, road base repair, asphalt parking re-paving, manhole and valve box adjustments and line painting. In addition, this project includes consultant fees to review and update the Pavement Management Plan.

Program: Infrastructure Program
Project Name: Arterial Roadway Improvement Program

Sub-program: Roads
Submission ID: C_10176

Location:

Various Locations

Cost:

\$2,000,000

Funding Sources:

Roads DCC:

\$1,222,650

Capital Reserve (Revolving Fund):

\$77,350

Grant:

\$700,000

OBI:

\$3,057

**Scope:**

This program involves implementation of pedestrian and traffic improvements along arterial roads and at arterial road intersections. Locations for improvements are identified based on collision data and level of pedestrian and cycling activities.

Projects planned for 2026 include:

- Intersection upgrades at No. 6 Road and Vulcan Way. The scope of work includes installation of traffic signal and associated works, construction of Canadian National (CN) Rail signal infrastructure, re-alignment of curb and gutter, road pavement, pavement markings and signage, implementation of pedestrian crossing enhancements, relocation of above-grade infrastructure, property acquisition as required, and modifications to private property (e.g. driveway modifications, re- instatement of impacted areas, construction of retaining walls and landscaping).
- Other upgrades as identified through staff review.

Additional external funding will be applied for, and may be available for these projects.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Citywide Connector Walkway Improvement Program	Submission ID:	7493

Location:

Various Locations

Cost:

\$250,000

Funding Sources:

Capital Reserve (Revolving Fund):
\$250,000

OBI:

\$ -



Scope:

This project involves the replacement or rehabilitation of connector walkways located in various neighbourhoods. The assessments that have been conducted confirm that the walkway surface conditions have deteriorated over time due to tree root ingress and asphalt cracking. In addition, the scope of work for this project includes, but is not limited to, tree root pruning, asphalt re-paving, and other ancillary work.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Road Sensors Program	Submission ID:	C_10177

Location:
Various Locations

Cost:
\$100,000

Funding Sources:
Capital Reserve (Revolving Fund):
\$100,000

OBI:
\$ -



Scope:

This project will begin with a site assessment to determine optimal placement and integration of the new sensors at each supervisory centre and data acquisition (SCADA) location. Following assessment, all required sensors will be procured and installed. The new equipment will be integrated into the existing SCADA system to enable centralized, real-time monitoring. Final testing and verification will ensure that all systems are fully operational and provides accurate data to support the City’s weather response and road safety efforts.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Sidewalk and Walkway Improvement Program	Submission ID:	7110

Location:

Various Locations

Cost:

\$750,000

Funding Sources:

Roads DCC:

\$470,250

Capital Reserve (Revolving Fund):

\$279,750

OBI:

\$ -

**Scope:**

This project improves walkway connection and accessibility by constructing new sidewalks and walkways within neighbourhoods and local areas, enhancing or upgrading existing walkways, and rehabilitating or replacing sidewalks that have subsided, been damaged by tree roots, or became misaligned and pose tripping hazards to pedestrians. This project supports mobility goals within the City's Official Community Plan by improving neighbourhood walking connectivity, improving pedestrian safety and comfort, and encouraging and supporting alternate modes of travel.

Project costs will include construction of sidewalks and walkways, construction or enhancement of wheelchair ramps, curb and boulevard modification, installation of root barriers, replacement of street lighting infrastructure (poles, service panels, concrete bases and luminaires), installation of new street lights, signage and road markings, and associated ancillary works such as design, survey, assessments, inspection and adjustment to existing infrastructure impacted by the works.

Preliminary locations for 2026 include:

- Sidewalk extension on Fortune Avenue from Fundy Drive to Diefenbaker Elementary School
- Asphalt walkway on Simpson Road between Bridgeport Road and River Road

Program: Infrastructure Program
Project Name: Special Crosswalk Program

Sub-program: Roads
Submission ID: 7116

Location:

Various Locations

Cost:

\$300,000

Funding Sources:

Roads DCC:

\$282,150

Capital Reserve (Revolving Fund):

\$17,850

OBI:

\$3,949

**Scope:**

This project involves constructing new and upgrading existing crosswalks with pedestrian-activated special crosswalk systems that aid pedestrians in crossing the road and improve safety by alerting motorists of crossing pedestrians. Council has supported the upgrade of all crosswalks on arterial roads to be special crosswalks. Upgrade of crosswalks on local or collector roads are assessed based on warrant studies. The scope of work includes completion of warrant studies where upgrades are requested, design and construction of crosswalks.

The preliminary list of locations for 2026 include:

- No. 2 Road and Lancing Road
- Others as prioritized by warrant studies

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Street Light Condition Assessment - Phase 2	Submission ID:	7765

Location:

Various Locations

Cost:

\$400,000

Funding Sources:

Capital Reserve (Revolving Fund):
\$400,000

OBI:

\$ -



Scope:

The City has a network of approximately 12,000 street lights, many of which are nearing the end of their service life. The scope of work for this project includes an assessment of the City’s street light assets and development of a street light upgrade plan to replace and maintain ageing street lights. The assessment will include, but not be limited to, collecting street light structural, luminaire and electrical attributes, and performing street light inventory reconciliation. This project will be phased over multiple years.

This is the second phase of the project that will help improve the City’s asset management inventory for street light infrastructure, inform future phases of the project, and optimize future budget requirements for street light upgrades.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Supplementary MRN Road Rehabilitation Program	Submission ID:	C_10115

Location:

Various Locations

Cost:

\$3,037,000

Funding Sources:

MRN Rehabilitation:

\$3,037,000

OBI:

\$ -



Scope:

This project involves re-paving specific priority Major Road Network (MRN) corridors identified by TransLink to address deficiencies and maintain service levels. The project scope focuses on addressing pavement deficiencies for the selected roads. This is a two-year program subject to a TransLink funding agreement anticipated in 2026. If executed, spending will be limited to the approved locations and the grant amount.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Top 20 Collision Prone Intersections	Submission ID:	7121

Location:

Various Locations

Cost:

\$1,900,000

Funding Sources:

Roads DCC:

\$933,537

Capital Reserve (Revolving Fund):

\$59,060

Grant:

\$907,403

OBI:

\$ -

**Scope:**

In 2019, a road safety network screen study was completed to identify the most collision-prone intersections within the City. This project is planned for the upgrade of the No. 4 Road and Alderbridge Way intersection, which was identified as the City's fourth most collision-prone intersection.

The scope of work includes channelized right removal, safety improvements for left turning vehicles, and various pedestrian, signal and geometric improvements. These upgrades may include concrete letdown and sidewalk modifications, median alterations, traffic signal modifications, asphalt paving, line painting and signage installations, construction of ancillary works, and potential land acquisitions.

Spending will be limited to the actual grant received within the approved budget amount.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Traffic Calming Program	Submission ID:	7109

Location:

Various Locations

Cost:

\$200,000

Funding Sources:

Roads DCC:

\$188,100

Capital Reserve (Revolving Fund):

\$11,900

OBI:

\$2,300



Scope:

This project involves implementation of traffic calming measures to enhance comfort and safety for road users and livability for residents by reducing speed and deterring short-cutting traffic within neighbourhoods. These measures may include curb bulges, traffic circles, speed humps, delineated walkways, traffic signage, pavement markings and introduction of streetscape features such as trees or other landscaping improvements.

The scope of work for the project includes conducting speed studies to determine neighbourhood support for traffic calming works.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Traffic Signal Power Backup System (UPS) Program	Submission ID:	7117

Location:

Various Locations

Cost:

\$400,000

Funding Sources:

Roads DCC:

\$376,200

Capital Reserve (Revolving Fund):

\$23,800

OBI:

\$ -

**Scope:**

This project installs an Uninterruptible Power Supply (UPS) system at signalized intersections. UPS systems provide continuous power supply to maintain traffic signal operation during power outages. The project will install UPS cabinet and base, controllers, batteries, underground conduits, and complete any ancillary works and site restoration required at approximately twelve locations.

The preliminary list of locations for 2026 include:

- Minoru Road and Blundell Road
- Cooney Road and Saba Road
- Cooney Road and Ackroyd Road
- Hazelbridge Way and Alexandra Road
- Hazelbridge Way and Leslie Road
- No. 3 Road and Browngate Road
- Hazelbridge Way and Browngate Road
- No. 3 Road and Yaohan Mall
- No. 3 Road and 3600 Block
- Great Canadian Way and Van Horne Way
- Great Canadian Way and River Road
- No. 4 Road and Blundell Road

Program: Infrastructure Program
Project Name: Traffic Signal Upgrade Program

Sub-program: Roads
Submission ID: 7118

Location:

Various Locations

Cost:

\$500,000

Funding Sources:

Roads DCC:

\$470,250

Capital Reserve (Revolving Fund):

\$29,750

OBI:

\$ -

**Scope:**

This project installs new traffic signals or upgrades existing traffic signals to accommodate traffic growth, improve traffic management and movement for all road users. The scope of work includes the undertaking of traffic signal warrant studies, installation of traffic controllers, cabinets, poles, bases, junction boxes, underground conduit, in-ground and camera video detection, enhanced accessible pedestrian signals, traffic signal heads, intersection lighting, electrical wiring, traffic signal communication, LED street name signs, pavement markings, minor corner property acquisition to accommodate signal infrastructure, minor curb cuts, boulevard modifications and site restoration.

The preliminary list of projects for 2026 include:

1. Installation of Left-Turn Arrows at the following locations:
 - Shell Road and Alderbridge Way – Northbound left arrow
 - Garden City Road and Cambie Road – Southbound left arrow
 - Minoru Boulevard and Granville Avenue – Northbound left arrow
 - No. 5 Road and Blundell Road – Northbound left arrow
 - Other locations to be determined through left-turn arrow warrant study
2. Installation of Audible Pedestrian Signals (APS) at 30 locations city-wide

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Traffic Video and Communication Program	Submission ID:	7119

Location:

Various Locations

Cost:

\$400,000

Funding Sources:

Roads DCC:

\$376,200

Capital Reserve (Revolving Fund):

\$23,800

OBI:

\$ -

**Scope:**

This project will install video detection cameras at signalized intersections to enhance cyclist and vehicle detection, optimize traffic operations, measure traffic speed, provide real-time video of traffic conditions to the Traffic Management Centre for observing and enhancing operations, and provide photos of approach traffic conditions for public access on the City website. This program is separate from the Richmond RCMP security camera program.

The scope of work includes purchase and installation of video detection cameras, fibre optic cables, fibre splicing and underground enclosures, and fibre network switches required to communicate with the Traffic Management Centre. Through this annual program, it is anticipated that all signalized intersections can be upgraded to have video detection technology over the next eight to twelve years.

The preliminary list of project locations for 2026 include:

Traffic Video Camera Installation

- Shell Road and Westminster Highway – 3 cameras
- Shell Road and Alderbridge Way – 4 cameras
- May Drive and Alderbridge Way – 3 cameras
- McClelland Drive and Alderbridge Way – 3 cameras
- Garden City Road and Lansdowne Road – 3 cameras
- Railway Avenue and Blundell Road – 4 cameras

Fibre communications cable and conduit installation, cleaning and upgrades

- Shell Road between Westminster Highway and Alderbridge Way
- Alderbridge Way between Garden City Road and Shell Road
- Garden City Road between Alderbridge Way and Westminster Highway
- Railway Avenue between Francis Road and Blundell Road

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Transit-Related Amenity and Roadway Improvement Program	Submission ID:	7541

Location:

Various Locations

Cost:

\$250,000

Funding Sources:

Roads DCC:

\$141,075

Capital Reserve (Revolving Fund):

\$8,925

Grant:

\$100,000

OBI:

\$ -



Scope:

This project involves infrastructure improvements to bus stop locations across the City. These upgrades include civil modifications to improve accessibility and amenity improvements to improve rider experience and encourage transit use. Accessibility improvements include construction of bus stop landing pads and ramps, geometric modification at intersections to improve maneuverability around corners, and construction of walkways or sidewalks connecting to bus stops to facilitate transit user safety and comfort and other modifications to improve bus stop accessibility. Amenity improvements include additions of transit shelters, benches and associated civil modifications.

Locations are prioritized based on boarding and alighting activity and availability of Right-of-way, and will be determined in early 2026 in conjunction with Coast Mountain Bus Company.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Transportation Planning and Design	Submission ID:	7111

Location:

Various Locations

Cost:

\$750,000

Funding Sources:

Roads DCC:

\$705,375

Capital Reserve (Revolving Fund):

\$44,625

OBI:

\$ -

**Scope:**

The scope of work includes the planning, administration and implementation of functional and preliminary design for potential transportation upgrades and traffic and transportation planning studies and assessments.

Potential projects for 2026 include:

- Undertaking of traffic studies and conceptual designs to inform road safety, capacity upgrade and active transportation improvement opportunities for potential implementation in future capital plans.
- Review and upgrade design standards for transportation infrastructure.
- Policy and bylaw review to support provincial legislation changes, Official Community Plan updates, and the City's housing initiatives.
- Review and improve optimization of traffic signal timing at intersections.
- Phased review of the City's transportation network to form part of an updated Transportation Master Plan that supports multi-modal mobility options, efficient mobility, and prioritize future infrastructure investments.

Infrastructure – Flood Protection Program

The City’s Flood Protection Program supports the maintenance and upgrade of flood protection infrastructure. Projects within this program include improvements to the flood protection system, replacement of ageing infrastructure, and upgrade of flood protection infrastructure to meet the demands of population growth and climate change, including effects of sea level rise and increased rainfall intensities.

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Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Box Culvert Repair	Submission ID:	C_10072

Location:

Various Locations

Cost:

\$1,584,000

Funding Sources:

Flood Protection:

\$1,584,000

OBI:

\$ -

**Scope:**

The Box Culvert Inspection Program identifies locations where settlement, cracking and infiltration occur due to failing box culverts.

The scope of work for this project includes the repair, rehabilitation and replacement of concrete storm box culverts. Repair work will include, but is not limited to, patching, grouting and structural lining. In addition, this funding will be used to perform point repairs as identified by the Box Culvert Inspection Program throughout the year.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Burkeville Utility Improvements	Submission ID:	7187

Location:

Burkeville Area

Cost:

\$521,000

Funding Sources:

Flood Protection:

\$521,000

OBI:

\$ -

**Scope:**

Burkeville's drainage system was initially designed using shallow ditches and small diameter road cross culverts. As the area is redeveloped, watercourse infills are becoming common. Watercourse infills change the nature of the drainage system in a way that may cause flooding. Therefore, a new drainage system with an increased capacity is required to accommodate these changes.

This project is part of the overall multi-year utility improvements project in the Burkeville neighbourhood. This phase will include installation of new storm sewers. The project will also include ancillary works to support utility installation, including environmental protection and road restoration.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Canal Stabilization and Drainage and Irrigation Upgrades	Submission ID:	7240

Location:

Various Locations

Cost:

\$1,864,000

Funding Sources:

Flood Protection:

\$1,864,000

OBI:

\$ -

**Scope:**

The objective of this project is to stabilize canal banks and upgrade drainage and irrigation infrastructure. The scope of work for this project includes, but is not limited to, canal bank stabilization and associated road restoration, culvert and headwall upgrades, canal re-grading, and flap gate and sensor installations. This project will also allow staff to conduct required assessments and investigations that will further enhance the City's drainage and irrigation network.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Development Coordinated Works - Flood Protection	Submission ID:	7244

Location:

Various Locations

Cost:

\$250,000

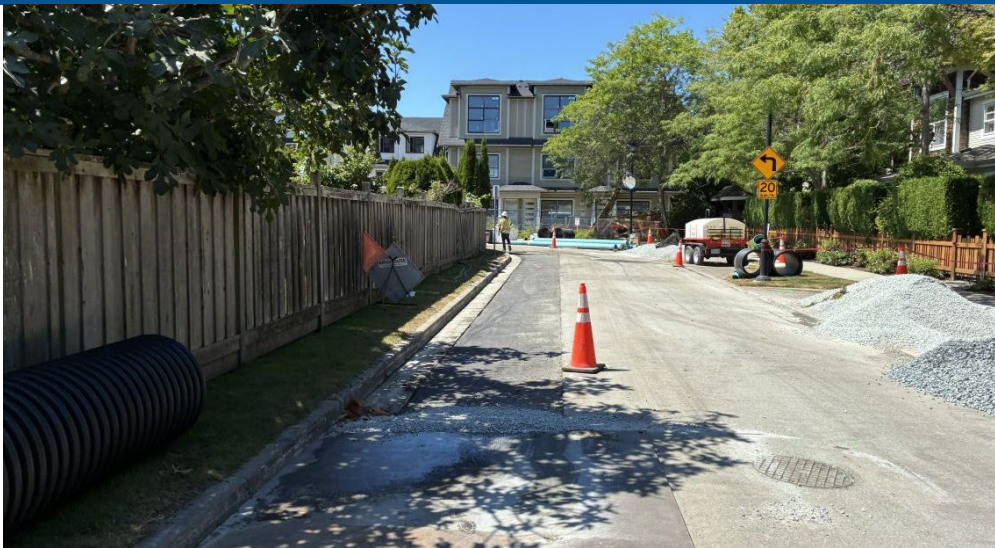
Funding Sources:

Flood Protection:

\$250,000

OBI:

\$ -



Scope:

This project will enable the City to leverage development to design and construct drainage infrastructure beyond what would be required as part of development. These works include upgrades and replacement of ageing infrastructure that the City would complete separately, but economic and engineering efficiencies can be achieved by having the developer complete this work at the same time the development takes place. This project responds to the City’s ageing infrastructure replacement needs, and supports the Official Community Plan (OCP) guiding principle to achieve greater infrastructure efficiency through the proactive planning of infrastructure upgrades and replacements.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Dike Upgrade Designs	Submission ID:	7777

Location:

Various Locations

Cost:

\$4,688,000

Funding Sources:

Flood Protection:

\$3,131,900

Drainage DCC:

\$1,556,100

OBI:

\$ -

**Scope:**

To combat climate change-induced sea level rise, the City's Accelerated Flood Protection program outlines a plan to raise all 49 km of dikes surrounding the City within 50 years. This project will support this initiative by developing dike upgrade designs that will prepare projects for construction.

The scope of work for this project involves planning, designing and providing detailed reports to facilitate the City's Accelerated Flood Protection Program. This includes, but is not limited to, project design, field investigations and planning studies.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Disaster Mitigation and Adaptation Fund Infrastructure Upgrades	Submission ID:	6994

Location:

Various Locations

Cost:

\$13,144,000

Funding Sources:

Flood Protection:

\$3,945,672

Grant:

\$3,693,600

Drainage Improvement:

\$3,623,728

Drainage DCC:

\$1,881,000

OBI:

\$ -

**Scope:**

In 2020, the City was awarded the Infrastructure Canada Disaster Mitigation and Adaptation Fund Grant in the amount of \$13.8 million. The grant funding will contribute 40% towards eligible project costs up to \$34.5 million. Additional project costs will be funded through the DCC program and Flood Protection Utility.

The objective of this project is to improve flood protection for the City and support the City's Flood Protection Management Strategy. This project includes the design and construction of drainage pump station upgrades and perimeter dike raising included in the Disaster Mitigation and Adaptation Fund Grant. The project will be completed in phases, with all work to be completed by 2028.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Drainage Chamber Rehabilitation and Upgrades	Submission ID:	C_10125

Location:

Various Locations

Cost:

\$150,000

Funding Sources:

Flood Protection:

\$150,000

OBI:

\$ -



Scope:

Each year, the City recommends improvements to the existing drainage infrastructure through the rehabilitation, upgrade or addition of access chambers and inspection chambers. This project will lower flood risks by improving surface drainage and increasing flood protection system’s reliability.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Drainage Pump Station Rehabilitation and Generator Upgrade Program	Submission ID:	7001

Location:

Various Locations

Cost:

\$500,000

Funding Sources:

Flood Protection:

\$500,000

OBI:

\$ -

**Scope:**

This project involves upgrading ageing drainage pump stations to extend their service life and improve efficiency. The scope of work for this project includes, but is not limited to, the following:

- Installation of new pumps and generators
- Upgrade of existing pumps and generators
- Installation of new cameras and associated security infrastructure
- Replacement of electrical and mechanical pump station components

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Flood Protection and Dike Improvements	Submission ID:	7239

Location:

Various Locations

Cost:

\$6,662,000

Funding Sources:

Flood Protection:

\$6,662,000

OBI:

\$ -

**Scope:**

The City is protected from flooding by 49 km of perimeter dike and 39 drainage pump stations. This project includes flood protection improvements at priority locations to maintain or increase current flood protection service levels.

Dike improvements are required to meet medium to long-term flood protection needs and to accommodate local area objectives such as the provision of basic recreation trails.

This project involves dike construction work that includes dike raising, structural rehabilitation, re-grading, vegetation/critter management, tree removal and replacement, habitat and environmental compensation, and dike re-armouring at priority locations.

The scope of work includes, but is not limited to, implementation of the City's Accelerated Flood Protection Program, preparation of planning studies and policies, and consulting services that support the Flood Protection Management Strategy and the City's flood protection improvement works. Additional land that is required to support dike upgrades will also be acquired through this project.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Invasive Species Management	Submission ID:	7248

Location:

Various Locations

Cost:

\$200,000

Funding Sources:

Flood Protection:

\$200,000

OBI:

\$ -



Scope:

The purpose of this project is to reduce the spread of invasive species and their impacts on the City’s flood protection system. The scope of work for this project includes the ongoing identification, mapping, research, removal and/or control of priority invasive species, with the intention of maintaining the required performance of the flood protection system. Typical activities include measures to eliminate or minimize the impacts that invasive species, such as parrot’s feather, wild chervil and knotweed have on City infrastructure and local biodiversity. Further research and efforts into the control of additional invasive species, disposal techniques and community based/citizen-science management will be explored as per the City’s Invasive Species Action Plan.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Laneway Drainage Upgrades	Submission ID:	7380

Location:

Various Locations

Cost:

\$3,263,000

Funding Sources:

Flood Protection:

\$2,943,800

Sanitary Sewer:

\$178,620

Sanitary Sewer DCC:

\$140,580

OBI:

\$ -



Scope:

The scope of work for this project includes installation of drainage infrastructure in the laneways prioritized by the City’s Laneway Upgrade Program. The project may also include, but not be limited to, the installation or re-instatement of the asphalt road surface and traffic calming measures. To leverage construction efficiencies and minimize disruptions to the public, ageing sanitary sewers will also be rehabilitated where the scope of work overlaps with the laneway drainage upgrade.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Riparian and Instream Habitat Monitoring	Submission ID:	C_10073

Location:

Various Locations

Cost:

\$100,000

Funding Sources:

Flood Protection:

\$100,000

OBI:

\$ -

**Scope:**

Many capital projects impacting riparian or instream areas require regulatory approvals from agencies such as Fisheries and Oceans Canada (DFO) or the Ministry of Forests. These approvals typically include requirements for post-construction monitoring and maintenance to ensure habitat functionality and compliance with permit conditions. The objective of this program is to ensure the City meets these legal obligations while supporting the ecological integrity of restored ecosystems.

The scope of work for this project includes, but is not limited to, the following:

- Undertaking an inventory of all riparian and instream works that arise from the construction of capital projects.
- Completing field assessments as required by legal requirements.
- Providing appropriate site-specific recommendations for maintenance.
- Completing recommended maintenance.

Program: Infrastructure Program
Project Name: SCADA System Improvements

Sub-program: Flood Protection
Submission ID: 6081

Location:

Various Locations

Cost:

\$200,000

Funding Sources:

Flood Protection:
 \$100,000

Sanitary Sewer:
 \$100,000

OBI:

\$ -

**Scope:**

Through its SCADA system, the City monitors and controls various equipment for the sanitary sewer, flood protection, and water networks. The objective of this project is to maintain and improve the sanitary sewer, flood protection, and water network operation, as well as maintain system security and technological viability.

The scope of work for this project includes, but is not limited to, the following:

- Rehabilitating, upgrading, and installing computers, instruments, and electrical systems throughout the SCADA system.
- Installing cameras and other security features at sanitary pump stations.
- Developing software programs to improve SCADA reporting.

Program: Infrastructure Program
Project Name: Watercourse Rehabilitation and Replacement

Sub-program: Flood Protection
Submission ID: 7247

Location:

Various Locations

Cost:

\$450,000

Funding Sources:

Flood Protection:
 \$450,000

OBI:

\$ -

**Scope:**

The objective of this project is to repair watercourses which includes, but is not limited to, rehabilitating failed headwalls and culvert crossings, and watercourse banks.

In addition, this project involves the infilling of non-Riparian Management Area watercourses, extending lengths of existing watercourse infills, and assessing and replacing ageing wood stave and corrugated steel culverts.

Infrastructure – Water Program

The City’s Water Capital Program supports improvements to the water system, replaces ageing water infrastructure, completes infrastructure upgrades required to accommodate population growth and development, and promotes water conservation. Completion of these projects will support Council’s Strategic Goals of achieving a safe and resilient city while supporting strategic and well-planned growth.

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Program:	Infrastructure Program	Sub-program:	Water
Project Name:	Development Coordinated Works - Water	Submission ID:	7182

Location:

Various Locations

Cost:

\$250,000

Funding Sources:

Watermain Replacement:

\$250,000

OBI:

\$ -

**Scope:**

This project will enable the City to leverage development to design and construct water infrastructure beyond what would be required as part of development. These works include upgrades and replacement of ageing infrastructure that the City would complete, but economic and engineering efficiencies can be achieved by having the developer complete this work at the same time the development takes place. This project responds to the City's ageing infrastructure replacement needs, and supports the Official Community Plan (OCP) guiding principle to achieve greater infrastructure efficiency through the proactive planning of infrastructure upgrades and replacements.

Program:	Infrastructure Program	Sub-program:	Water
Project Name:	Fire Hydrant Upgrades	Submission ID:	C_10100

Location:

Various Locations

Cost:

\$400,000

Funding Sources:

Watermain Replacement:
\$400,000

OBI:

\$ -



Scope:

This project involves replacing ageing slide gate-style fire hydrants with compression-style fire hydrants. Compression-style fire hydrants have a break-away flange that prevents them from leaking and aligns with the industry standards.

Program: Infrastructure Program
Project Name: Water Metering Program

Sub-program: Water
Submission ID: 7183

Location:

Various Locations

Cost:

\$1,500,000

Funding Sources:

Water Levy Stabilization:
 \$1,500,000

OBI:

\$ -

**Scope:**

Water metering enhances user equity by enabling residents to pay for the water and sewer services that they use. All single-family and Industrial, Commercial and Institutional (ICI) properties are now metered. This project involves the gradual implementation of universal water metering for multi-family complexes. The universal multi-family water metering program targets the last remaining customer class that is not metered for water. The City funds the installation costs for installations completed under this program, provide a five-year guarantee for water charges for existing multi-family complexes, and provide active outreach to complexes that will benefit from the water metering program.

Program:	Infrastructure Program	Sub-program:	Water
Project Name:	Watermain Replacement and Upgrades Program	Submission ID:	7184

Location:

Various Locations

Cost:

\$5,515,000

Funding Sources:

Watermain Replacement:
\$3,716,703

Water DCC:
\$1,798,297

OBI:

\$ -



Scope:

This project supports the City’s Ageing Utilities and Roads Infrastructure Report by replacing ageing watermains that are approaching the end of their service lives. Watermain replacement minimizes unplanned maintenance and improves the available water supply for fire protection.

This project consists of the installation of approximately 3,434 meters of 200 to 300 mm diameter watermains to replace existing ageing infrastructure.

The watermain replacement program is informed by watermain age, material and break history.

Program:	Infrastructure Program	Sub-program:	Water
Project Name:	Watermain Tie-in and Restoration	Submission ID:	7185

Location:
Various Locations

Cost:
\$300,000

Funding Sources:
Watermain Replacement:
\$300,000

OBI:
\$ -



Scope:

This project supports the Watermain Replacement and Upgrades program by allowing for tie-in and restoration work for watermain and water service installations, including restoration for watermain replacements completed as part of prior years capital programs, and restoration of water supply cuts.

Infrastructure – Sanitary Sewer Program

The City’s Sanitary Sewer Capital Program supports improvements to the sanitary sewer system, replaces ageing infrastructure, and completes infrastructure upgrades required to accommodate population growth and development. Completion of these projects will support Council's Strategic Goals of achieving a safe and resilient city while supporting strategic and well-planned growth.

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Steveston Sanitary Sewer Rehabilitation 70

Program:	Infrastructure Program	Sub-program:	Sanitary Sewer
Project Name:	Development Coordinated Works - Sanitary	Submission ID:	7180

Location:

Various Locations

Cost:

\$250,000

Funding Sources:

Sanitary Sewer:
\$250,000

OBI:

\$ -



Scope:

This project will enable the City to leverage development to design and construct sanitary infrastructure beyond what would be required as part of development. These works include upgrades and replacement of ageing infrastructure that the City would complete separately, but economic and engineering efficiencies can be achieved by having the developer complete this work at the same time the development takes place. This project responds to the City’s ageing infrastructure replacement needs, and supports the Official Community Plan (OCP) guiding principle to achieve greater infrastructure efficiency through the proactive planning of infrastructure upgrades and replacements.

Program:	Infrastructure Program	Sub-program:	Sanitary Sewer
Project Name:	Sanitary Pump Station and Forcemain Upgrades and Rehabilitation	Submission ID:	7178

Location:

Various Locations

Cost:

\$800,000

Funding Sources:

Sanitary Sewer:

\$800,000

OBI:

\$ -

**Scope:**

This project involves the rehabilitation and upgrade of existing sanitary pump stations and forcemains.

The scope of work for pump station upgrades and rehabilitation includes electrical kiosk replacement, power supply upgrade, new motor control center installation, pump rewinding, and concrete slab and aluminum hatch installation. This work is required to continue providing required levels of sanitary sewer servicing.

The scope of work for forcemain upgrades and rehabilitation includes installation of valves, hatches and pigging chambers along City forcemains to improve access, and replacement of sections of forcemain that are in poor condition. Installation of these appurtenances will allow for improved isolation and control of forcemains in the event of breaks or tie-ins, and improve the ability to maintain and inspect the forcemains.

Program:	Infrastructure Program	Sub-program:	Sanitary Sewer
Project Name:	Sanitary Sewer Gravity System Assessment and Rehabilitation	Submission ID:	7219

Location:
Various Locations

Cost:
\$600,000

Funding Sources:
Sanitary Sewer:
\$600,000

OBI:
\$ -



Scope:

This project consists of the assessment and rehabilitation of the City's gravity sanitary sewer system to meet the required levels of service.

Assessments are required to determine infrastructure condition, identify defects and fulfill Metro Vancouver's requirement to assess all gravity sanitary sewers on a 20-year cycle. The project also includes ongoing flushing and grease cutting as a preventative maintenance measure, and sewer rehabilitation to address defects that are identified through the assessments.

Program:	Infrastructure Program	Sub-program:	Sanitary Sewer
Project Name:	Sanitary Sewer Tie-in and Restoration	Submission ID:	7179

Location:

Various Locations

Cost:

\$150,000

Funding Sources:

Sanitary Sewer:
\$150,000

OBI:

\$ -



Scope:

This project supports the Sanitary Sewer Gravity System Assessment and Rehabilitation program by allowing for tie-in and restoration work for sanitary sewer projects completed as part of prior year's capital programs. This project responds to the City's ageing infrastructure replacement needs, and supports the Official Community Plan (OCP) objective for proactive planning of infrastructure upgrades and replacements.

Program:	Infrastructure Program	Sub-program:	Sanitary Sewer
Project Name:	Steveston Sanitary Sewer Rehabilitation	Submission ID:	6515

Location:
Steveston

Cost:
\$7,838,000

Funding Sources:
Sanitary Sewer:
\$7,838,000

OBI:
\$ -



Scope:

This project is part of a multi-year program to assess and rehabilitate or replace ageing gravity sewers in the Steveston area that are approaching the end of their service life and is expected to be completed by 2030. Rehabilitation and replacement will mitigate the risk of infrastructure failure, thereby maintaining a high level of sanitary service to residents. This project includes assessment, rehabilitation or replacement, and the associated activities required to facilitate sanitary system rehabilitation and replacement. Additional funding to support this project will be requested through future capital submissions.

Infrastructure – Infrastructure Advanced Design and Minor Public Works Program

This program includes planning, investigations and design for future infrastructure upgrades and funds minor capital rehabilitation, replacement or improvement work for water, sewer, flood protection, and sanitation and recycling infrastructure.

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Program:	Infrastructure Program	Sub-program:	Infrastructure Advanced Design and Minor Public Works
Project Name:	Public Works Infrastructure Advanced Design	Submission ID:	7181

Location:

Various Locations

Cost:

\$2,500,000

Funding Sources:

Flood Protection:

\$1,250,000

Water Supply:

\$650,000

Sanitary Sewer:

\$338,125

Roads DCC:

\$188,100

Capital Reserve (Revolving Fund):

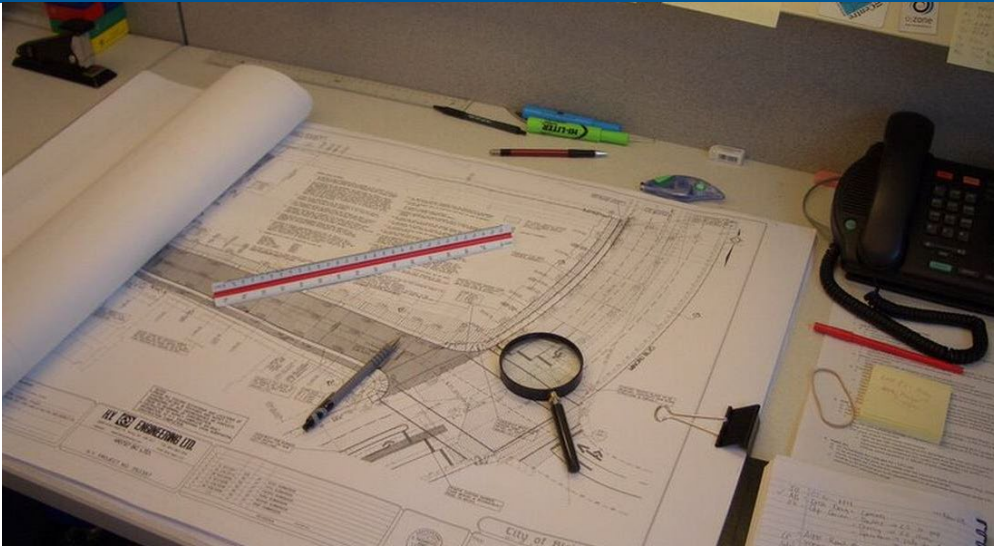
\$11,900

Sanitary Sewer DCC:

\$61,875

OBI:

\$ -



Scope:

This project plans and designs future capital projects and deliver reports that define long-term infrastructure upgrades. The scope of work for this project includes, but is not limited to, project design, field investigations, public engagement, planning studies, and infrastructure modelling.

Sanitary Project Design, Planning and System Modelling	\$400,000
Water Project Design, Planning and System Modelling	\$650,000
Flood Protection Project Design, Planning and System Modelling	\$1,250,000
Roads	<u>\$200,000</u>
Total	\$2,500,000

Program:	Infrastructure Program	Sub-program:	Infrastructure Advanced Design and Minor Public Works
Project Name:	Public Works Minor Capital - Dikes	Submission ID:	7241

Location:

Various Locations

Cost:

\$150,000

Funding Sources:Flood Protection:
\$150,000**OBI:**

\$ -

**Scope:**

This project involves minor work related to flood protection infrastructure, including but not limited to, the following:

- Restoration of rip rap and erosion repairs for dikes.
- Management of high risk vegetation.
- Purchase of flood protection devices, safety equipment and emergency supplies.
- Testing and implementation of new technologies to improve efficiencies for flood protection infrastructure inspections and site specific repairs.

In addition, this project involves environmental monitoring and restoration for the construction of new flood protection infrastructure, and environmental restoration for completed projects as part of prior years' capital programs.

Program:	Infrastructure Program	Sub-program:	Infrastructure Advanced Design and Minor Public Works
Project Name:	Public Works Minor Capital - Drainage	Submission ID:	7618

Location:

Various Locations

Cost:

\$350,000

Funding Sources:

Flood Protection:

\$350,000

OBI:

\$ -

**Scope:**

This project involves minor work related to flood protection infrastructure, including but not limited to, the following:

- Installation and rehabilitation of pipes and manholes.
- Installation of monitoring equipment, safety upgrades, testing of new technologies to improve efficiencies and minor repairs at drainage pump stations.
- Purchase of flood protection devices, safety equipment and emergency supplies.
- Testing and implementation of new technologies to improve efficiencies for flood protection infrastructure inspections and site specific repairs.

In addition, this project involves environmental monitoring and restoration for the construction of new flood protection infrastructure, and environmental restoration for completed projects as part of prior years' capital programs.

Program:	Infrastructure Program	Sub-program:	Infrastructure Advanced Design and Minor Public Works
Project Name:	Public Works Minor Capital - Roads	Submission ID:	7230

Location:

Various Locations

Cost:

\$350,000

Funding Sources:

Capital Reserve (Revolving Fund):
\$350,000

OBI:

\$ -

**Scope:**

The minor capital program enables the City to undertake a variety of minor road infrastructure works.

These include, but are not limited to; the installation of wheelchair ramps, curbs, gutters and sidewalks to ensure effective surface drainage and accessibility, the repair of minor road sections outside of the annual paving program that may be damaged by tree root intrusion, settlement, or other causes, and maintenance and repair of street lights and related hardware.

Program:	Infrastructure Program	Sub-program:	Infrastructure Advanced Design and Minor Public Works
Project Name:	Public Works Minor Capital - Sanitary	Submission ID:	7177

Location:

Various Locations

Cost:

\$150,000

Funding Sources:

Sanitary Sewer:
\$150,000

OBI:

\$ -



Scope:

This project involves minor work related to the sanitary infrastructure, including pump station upgrades, sanitary pump replacements, modifications to improve operational efficiency and functionality, testing of new technologies, forcemain repairs, site-specific repairs, as well as manhole and valve box repairs.

Program:	Infrastructure Program	Sub-program:	Infrastructure Advanced Design and Minor Public Works
Project Name:	Public Works Minor Capital - Sanitation and Recycling	Submission ID:	7190

Location:

Various Locations

Cost:

\$350,000

Funding Sources:

General Solid Waste and
Recycling:
\$350,000

OBI:

\$ -

**Scope:**

This project involves minor work related to Sanitation and Recycling, including but not limited to, Recycling Depot general site maintenance or repairs, expansion projects, funding for streetscape recycling containers in public spaces, and garbage and recycling cart replacements.

This project is used to:

- Replace our city streetscape recycling containers that lose functionality, become damaged, and worn due to exposure to weather conditions. Our goal is to replace on a 3-year cycle.
- Undertake repairs or minor upgrades at the Recycling Depot. This could include building or acquiring small sheds, cages or structures to add material streams. This could also include the acquisition of new container types to enable addition of new materials for collection and undertake improvements to comply with safety, such as preparing and posting signs, installing barricades, and replacing concrete blocks that become damaged from equipment used to move large items as part of regular operations.
- Acquire items that may be needed to support operations, including stairs to assist safe drop-off of items into taller recycling bins. It may also include items to support illegal dumping clean ups and clean up of homeless camps, including carrying aids (e.g. dollies, cutting tools).
- Acquire garbage and recycling carts to replace receptacles used by residents which are coming to the end of their expected life.

Program:	Infrastructure Program	Sub-program:	Infrastructure Advanced Design and Minor Public Works
Project Name:	Public Works Minor Capital - Water	Submission ID:	5865

Location:
Various Locations

Cost:
\$250,000

Funding Sources:
Watermain Replacement:
\$250,000

OBI:
\$ -



Scope:

This project involves minor work related to the water infrastructure, including minor watermain repairs and replacements, operational efficiencies, changes to safety requirements, testing of new technologies, and minor upgrades.

Building Program

The Building Program encompasses major construction and renovation projects, along with minor facility upgrades and repairs. The City’s building assets include arenas, pools, community centres, libraries, heritage buildings, police stations, fire halls, and other municipal facilities.

Building – Building Program

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Program:	Building Program	Sub-program:	Building
Project Name:	Annual Facility Services Infrastructure Replacements	Submission ID:	7807

Location:
Various Locations

Cost:
\$3,000,000

Funding Sources:
Building and Infrastructure:
\$3,000,000

OBI:
\$ -



Scope:

Annual infrastructure replacement projects for the City’s more than 180 ageing facilities address equipment failures, emergency replacements, asset replacements beyond standard maintenance, and accessibility and security-related needs. Examples for planned works for 2026 include boiler replacement at the Community Safety Building, lighting replacements at the Richmond Ice Centre, access control replacements at childcare facilities and fire halls, as well as fire alarm and intrusion monitoring systems across multiple facilities. Work is subject to change if critical repairs or higher priorities arise.

Program:	Building Program	Sub-program:	Building
Project Name:	Annual Project Development Building Improvements	Submission ID:	7320

Location:
Various Locations

Cost:
\$5,954,000

Funding Sources:
Corporate:
\$5,954,000

OBI:
\$ -



Scope:
Annual building improvement projects servicing over 180 of the City's facilities include equipment replacements of HVAC and mechanical components, interior renovations and refurbishments, accessibility-related enhancements and building system upgrades. Examples for planned works for 2026 include renewals to the fire and security life-safety systems at Sea Island Community Hall, storage and cabinetry upgrades at Cambie Community Centre, and skate shop improvements at the Richmond Ice Centre. These works are subject to change should critical repairs or higher priorities arise.

Program:	Building Program	Sub-program:	Building
Project Name:	Capital Buildings Project Development Advanced Design	Submission ID:	7476

Location:

Various Locations

Cost:

\$500,000

Funding Sources:

Building and Infrastructure:
\$500,000

OBI:

\$ -



Scope:

The scope of this project includes:

- Completing building and feasibility assessments, schematic design development and review required to develop the 2027 Capital Plan. Staff receive on average approximately 80-100 projects on an annual basis that require feasibility level review and costing in time for the budget process. Examples for the 2025 program include feasibility and costing for a covered lacrosse box creation, Richmond Ice Centre sprinkler system renewal, and Steveston Tennis building condition assessment.
- Responding to requests for feasibility and concept level design and costing services added to the 2026 work plan. Throughout the course of 2024 and 2025 to date, there have been approximately 41 such requests, examples of which include the Phoenix Net Loft concept design, Britannia site-wide utilities review, Steveston Pool accessibility upgrades, and Richmond Cultural Centre Atrium café kitchen assessment. The same level of requests are anticipated for 2026.

Program: Building Program

Sub-program: Building

Project Name: East Richmond Community Hall Envelope and HVAC Renewals

Submission ID: 7254

Location:

12360 Cambie Road

Cost:

\$700,000

Funding Sources:Building and Infrastructure:
\$700,000**OBI:**

\$ -

**Scope:**

Multiple systems in this facility constructed in 1960 will be replaced with modern energy-efficient systems (where possible). These system renewals will also include associated miscellaneous items that will serve to prolong the life of the building and ensure the health and safety of its users and inhabitants. In addition to the specific scopes outlined below, general facility upgrades and ancillary work required to support the overall renewal efforts may be undertaken.

Envelope:

The exterior doors are original to the facility. Additionally, select windows that have failed and allowing water ingress will be repaired and replaced as part of this work.

HVAC:

Air conditioning units 1, 2, and 3 have all reached the end of their life expectancy and will be replaced with modern, energy-efficient units.

Program:	Building Program	Sub-program:	Building
Project Name:	Richmond Cultural Centre Skylight Dome Repair and Air Handling Unit Replacements	Submission ID:	6930

Location:

7700 Minoru Gate

Cost:

\$3,700,000

Funding Sources:

Building and Infrastructure:

\$3,700,000

OBI:

\$ -

**Scope:**

Multiple systems in this facility constructed in 1992 have reached the end of their life expectancy and will be replaced with modern energy-efficient systems (where possible). These system renewals will also include associated miscellaneous items that will serve to prolong the life of the building and ensure the health and safety of its users and inhabitants. In addition to the specific scopes outlined below, general facility upgrades and ancillary work required to support the overall renewal efforts may also be undertaken.

Envelope:

The existing skylight systems and upper windows are over 30 years old and have failed multiple times causing water ingress and damage. Roofing and interior repairs surrounding these areas will also take place to address the water damage.

HVAC and Plumbing:

This work entails renewal of Air Handling units and Split DX units to include component and controls replacement to ensure continued service of these units.

Electrical:

Work includes the replacement of the museum lighting panel system with an upgraded system to improve lighting options and controls for this space.

Life Safety:

The fire alarm system, including all devices, switches and bells will be renewed with new energy-efficient units to ensure the life and safety of all occupants.

Program:	Building Program	Sub-program:	Building
Project Name:	Richmond Ice Centre – Sprinkler System Replacement	Submission ID:	7737

Location:
14140 Triangle Road

Cost:
\$4,000,000

Funding Sources:
Building and Infrastructure:
\$4,000,000

OBI:
\$ -



Scope:

The fire safety sprinkler system at the Richmond Ice Centre, originally constructed in 1994, will be replaced with a modern water-efficient system and will include additional associated renewals to prolong the overall life of the building. This project may also encompass other facility upgrades identified during construction. Addressing these items concurrently will help minimize future disruptions.

Over the past year, several sections of the sprinkler system (including branch lines and sprinkler heads) required emergency repairs. The sprinkler lines within rinks 5 and 6 were replaced during a scheduled rink closure in conjunction with the truss re-painting work. The remaining sprinkler lines within rinks 1 to 4, along with the facility's common spaces and water entry room, will be replaced through this submission.

Program:	Building Program	Sub-program:	Building
Project Name:	Works Yard Replacement – Phase 1	Submission ID:	7639

Location:
5599 Lynas Lane

Cost:
\$74,000,000

Funding Sources:
Building and Infrastructure:
\$42,700,000

Capital Reserve (Revolving Fund):
\$7,300,000

Sanitary Sewer:
\$10,000,000

Water Supply:
\$14,000,000

OBI:
\$ -



Scope:

Replacement of the Works Yard located at 5599 Lynas Lane was approved by Council in July 2023. The approved project is to be completed in three phases while keeping the existing Works Yard operations functional at all times. This submission is for the scope inclusion of the workshop program and other elements to the Phase 1 program. Phase 1 now includes the main building which consists of: administration space, workshops, dispersals, change rooms and a staff vehicle parkade, as detailed in the Works Yard Replacement Project – Program, Form, Phasing and Budget report which was adopted by Council on July 28, 2025, as follows:

That in order to reduce the overall project schedule, and manage cost escalation risks, the workshop program and other elements be added to the scope of work for Phase 1 and a capital submission for the Works Yard Replacement - Enabling Works and Phase 1 capital projects' scope change and budget increase of \$74.0 million (2025 dollars), be endorsed for Council's consideration as part of the 2026 budget process

Building – Heritage Program

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London Farm Envelope Restorations 88

Program:	Building Program	Sub-program:	Heritage
Project Name:	London Farm Envelope Restorations	Submission ID:	C_10013

Location:
6511 Dyke Road

Cost:
\$2,700,000

Funding Sources:
Building and Infrastructure:
\$2,700,000

OBI:
\$ -



Scope:

London Farm is a significant heritage asset for the City of Richmond. In February 2021, Council approved the London Heritage Farm Master Plan which recommended site improvements in response to key issues and concerns for the site. The works proposed align with the master plan and strive to enhance the visitor experience. These replacements along with associated system renewals, will ensure continued use of these facilities while maintaining the heritage details and aesthetics where possible.

The envelope systems of multiple buildings at London Farm have water ingress and damage. The systems that require renewal and replacement include exterior siding, rainscreens, soffits, windows and trim, as well as fascia board, railings and posts on the main house.

Additionally, there are numerous interior finishes and upgrades to the site that will be addressed throughout this project including painting, wallpaper, tiling, drywall repair, attic insulation and washroom renewals as needed.

Parks Program

Richmond is renowned for its high quality parks, trails, natural areas and its vibrant urban realm. The City's park system consists of 140 parks that total approximately 2,153 acres serving the wellness and recreation needs of a diverse and growing community. More than 136 kilometres of trails support walking, rolling and cycling, bringing people to the City's many iconic parks and waterfront destinations. The development of new parks and trails along with new amenities will ensure that the residents continue to receive excellent service and that the City continues to be a regional and tourism destination.

Parks – Parks Program

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Program:	Parks Program	Sub-program:	Parks
Project Name:	Capstan Neighbourhood Park Activation	Submission ID:	C_10015

Location:
Capstan Neighbourhood Park

Cost:
\$262,000

Funding Sources:
Developer Contributions:
\$262,000

OBI:
\$ -



Scope:

The project will support the activation and enhancement of Capstan Neighbourhood Park’s plaza area, a City park developed through a servicing agreement. The existing park includes a play area, basketball courts, picnic spaces and open lawn located adjacent to the recently completed Capstan Station on the Canada Line.

The project will develop and install flexible, dynamic public amenities such as a multi-use modular pavilion, interactive play features, or public art installations that complement and animate the existing park facilities. These additions will create adaptable spaces that support diverse community programming and foster social engagement.

The design will prioritize accessibility, inclusivity, sustainability and durability to ensure long-term usability for people of all ages and abilities. This initiative aligns with the City Centre Area Plan and Capstan Station Integration Strategy, enhancing the park’s role as a vibrant, connected community hub within the urban village context.

Spending will be limited to the developer contributions collected for this park.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Experience the Fraser Trail Enhancements - Phase 1	Submission ID:	C_10014

Location:

Various Locations

Cost:

\$100,000

Funding Sources:

Parks Development DCC:
\$94,050

Capital Reserve (Revolving Fund):
\$5,950

OBI:

\$3,450



Scope:

The project supports the City’s implementation of the Council-endorsed Experience the Fraser (ETF) initiative—a regional project to create a continuous recreational corridor along the Fraser River from Hope to the Salish Sea.

The project will focus on enhancing the City’s trail network, particularly along the waterfront and urban connections. Key components include trail improvements and accessibility upgrade, directional and wayfinding signage at key trail intersections; and interpretive kiosks to highlight cultural and natural heritage.

The work aligns with the Richmond Trail Strategy (2010) and Parks and Open Space Strategy (2022) under the “Connectivity” theme. Capital funding will enable phased implementation of priority projects, with flexibility to adapt to emerging needs and opportunities. External grants and partner funding will be pursued where possible to complement City investment.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Garden City Community Park Pedestrian Bridge Replacement	Submission ID:	C_10168

Location:
Garden City Community Park

Cost:
\$600,000

Funding Sources:
Capital Reserve (Revolving Fund):
\$600,000

OBI:
\$ -



Scope:

A structural condition assessment has identified the Garden City Community Park bridge to be in very poor condition and needing replacement due to its deteriorated structural elements. The Garden City Community Park bridge is a pedestrian structure that carries a pedestrian trail over the Garden City Pond. This pathway offers the only direct route from the south end of the park, where the tennis court and bike parks exist, to the north side of the park where the playground, basketball court and washroom amenities are located.

This project will replace the bridge over two years, with engineering planning and design to be completed in the first year (2026), and tendering and construction to be completed in the second year (2027).

Program:	Parks Program	Sub-program:	Parks
Project Name:	Minoru Lakes District Tree Art Plan	Submission ID:	7739

Location:
Minoru Park

Cost:
\$100,000

Funding Sources:
Capital Reserve (Revolving Fund):
\$100,000

OBI:
\$ -



Scope:

Several large trees in Minoru Park have failed due to factors such as climate change, site modifications and natural ageing. In many cases, removal and replacement is not feasible because of the trees’ size, location and proximity to other trees or park infrastructure, where rootball disturbance could cause damage. The Minoru Lakes District Tree Art Plan offers an innovative and sustainable alternative by transforming these failed trees into eco-sculptures, adding new layers of visual and environmental interest to the park.

The project scope includes “wildlifing” the trees—removing branches and reducing height to ensure safety and carving suitability—engaging artist(s) to develop concepts and implementing approved designs, potentially with the support of specialized contractors. The process may also provide opportunities to involve the community and local students in the design and implementation, where appropriate.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Parks Advanced Planning and Design	Submission ID:	7125

Location:
Various Locations

Cost:
\$600,000

Funding Sources:
Parks Development DCC:
\$564,300

Capital Reserve (Revolving Fund):
\$35,700

OBI:
\$ -



Scope:

This annual project submission for Parks Advanced Planning and Design will provide resources for planning, research, public and stakeholder consultation, design and project management for a range of purposes, strategic planning projects, reports to City Council, meeting regulatory agency requirements (e.g., Vancouver Coastal Health, Provincial ministries), conceptual park design and technical reports for projects that require particular areas of expertise (e.g., environmental assessments).

2026 planned projects include detailed design at destination playgrounds; park infrastructure engineering and geotechnical design; conceptual park and open space planning for various sites; topographical surveys (engineering site survey pick-up); park characterization projects; and best practices research.

The scope of work includes researching best practices; collecting data, topographical surveys and geographical information; and conducting landscape architectural and engineering services as part of a planning and design process. The design process includes preparing and producing concept designs, reports, presentations and detailed construction drawings for upcoming major capital projects. Projects may be community initiated or support a redeveloping area of the City.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Parks Ageing Infrastructure Rehabilitation Program	Submission ID:	7123

Location:

Various Locations

Cost:

\$700,000

Funding Sources:

Capital Reserve (Reolving Fund):

\$700,000

OBI:

\$ -

**Scope:**

This program targets the replacement of ageing parks and open space infrastructure, including, but not limited to courts, fencing, pavement and trails, furnishings and engineered systems such as bridges, drain lines, mechanical components and lighting services. Park assets that are at their expected service life are prioritized for repairs or total replacement depending on operational impact and safety to life and property.

A list of planned projects in 2026 include:

- Piers and dock repairs
- Bridge repairs
- Sport court repairs
- Trail surface repairs
- Electrical and lighting replacement
- Engineering and consulting services

Program:	Parks Program	Sub-program:	Parks
Project Name:	Parks General Development	Submission ID:	7122

Location:

Various Locations

Cost:

\$500,000

Funding Sources:

Parks Development DCC:

\$470,250

Capital Reserve (Revolving Fund):

\$29,750

OBI:

\$2,401



Scope:

Upgrades to existing parks are required to respond to ongoing growth in the community. This program funds improvements of existing park amenities and facilities which are not part of other park capital programs, yet are required to support the increased use as a result of an increasing resident population. This funding allows the City to be agile and responsive to Council direction and appropriate park enhancement measures that align with the City's strategic plans. These discrete, site-specific park enhancements address the community's needs for ongoing park improvements to infrastructure, equipment and landscape amenities.

Examples of projects that have been supported by the General Development program include new pathways, drinking fountains, plantings and gardens, dog off-leash areas, drainage systems, sport amenities, benches, and other park furnishing. Specific projects will be identified and prioritized based on a balanced evaluation including condition assessments, accessibility, inclusivity, and technicality during the year.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Parks Identity and Wayfinding Signage Program	Submission ID:	7566

Location:

Various Locations

Cost:

\$150,000

Funding Sources:

Parks Development DCC:

\$141,075

Capital Reserve (Revolving Fund):

\$8,925

OBI:

\$11,500

**Scope:**

This project builds on ongoing efforts to improve wayfinding and interpretive signage in underserved parks and trail areas. Current gaps in the Parks and Trails Wayfinding and Interpretation Program limit both navigation and educational opportunities for visitors. This capital request addresses those gaps by providing clear guidance for park users while sharing educational content that highlights the City's natural, cultural, and historic landscapes.

In this phase, up to 10 new interpretive sites will be added, along with additional wayfinding signs where needed. All new signage will follow the Parks Identification and Wayfinding Signage Program, ensuring a cohesive visual identity across the park system.

The scope of work includes:

- Analyzing each interpretive site (natural, cultural, and historic elements).
- Preparing site plans for signage installation.
- Coordinating with vendors and/or in-house teams for sign fabrication.
- Overseeing installation in collaboration with in-house services.

This phase will also complete signage for remaining unsigned park locations in the Seafair and Steveston neighbourhoods.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Pickleball Court Installation	Submission ID:	C_10165

Location:

Various Locations

Cost:

\$200,000

Funding Sources:

Canada Community Building Fund
(Gas Tax):
\$200,000

OBI:

\$8,050



Scope:

This project plans for the addition of ten pickleball courts within the City—six dedicated courts and four shared courts. It is anticipated that the existing tennis courts at an existing school site will be converted into six dedicated pickleball courts. Pickleball lines will be painted onto the existing City-owned tennis courts for the remaining four shared courts. Pickleball is a fast growing sport across Canada and in Richmond. Local interest is surging and this project aims to meet the growing needs of the public. The Richmond BC Pickleball Association saw its membership climb from approximately 100 in 2019 to nearly over 750 in 2025. This project aims to increase the number of pickleball courts in the City.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Playground Replacement Program	Submission ID:	6641

Location:

Various Locations

Cost:

\$600,000

Funding Sources:

Capital Reserve (Revolving Fund):
\$600,000

OBI:

\$ -



Scope:

This capital program currently addresses playgrounds that are over 20 years of age, which are at the end of their life span, and/or contain damaged parts that can no longer be replaced due to obsolescence or severe vandalism. Updates of all playground components such as play equipment, safety surfacing, edging, drainage and surrounding landscape features are considered. While the cornerstone of this program is to ensure that playgrounds continue to be safe and operational into the future, opportunities to broaden the range of play offered, enhance or introduce inclusive play, and do so with environmental sustainability in mind, are also explored. Replacement of the playgrounds at Agassiz Neighbourhood Park, Albert Airey Neighbourhood Park, Sea Island Community Centre Park and Park Lane Neighbourhood Park are a priority in 2026.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Railway Greenway Solar Lighting – Phase 1	Submission ID:	C_10011

Location:
Railway Greenway

Cost:
\$360,000

Funding Sources:
Capital Reserve (Revolving Fund):
\$360,000

OBI:
\$13,340



Scope:

Between 2022 and 2024, staff conducted public engagement to identify opportunities to improve safety along the Railway Greenway through enhanced lighting. In July 2025, Council endorsed a recommendation to implement solar lighting in two phases across seven designated areas of the greenway between Westminster Highway and Garry Street.

This capital request will enable the City to move forward with Phase 1 of the project, addressing demonstrated community needs. Solar light poles, spaced at 30-metre intervals, will enhance accessibility and safety after dark for all modes of active transportation. Phase 1 will deliver solar lighting in two priority areas, covering approximately 900 metres of the greenway.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Richmond Nature Park Enhancements	Submission ID:	7513

Location:

Richmond Nature Park

Cost:

\$750,000

Funding Sources:Capital Reserve (Revolving Fund):
\$750,000**OBI:**

\$7,475

**Scope:**

In 2024, essential infrastructure upgrades—including interior and exterior works and replacement of the existing septic system—were completed at Richmond Nature Park. These improvements impacted the highly visible, public-facing landscape areas surrounding the Nature House and influenced how visitors access the facility. This highlights the need to update the public spaces around the Nature House to maintain universal accessibility, enhance layout and functionality, support habitat value, and improve the overall visitor experience.

This capital request will enable the City to implement targeted enhancements focused on accessibility at Richmond Nature Park. Improvements will be concentrated in the areas surrounding the Nature House and are anticipated to include, but are not limited to:

- Improving circulation and cohesion, including universally accessible paths connecting on-site facilities.
- Creating new plant beds and permanent landscape treatments, particularly in areas above septic beds.
- Upgrading existing and introducing new interpretive features.
- Enhancing drainage and parking infrastructure.

The work will encompass both the design and planning of these enhancements, as well as their construction and implementation.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Timber and Natural Play Replacement Program	Submission ID:	C_10012

Location:

Various Locations

Cost:

\$650,000

Funding Sources:

Canad Community Building Fund
(Gas Tax):
\$650,000

OBI:

\$ -



Scope:

This capital submission addresses the repair and replacement of deteriorating nature play equipment across the City’s playground inventory. Several timber play structures, including those at Terra Nova Adventure Play Environment, are showing advanced signs of age and wear.

The program will repair or replace damaged components or entire timber structures as required. Where feasible, more durable and longer-lasting materials will be considered to improve lifecycle performance. Preliminary priority sites include Terra Nova Adventure Play Environment, Olympic Riverside Plaza, Wowk Neighbourhood School Park, Tait Waterfront Park, and additional locations identified through inspections.

Land Acquisition Program

The land acquisition program relates to the acquisition and disposition of real property for the City, as approved by Council.

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Program:	Land Program	Sub-program:	Land
Project Name:	Strategic Real Estate Acquisition	Submission ID:	7416

Location:

Various Locations

Cost:

\$50,000,000

Funding Sources:

Capital Reserve (Industrial Use):
\$44,000,000

Housing Accelerator Fund:
\$6,000,000

OBI:

\$ -



Scope:

This capital budget submission utilizes funding from the Capital Reserve (Industrial Use) for land acquisition to meet the Council Approved Strategic Real Estate Investment Plan, excluding Development Cost Charges (DCC) and other special reserve funded projects. \$50 million is to be invested in investment-class real estate.

Equipment Program

The equipment program includes machinery and vehicles for Public Works (PW), Fire Rescue Services and other equipment.

Equipment – Vehicle Program

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Program: Equipment Program
Project Name: Flood Protection Vehicle Purchase

Sub-program: Vehicle
Submission ID: C_10174

Location:

Various Locations

Cost:

\$180,000

Funding Sources:

Flood Protection:

\$180,000

OBI:

\$41,400

**Scope:**

This project consists of the purchase of a 2-tonne crew truck with dump box for the purposes of meeting Dike Maintenance and construction requirements.

Program:	Equipment Program	Sub-program:	Vehicle
Project Name:	Sanitary Sewer Vehicle Purchase	Submission ID:	C_10167

Location:

Various Locations

Cost:

\$170,000

Funding Sources:

Sanitary Sewer:

\$170,000

OBI:

\$46,000



Scope:

This project involves the acquisition of two new vehicles—one mid-size truck and one medium size van—for the delivery of the City’s electrical and radio communication maintenance and capital programs. The vehicles will be used by crews and technical staff for site inspections, field work, coordination with contractors and oversight of ongoing construction and maintenance activities.

The proposed purchase of two new vehicles will address this gap, ensuring reliable and consistent vehicle availability, and supporting the efficient delivery of maintenance and capital projects.

Program:	Equipment Program	Sub-program:	Vehicle
Project Name:	Utility Department Vehicle Purchase	Submission ID:	C_10173

Location:

Various Locations

Cost:

\$580,000

Funding Sources:

Flood Protection:

\$500,000

Sanitary Sewer:

\$80,000

OBI:

\$ -

**Scope:**

This project involves the acquisition of five vehicles for the Flood Protection (4) and Sanitary Sewers (1) utility departments to support the delivery of capital projects. The vehicles will be used by crews and technical staff for site inspections, field construction work, coordination with contractors and oversight/delivery of ongoing construction and maintenance activities.

Currently, the utility departments lease vehicles on an annual basis. The proposed purchase of vehicles will reduce long-term expenditures, provide greater flexibility in fleet use, and ensure consistent availability of vehicles for capital project work.

Program:	Equipment Program	Sub-program:	Vehicle
Project Name:	Vehicle and Equipment Replacement (PW and Corporate Fleet)	Submission ID:	7197

Location:

Works Yard and Various City Departments

Cost:

\$4,711,000

Funding Sources:

Equipment Replacement – Public Works Vehicles:

\$4,261,000

Water Levy Stabilization:

\$200,000

Sewer Levy Stabilization:

\$150,000

Flood Protection:

\$100,000

OBI:

\$ -

**Scope:**

In accordance with the Sustainable Green Fleet Policy 2020, vehicles and equipment are eligible for the annual replacement project based on their age and condition.

This project involves consultation with user groups to determine needs and develop specifications for vehicle and equipment replacements. Bid documentation is then issued to the marketplace, with purchases consolidated where possible to achieve optimal value. Submissions are evaluated with input from users and awards are made accordingly. The scope also includes vehicle outfitting and infrastructure as required to meet the specific needs of individual user departments. The work commences upon receiving Council approval, with timing dependent on delivery timeframes and product availability from successful vendors.

The project also includes an unallocated amount for unforeseen replacements, pricing adjustments, equipment failure, required vehicle infrastructure, fleet services and equipment.

Equipment – Fire Vehicle and Equipment Program

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Fire Vehicle Replacement 112

Program: Equipment Program
Project Name: Fire Equipment Replacement

Sub-program: Fire Vehicle
Submission ID: C_10133

Location:

Various Locations

Cost:

\$451,000

Funding Sources:

Equipment Replacement - Fire
 Rescue Vehicles:
 \$451,000

OBI:

\$ -

**Scope:**

Richmond Fire-Rescue's (RFR) inventory of equipment must undergo annual testing and adhere to industry standards and replacement life cycles. For 2026, the required replacements include two essential lifesaving components:

1. Auto extrication equipment (commonly referred to as the Jaws of Life) is a component utilized routinely to assist in removing individuals trapped in damaged vehicles involved in a motor vehicle incident. This life cycle replacement of the current equipment will also incorporate the latest standard which utilizes battery power (opposed to hydraulic), and provides an operationally efficient, green energy tool which is both safer for responders and the individual. The new device also provides significantly reduced noise pollution.
2. RFR hose is one of the essential pieces of equipment for both offensive and defensive fire attack. Hose is crucial to responders and public safety. The hose must be safety-inspected and functionally tested regularly. Hose that fails testing and is outside the warranty replacement must be removed from service and decommissioned. RFR must maintain an adequate inventory of fire hose to effectively maintain services for the City of Richmond.

Program: Equipment Program
Project Name: Fire Vehicle Replacement

Sub-program: Fire Vehicle
Submission ID: 7215

Location:

Various Locations

Cost:

\$2,627,000

Funding Sources:

Equipment Replacement - Fire
 Rescue Vehicles:
 \$2,627,000

OBI:

\$ -

**Scope:**

To ensure that Richmond Fire Rescue (RFR) has robust, modern equipment to deliver Fire and Rescue services to the community and adheres to the planned life span of the RFR equipment, RFR follows a replacement plan which supports the financial stability and sustainability of the Fire Vehicle and Equipment Reserve.

Without a planned replacement strategy RFR can experience a higher cost of front-line maintenance, less time available for use, and increased costs to the existing fleet as the usage increases and the availability of reserve apparatus is decreased.

The replacement of vehicles allows RFR to ensure that all vehicles are able to respond as necessary, provide coverage across the city, and keep the community safe. The replacement plan for 2026 includes a front-line vehicle.

Equipment – Equipment Program

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Parking Mobile Payment Solution 116

Program:	Equipment Program	Sub-program:	Equipment
Project Name:	Energy Management – Continuous Optimization Project	Submission ID:	C_10005

Location:

Various Locations

Cost:

\$500,000

Funding Sources:

Canada Community Building Fund

(Gas Tax):

\$325,000

Enterprise Fund:

\$175,000

OBI:

(\$28,750)



Scope:

This project will advance operational performance and sustainability at select civic facilities through targeted continuous optimization of building systems. The process will optimize mechanical, electrical and control systems to improve efficiency, reduce energy consumption, enhance comfort for building occupants and community users, and ensure long-term sustainable operations.

Initial facilities identified for this work include South Arm Community Centre, Richmond Curling Club, Richmond Cultural Centre, and Richmond Cultural Centre Annex.

Program:	Equipment Program	Sub-program:	Equipment
Project Name:	Minoru Centre for Active Living Fitness Equipment Replacement	Submission ID:	C_10166

Location:
Minoru Centre for Active Living

Cost:
\$150,000

Funding Sources:
Minor Capital:
\$150,000

OBI:
\$ -



Scope:
This capital request seeks approval to replace ageing and non-functional fitness equipment. Funds will be used to purchase new, durable equipment that addresses both safety concerns and ongoing maintenance costs associated with the existing inventory. Specifically, the scope includes replacing derelict and/or frequently repaired equipment, including two dual-cable cross machines, three recumbent exercise bikes, and three upright exercise bikes. To consolidate and replace these items while improving space efficiency and better serving user needs, the priority will be to acquire and install a functional training unit, upright and recumbent exercise bikes, an adapted upper body ergometer, and additional replacements of equipment that may reach end-of-life during 2026.

Program:	Equipment Program	Sub-program:	Equipment
Project Name:	Parking Mobile Payment Solution	Submission ID:	7820

Location:

Various Locations

Cost:

\$203,000

Funding Sources:

Corporate:

\$203,000

OBI:

\$ -



Scope:

This is to upgrade the Mobile Payment and Permit Solution, which will modernize parking operations by allowing customers to pay for parking, register and manage permits through a mobile platform. This upgrade will improve customer convenience while reducing reliance on physical infrastructure such as decals and paper permits. It will also streamline permit issuance, renewals and enforcement, supporting a fully digital registration process that lowers administrative costs and improves efficiency. In addition, the system will help manage parking across all City facilities, providing a consistent and scalable solution.

Information Technology Program

The Information Technology Program is focused on delivering innovation and best-in-class services to staff and the public. We operate a multi-faceted portfolio that enables Council goals and provides benefits to the community while ensuring the integrity and ongoing operation of City systems through adoption of recognized best practices in IT Systems and Cybersecurity Management and a planned approach to address ageing infrastructure requirements.

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Program:	Information Technology Program	Sub-program:	Information Technology
Project Name:	Annual Hardware Refresh	Submission ID:	7146

Location:
City Hall

Cost:
\$1,013,000

Funding Sources:
Hardware Upgrade:
\$1,013,000

OBI:
\$ -



Scope:

The City maintains best practice of replacing ageing computer hardware on a defined schedule to mitigate the effects of equipment failure. For the desktop and laptop environment, this schedule is based on a five-year refresh cycle. These assets are depreciated and written down after disposal approvals have been received. The City either trades in older assets or disposes them in a certified, environmentally sound manner. This project scope is to purchase and perform the scheduled replacement of end-of-life City computer hardware, with plans to include 135 desktops, 341 laptops, 158 smartphones, 93 iPads, and 3 workstations.

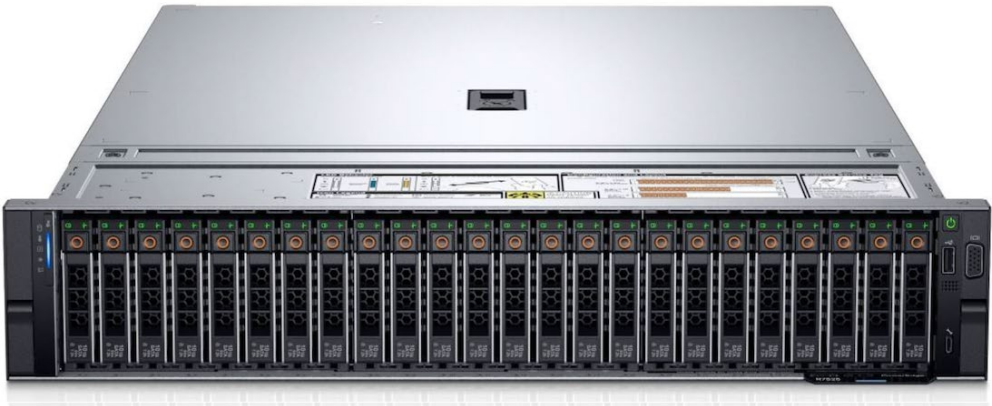
Program:	Information Technology Program	Sub-program:	Information Technology
Project Name:	Annual Virtual Hosts Refresh	Submission ID:	C_10023

Location:
City Hall

Cost:
\$150,000

Funding Sources:
Hardware Upgrade:
\$150,000

OBI:
\$ -



Scope:

To ensure long-term reliability, performance and cost-effectiveness of the Ctiy’s virtualized infrastructure, the City proposes an annual hardware refresh strategy for the ESXi host environment. Instead of replacing all hardware at once, a small number of older or underperforming hosts will be upgraded each year. This phased approach reduces operational risk, avoids service disruptions and maintains compatibility with evolving virtualization software. It also ensures the environment remains modern and supportable, without incurring the budgetary spikes associated with large-scale refreshes.

Program:	Information Technology Program	Sub-program:	Information Technology
Project Name:	Application Traffic Load Balancer Refresh	Submission ID:	C_10020

Location:
City Hall

Cost:
\$163,000

Funding Sources:
Hardware Upgrade:
\$163,000

OBI:
\$ -



Scope:

The City provides highly available access to applications and services for both staff-facing and citizen-facing services through the use of network load balancers. These infrastructure components will automatically redirect user sessions to the alternative data centre in the event of outage impacts. Through the use of these technologies, the city maintains a high service standard of 99.99% uptime. Citizen-facing services, such as MyRichmond have realized a high level of service to the community through the design and use of advanced technologies, such as network load balancing services.

Program: Information Technology Program

Sub-program: Information Technology

Project Name: Data Analytics Services 2026

Submission ID: C_10017

Location:

City Hall

Cost:

\$119,000

Funding Sources:

Software:

\$119,000

OBI:

\$ -



Scope:

Building on the success and momentum of the Data Analytics program, the City is seeking a two (2) year contract for the provision of consulting services in order to accelerate the use of data analytics in the City to achieve the goal of becoming a data-driven organization and maximizing the value of the City's investment in the Spotfire business intelligence platform which has been in place since 2021. The planned scope includes:

- Future enhancement requests from business units for analytical projects currently in progress or in production, including but not limited to Permit Optimization Project (POP) Dashboards; Leave Management Dashboard; Contract Life Cycle Management Dashboard; Finance Capital Project Dashboard; Parks, Recreation and Culture Membership Dashboards; and Public Works Operational and Capital Project reporting dashboards.
- Future advanced dashboard/reporting requests including, but not limited to the budget system, Workforce Management systems and potential replacement of PeopleSoft nVision reporting with more user-friendly reports.
- Leveraging large language models to boost the experience of Spotfire users by augmenting business intelligence and artificial intelligence provided by Spotfire Copilot.

Program:	Information Technology Program	Sub-program:	Information Technology
Project Name:	MyBusiness 2.0 Enhancements	Submission ID:	C_10003

Location:

City Hall

Cost:

\$143,000

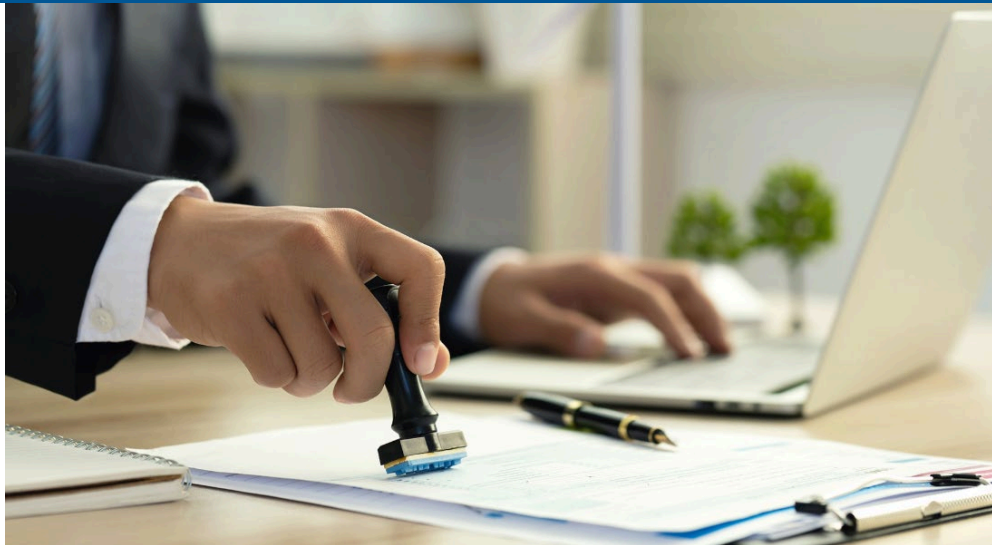
Funding Sources:

Software:

\$143,000

OBI:

\$ -

**Scope:**

MyBusiness currently offers new and existing business owners with the convenience to apply for, update and renew their licences online.

This project aims to streamline the business licence application and renewal processes based on the licence type, the scope of changes required and the necessity of manual review where domain expertise is required. The enhancements include:

- Ensuring that 80% of applications are complete upon submission with additional system validations and guidance.
- Automating license issuance for simple applications.
- Enabling straight-through updates for minor license changes.
- Generating reports for staff to identify change details.
- Redesigning the user journey to provide a more intuitive and improved customer experience, effectively guiding applicants through new applications, updates, and renewals.

These enhancements are crucial to shorten the licencing processing time from 6-8 weeks to 4-6 weeks per Council's request.

Program:	Information Technology Program	Sub-program:	Information Technology
Project Name:	Network Security Infrastructure Frefresh	Submission ID:	C_10019

Location:
City Hall

Cost:
\$104,000

Funding Sources:
Hardware Upgrade:
\$104,000

OBI:
\$16,100



Scope:

The City’s current main firewall security solution has been deployed since 2017. It is running on an older software version and cannot be upgraded to the latest release. To keep the City’s corporate systems safe and ensure uninterrupted, secure service, the City needs to upgrade to a newer firewall solution that supports the latest software and security enhancements. This will help safeguard our data, maintain compliance, support the current and future performance requirements, that will result in a more reliable and secure network.

Program: Information Technology Program

Sub-program: Information Technology

Project Name: PeopleSoft Application Assessment

Submission ID: C_10008

Location:

City Hall

Cost:

\$203,000

Funding Sources:

Software:

\$203,000

OBI:

\$ -

**Scope:**

This project aims to accomplish two objectives:

1. To conduct an assessment evaluating the PeopleSoft solution's ongoing suitability for the City's rapidly growing and evolving business processes, organizational goals, and future planning; and
2. To conduct a study preparing for a potential transition and suggested solution in the event of replacing PeopleSoft.

It is a complete evaluation of the PeopleSoft products with business processes, City's goal and future expansions.

Program:	Information Technology Program	Sub-program:	Information Technology
Project Name:	Telecommunications Infrastructure Refresh	Submission ID:	C_10021

Location:
City Hall

Cost:
\$271,000

Funding Sources:
Software:
\$271,000

OBI:
\$34,429



Scope:

As part of the City’s broader enterprise shift toward the Microsoft cloud, this initiative modernizes our ageing telephony infrastructure by fully integrating voice services into Microsoft Teams. This transition will consolidate communications—voice, video, chat, and collaboration—into a single, cloud-hosted platform, enabling a consistent, secure and mobile-ready user experience across the organization. This project is a foundational step in the City’s digital workplace transformation, ensuring the City’s communication tools are fully aligned with our Microsoft 365 ecosystem.

Program:	Information Technology Program	Sub-program:	Information Technology
Project Name:	Workforce Management Integration and Implementation	Submission ID:	C_10016

Location:

City Hall

Cost:

\$840,000

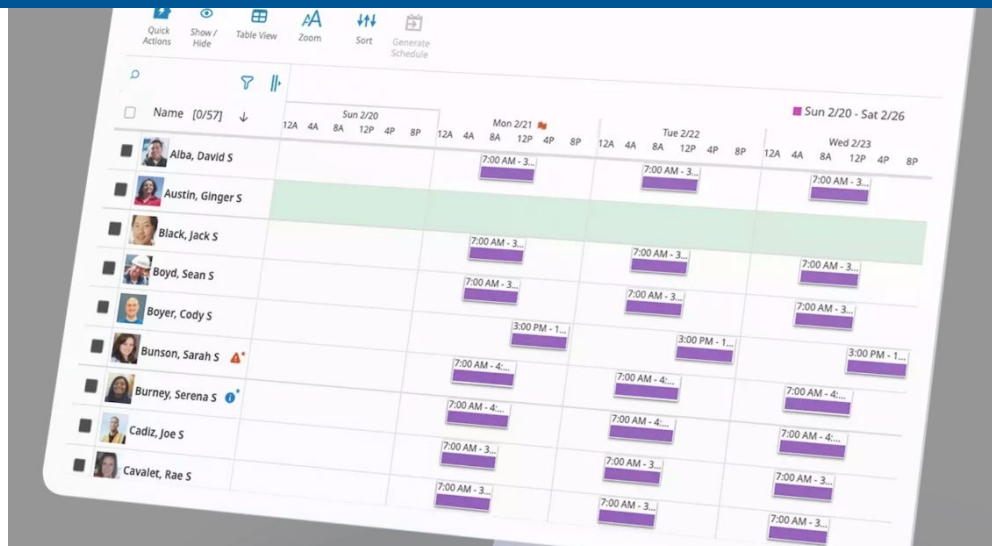
Funding Sources:

Corporate:

\$840,000

OBI:

\$ -

**Scope:**

The implementation of the software solution for the Workforce Management project, is in progress. The purpose of this submission is to request funding for:

1. Project Manager/Business Analyst consulting services
2. One-year temporary full-time Functional Analyst position
3. PeopleSoft consultants for Integration with the software
4. Staff implementation and Go-Live Support
5. Consulting services
6. Change management secondment

Contingent External Contributions

Contingent external contributions is an estimate of external grants that may be received throughout the year for a variety of approved capital projects.

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Contingent External Contributions 128

Program:	Contingent External Contributions	Sub-program:	Contingent External Contributions
Project Name:	Contingent External Contributions	Submission ID:	7223

Location:

City Wide

Cost:

\$10,000,000

Funding Sources:

Grant:

\$10,000,000

OBI:

\$ -

Scope:

The Capital Budget includes an estimate for external capital grants and contributions that are not currently foreseen or anticipated during the budget process. Spending will only be incurred if the funding is confirmed, and the budget will only be amended in accordance with the Budget Amendments Policy (Policy 3001). Including an estimate in the Consolidated 5 Year Financial Plan allows staff to request budget or scope changes to the Council approved capital projects without having to wait for the financial plan amendment, which is typically presented to Council in the fall each year.

Infrastructure Program – Not Recommended For Funding

Due to funding constraints and higher priority projects, the following infrastructure project is not recommended for funding.

Roads Program

Table of Contents

Ageing Traffic Signal Infrastructure Replacement Program	130
Street Light LED Upgrade Program	131
Supplementary Asphalt Re-Paving Program – Non-MRN	132

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Ageing Traffic Signal Infrastructure Replacement Program	Submission ID:	C_10112

Location:

Various Locations

Cost:

\$1,050,000

Funding Sources:

Capital Reserve (Revolving Fund):
\$1,050,000

OBI:

\$ -



Scope:

This project will replace ageing traffic signal infrastructure, including poles, cabinets, conduits and bases that are at the end of their service life. The scope of work includes replacement of ageing traffic signal poles and ancillary items at five locations, replacement of ageing traffic signal cabinets and ancillary items at four locations, and development of a priority ageing infrastructure replacement program for traffic signal infrastructure.

Preliminary project locations for signal pole replacements include No. 2 Road and Steveston Highway, No. 2 Road and Granville Avenue, Gilbert Road and Steveston Highway, Minoru Boulevard and Westminster Highway, and Garden City Road and Lansdowne Road.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Street Light LED Upgrade Program	Submission ID:	7232

Location:
Various Locations

Cost:
\$490,000

Funding Sources:
Capital Reserve (Revolving Fund):
\$490,000

OBI:
\$ -



Scope:

The scope of this project includes replacing street light fixtures that have reached their end of life with energy-efficient LED (Light-Emitting Diode) light fixtures as part of a multi-phased program that will allow the City to maintain a high level of service to businesses and residents. The scope of this project includes but is not limited to replacing HPS (High-Pressure Sodium) and Metal Halide fixtures with LED fixtures, which will improve energy efficiency. Additional capital projects will be requested in subsequent years to replace the remaining HPS and Metal Halide fixtures. The project will also extend the City’s street light network by integrating more LED street lights.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Supplementary Asphalt Re-Paving Program – Non-MRN	Submission ID:	7500

Location:

Various Locations

Cost:

\$2,000,000

Funding Sources:

Capital Reserve (Revolving Fund):
\$2,000,000

OBI:

\$ -



Scope:

In accordance with the City’s 2025 Ageing Utility and Road Infrastructure Planning – Update and Pavement Management Plan, approximately \$5.8 million in additional funding beyond the Annual Asphalt Re-Paving Program – Non-MRN Capital Project is required annually to maintain roadway service levels and support proactive roadway upgrades. Addressing re-paving needs in a timely manner will result in an overall cost savings for the City.

This project will allow the City to re-pave Non-MRN roads that are at their service life and could not be covered in the Annual Asphalt Re-Paving Program – Non-MRN Capital Project. The project scope includes costs associated with ancillary work, including but not limited to, curb and gutter repairs, road base repair, asphalt parking re-paving, manhole and valve box adjustments, and line painting.

Parks Program – Not Recommended For Funding

Due to funding constraints and higher priority projects, the following park projects are not recommended for funding.

Table of Contents

Steveston Ball Diamond Improvements 134

Program:	Parks Program	Sub-program:	Parks
Project Name:	Steveston Ball Diamond Improvements	Submission ID:	C_10170

Location:

Steveston Park

Cost:

\$2,225,000

Funding Sources:

Capital Reserve (Revolving Fund):

\$2,225,000

OBI:

\$ -

**Scope:**

The Steveston Ball Field and its field lighting system, originally constructed in 1977, are now showing signs of deterioration. This project proposes to replace the existing sports lighting and associated electrical components with an energy-efficient LED system. Currently, the ball diamond is being used as a construction laydown area for the Steveston Community Centre project, due to being directly adjacent to the community centre's new location. Completion of the community centre is anticipated between Q4 2026 and Q1 2027. The renewal of the ball field's lighting, backstop and bleachers is proposed as a two-year phased project. Engineering planning and design will occur in 2026, followed by procurement and construction in 2027. This timeline allows for the completion of the community centre prior to commencing ball field upgrades. Upon completion, this project will contribute to the broader revitalization of the Steveston Park area, following the Steveston Playground upgrade in 2025, the new community centre in 2026, and the ball field improvements in 2027.

CITY OF RICHMOND
5 YEAR CAPITAL PLAN SUMMARY (2026 – 2030)
(in \$000s)

	2026	2027	2028	2029	2030
Infrastructure Program					
Roads	17,741	26,149	21,683	18,256	16,761
Flood Protection	33,576	38,832	29,055	27,335	28,481
Water	7,965	7,178	9,662	7,957	8,919
Sanitary Sewer	9,638	8,900	8,900	8,900	8,900
Infrastructure Advanced Design and Minor Public Works	4,100	4,125	4,607	4,078	4,503
Total Infrastructure Program	\$73,020	\$85,184	\$73,907	\$66,526	\$67,564
Building Program					
Building	91,854	16,800	14,100	98,400	105,300
Heritage	2,700	-	8,500	-	-
Total Building Program	\$94,554	\$16,800	\$22,600	\$98,400	\$105,300
Parks Program					
	\$5,572	\$4,407	\$7,180	\$3,600	\$2,500
Land Program					
	\$50,000	\$34,000	\$25,000	\$25,000	\$25,000
Equipment Program					
Vehicle	5,641	4,373	3,629	3,820	4,077
Fire Vehicle and Equipment	3,078	2,680	2,663	368	3,571
Equipment	853	600	1,400	600	600
Total Equipment Program	\$9,572	\$7,653	\$7,692	\$4,788	\$8,248
Information Technology Program					
	\$3,006	\$453	\$850	\$294	\$641
Contingent External Contributions					
	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Total Capital Program	\$245,724	\$158,497	\$147,229	\$208,608	\$219,253

CITY OF RICHMOND
5 YEAR CAPITAL PLAN BY FUNDING SOURCES (2026 – 2030)
(in \$000s)

DCC Reserves	2026	2027	2028	2029	2030
Drainage DCC	3,437	4,725	6,373	4,112	3,584
Parks Development DCC	1,270	1,505	1,364	1,035	1,176
Roads DCC	5,589	12,791	13,449	8,323	6,254
Sanitary DCC	202	112	73	176	62
Water DCC	1,798	1,318	835	1,335	728
Total DCC	\$12,296	\$20,451	\$22,094	\$14,981	\$11,804
Statutory Reserves					
Capital Building and Infrastructure	57,300	4,726	17,260	48,700	55,600
Capital Reserves	56,194	36,586	29,857	48,882	48,920
Capstan Station	-	2,000	-	-	-
Drainage Improvement	3,624	-	-	-	-
Equipment Replacement	7,339	6,667	5,967	3,812	7,163
Flood Protection	24,832	28,826	24,189	24,201	26,301
Sanitary Sewer	10,405	9,960	5,854	-	-
Sanitary Sewer BL10401	10,250	-	4,222	20,474	20,588
Water Supply	14,650	450	450	15,668	20,819
Watermain Replacement	4,917	6,410	7,991	5,368	1,786
Total Statutory Reserves	\$189,511	\$95,625	\$95,790	\$167,105	\$181,177
Other Sources					
Canada Community Building Fund	1,175	850	600	850	600
Enterprise Fund	175	-	-	-	-
Grant and Developer Contribution	21,401	24,100	10,100	10,100	10,100
MRN Rehabilitation	4,844	4,880	1,880	1,918	1,956
Other Sources	14,122	10,620	13,854	11,318	11,545
Sewer Levy Stabilization	150	135	-	-	150
Solid Waste and Recycling	350	300	300	300	300
Steveston Community Amenities Fund	-	-	1,000	375	-
Water Levy Stabilization	1,700	1,536	1,611	1,661	1,621
Total Other Sources	\$43,917	\$42,421	\$29,345	\$26,522	\$26,272
Total Capital Program	\$245,724	\$158,497	\$147,229	\$208,608	\$219,253

CITY OF RICHMOND
5 YEAR CAPITAL PLAN BY PROGRAM (2026 – 2030)
(in \$000s)

	2026	2027	2028	2029	2030
Infrastructure Program					
Roads					
Active Transportation Improvement Program	250	600	600	750	750
Annual Asphalt Re-Paving Program - MRN	1,807	1,843	1,880	1,918	1,956
Annual Asphalt Re-Paving Program - Non-MRN	4,447	4,669	4,903	5,148	5,405
Arterial Roadway Improvement Program	2,000	800	2,500	3,000	800
Capstan Station Integration Capital Works	-	2,000	-	-	-
Citywide Connector Walkway Improvement Program	250	250	250	-	-
Minor Bridge Rehabilitation Program	-	300	300	300	300
Road Sensors Program	100	-	-	-	-
Shell Road Multi-Use Pathway, Highway 99-River Road – Phase 1	-	4,200	-	-	-
Shell Road Multi-Use Pathway, Highway 99-River Road – Phase 2	-	-	4,200	-	-
Sidewalk and Walkway Improvement Program	750	750	750	750	750
Special Crosswalk Program	300	350	350	350	350
Street Light Condition Assessment - Phase 2	400	-	-	-	-
Street Light LED Upgrade Program	-	400	-	490	400
Supplementary Asphalt Re-Paving Program - Non-MRN	-	-	-	1,500	2,000
Supplementary MRN Road Rehabilitation Program	3,037	3,037	-	-	-
Top 20 Collision Prone Intersections	1,900	4,500	3,500	2,000	2,000
Traffic Calming Program	200	200	200	200	200
Traffic Signal Power Backup System (UPS) Program	400	400	400	-	-
Traffic Signal Upgrade Program	500	600	600	600	600
Traffic Video and Communication Program	400	400	400	400	400
Transit-Related Amenity and Roadway Improvement Program	250	250	250	250	250
Transportation Planning and Design	750	600	600	600	600
Total Roads	\$17,741	\$26,149	\$21,683	\$18,256	\$16,761
Flood Protection					
Box Culvert Repair	1,584	-	-	529	264
Burkeville Utility Improvements	521	-	-	-	-
Canal Stabilization and Drainage and Irrigation Upgrades	1,864	5,961	-	2,151	264
Development Coordinated Works - Flood Protection	250	250	250	250	250
Dike Upgrade Designs	4,688	5,192	5,257	5,292	5,283
Disaster Mitigation and Adaptation Fund Infrastructure Upgrades	13,144	6,551	6,632	-	-
Drainage Chamber Rehabilitation and Upgrades	150	-	-	-	-
Drainage Network Ecological Enhancement	-	150	-	150	-
Drainage Pump Station Rehabilitation and Generator Upgrade Program	500	250	250	250	250

	2026	2027	2028	2029	2030
Flood Protection and Dike Improvements	6,662	5,715	6,518	8,662	2,430
Invasive Species Management	200	200	200	200	200
Laneway Drainage Upgrades	3,263	1,774	513	515	514
Neighbourhood Utility Improvements – Drainage	-	2,943	1,051	3,016	2,324
No. 6 Road North Pump Station Upgrade	-	-	-	5,821	-
North Dike Upgrade	-	-	-	-	16,201
Riparian and Instream Habitat Monitoring	100	-	-	-	-
SCADA System Improvements	200	350	350	350	350
South Dike Upgrade	-	9,346	7,885	-	-
Watercourse Rehabilitation and Replacement	450	150	150	150	150
Total Flood Protection	\$33,576	\$38,832	\$29,055	\$27,335	\$28,481
Water					
Development Coordinated Works - Water	250	250	250	250	250
Fire Hydrant Upgrades	400	400	400	400	400
Pressure Reducing Valve Upgrades	-	-	2,250	-	-
Water Metering Program	1,500	1,700	1,700	1,700	1,700
Watermain Replacement and Upgrades Program	5,515	4,528	4,762	5,307	6,269
Watermain Tie-in and Restoration	300	300	300	300	300
Total Water	\$7,965	\$7,178	\$9,662	\$7,957	\$8,919
Sanitary Sewer					
Development Coordinated Works - Sanitary	250	250	250	250	250
Sanitary Pump Station and Forcemain Upgrades and Rehabilitation	800	800	800	800	800
Sanitary Sewer Gravity System Assessment and Rehabilitation	600	700	700	700	700
Sanitary Sewer Tie-In and Restoration	150	150	150	150	150
Steveston Sanitary Sewer Rehabilitation	7,838	7,000	7,000	7,000	7,000
Total Sanitary Sewer	\$9,638	\$8,900	\$8,900	\$8,900	\$8,900
Infrastructure Advanced Design and Minor Public Works					
Public Works Infrastructure Advanced Design	2,500	1,825	2,307	1,778	2,203
Public Works Minor Capital - Dikes	150	400	400	400	400
Public Works Minor Capital - Drainage	350	400	400	400	400
Public Works Minor Capital - Roads	350	350	350	350	350
Public Works Minor Capital - Sanitary	150	400	400	400	400
Public Works Minor Capital - Sanitation and Recycling	350	300	300	300	300
Public Works Minor Capital - Water	250	450	450	450	450
Total Infrastructure Advanced Design and Minor Public Works	\$4,100	\$4,125	\$4,607	\$4,078	\$4,503
Total Infrastructure Program	\$73,020	\$85,184	\$73,907	\$66,526	\$67,564
Building Program					
Building					
Annual Facility Services Infrastructure Replacements	3,000	3,000	3,000	3,000	3,000
Annual Project Development Building Improvements	5,954	5,500	5,500	5,500	5,500

	2026	2027	2028	2029	2030
Capital Buildings Project Development Advanced Design	500	1,500	1,500	1,500	1,500
Childcare Facility Infrastructure Renewals	-	-	1,000	-	-
City Hall Fan Coil Renewals – Lower Floors	-	-	-	-	4,000
City Hall Life Safety Renewals	-	-	1,000	-	-
Covered Lacrosse Box	-	6,800	-	-	-
Debeck House System and Envelope Renewals	-	-	1,500	-	-
East Richmond Community Hall Envelope and HVAC Renewals	700	-	-	-	-
Hamilton Community Centre Infrastructure Renewals	-	-	-	200	-
Library Cultural Centre – Interior Renewals	-	-	-	1,200	-
Library Cultural Centre Lapidary Room Renewals	-	-	600	-	-
Richmond Cultural Centre Skylight Dome Repair and Air Handling Unit Replacements	3,700	-	-	-	-
Richmond Ice Centre – Rink Safety Improvements	-	-	-	-	2,400
Richmond Ice Centre – Sprinkler System Replacement	4,000	-	-	-	-
Richmond Ice Centre Roof Replacement – North Roof	-	-	-	6,000	-
Richmond Ice Centre Roof Replacement - South Roof	-	-	-	-	6,000
South Arm Community Centre Roof Replacement	-	-	-	-	3,500
Steveston Martial Arts and Tennis Facility Renewals	-	-	-	3,000	-
West Richmond CC & Pitch Putt	-	-	-	-	1,400
Works Yard Replacement – Phase 1	74,000	-	-	-	-
Works Yard Replacement – Phase 2	-	-	-	78,000	78,000
Total Building	\$91,854	\$16,800	\$14,100	\$98,400	\$105,300
Heritage					
Japanese Duplex Restoration and Fit Out	-	-	8,000	-	-
London Farm Envelope Restorations	2,700	-	-	-	-
Steveston Post Office and Museum Infrastructure Renewals	-	-	500	-	-
Total Heritage	\$2,700	\$ -	\$8,500	\$ -	\$ -
Total Building Program	\$94,554	\$16,800	\$22,600	\$98,400	\$105,300
Parks Program					
Parks					
Capstan Park Neighbourhood Activation	262	-	-	-	-
Experience the Fraser Trail Enhancements – Phase 1	100	-	-	-	-
Garden City Lands – Phase 4	-	-	1,000	-	-
Garden City Community Park Pedestrian Bridge Replacement	600	-	-	-	-
Lulu Island Park – Detailed Design Phase	-	-	2,000	750	-
Minoru Lakes District Tree Art Plan	100	-	-	-	-
Minoru Park Active Living District Safety and Accessibility Improvements	-	100	-	-	-
Minoru Park Field 2 Synthetic Turf Replacement	-	750	-	-	-
Minoru Park Latrace Field Synthetic Turf Replacement	-	-	1,580	-	-

	2026	2027	2028	2029	2030
Parks Advanced Planning and Design	600	600	600	600	600
Parks Ageing Infrastructure Rehabilitation Program	700	700	750	650	650
Parks General Development	500	500	500	500	500
Parks Identity and Wayfinding Signage Program	150	-	150	-	150
Parks Shelter and Shade Program	-	250	-	500	-
Pickleball Court Installation	200	-	-	-	-
Playground Replacement Program	600	600	600	600	600
Railway Greenway Solar Lighting – Phase 1	360	-	-	-	-
Railway Greenway Solar Lighting – Phase 2	-	407	-	-	-
Richmond Nature Park Bog Restoration	-	500	-	-	-
Richmond Nature Park Enhancements	750	-	-	-	-
Timber and Natural Play Replacement Program	650	-	-	-	-
Total Parks Program	\$5,572	\$4,407	\$7,180	\$3,600	\$2,500
Land Program					
Land					
Strategic Real Estate Acquisition	50,000	34,000	25,000	25,000	25,000
Total Land Program	\$50,000	\$34,000	\$25,000	\$25,000	\$25,000
Equipment Program					
Vehicle					
Flood Protection Vehicle Purchase	180	-	-	-	-
Sanitary Sewer Vehicle Purchase	170	-	-	-	-
Utility Department Vehicle Purchase	580	-	-	-	-
Vehicle and Equipment Replacement (PW and Corporate Fleet)	4,711	4,373	3,629	3,820	4,077
Total Vehicle	\$5,641	\$4,373	\$3,629	\$3,820	\$4,077
Fire Vehicle and Equipment					
Fire Equipment Replacement	451	-	2,500	368	-
Fire Vehicle Replacement	2,627	2,680	163	-	3,571
Total Fire Vehicle and Equipment	\$3,078	\$2,680	\$2,663	\$368	\$3,571
Equipment					
Capstan Community Centre – Furniture, Fixtures and Equipment (FF&E)	-	-	800	-	-
Energy and GHG Management Project	-	600	600	600	600
Energy Management – Continuous Optimization Project	500	-	-	-	-
Minoru Centre for Active Living Fitness Equipment Replacement	150	-	-	-	-
Parking Mobile Payment Solution	203	-	-	-	-
Total Equipment	\$853	\$600	\$1,400	\$600	\$600
Total Equipment Program	\$9,572	\$7,653	\$7,692	\$4,788	\$8,248
Information Technology Program					
Information Technology					
Annual Hardware Refresh	1,013	303	700	144	491
Annual Virtual Hosts Refresh	150	150	150	150	150
Application Traffic Load Balancer Refresh	163	-	-	-	-

5 Year Capital Plan by Program (2026 - 2030) - Recommended
Appendix 12

	2026	2027	2028	2029	2030
Data Analytics Services 2026	119	-	-	-	-
MyBusiness 2.0 Enhancements	143	-	-	-	-
Network Security Infrastructure Refresh	104	-	-	-	-
PeopleSoft Application Assessment	203	-	-	-	-
Telecommunications Infrastructure Refresh	271	-	-	-	-
Workforce Management Integration and Implementation	840	-	-	-	-
Total Information Technology Program	\$3,006	\$453	\$850	\$294	\$641
Contingent External Contributions					
Contingent External Contributions					
Contingent External Contributions	10,000	10,000	10,000	10,000	10,000
Total Contingent External Contributions	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
Grand Total	\$245,724	\$158,497	\$147,229	\$208,608	\$219,253

CITY OF RICHMOND
5 YEAR CAPITAL PLAN BY PROGRAM (2026 – 2030) NOT RECOMMENDED FOR FUNDING
(in \$000s)

	2026	2027	2028	2029	2030
Infrastructure Program					
Roads					
Ageing Traffic Signal Infrastructure Replacement Program	1,050	1,050	1,050	1,050	1,050
Road Sensors Program	-	100	-	-	-
Street Light Condition Assessment – Phase 3	-	400	-	-	-
Street Light LED Upgrade Program	490	-	490	-	-
Supplementary Asphalt Re-Paving Program - Non-MRN	2,000	2,000	2,000	-	-
Total Roads	\$3,540	\$3,550	\$3,540	\$1,050	\$1,050
Total Infrastructure Program	\$3,540	\$3,550	\$3,540	\$1,050	\$1,050
Parks Program					
London Steveston Softball Diamond Construction	-	-	2,500	-	-
Lulu Island Park – Phase 1 (Site Enabling Work)	-	-	-	5,000	-
Lulu Island Park – Phase 2 (Earthworks and Site Servicing)	-	-	-	-	5,500
Minoru Park Community Amenity Space Phase One Construction	-	-	-	500	-
Minoru Park Playground Construction Services	-	2,000	-	-	-
Steveston Ball Diamond Improvements	2,225	-	-	-	-
Synthetic Turf Multi-Sport Field	-	5,430	-	-	-
Terra Nova Slough Habitat Enhancement	-	-	1,000	-	-
Total Parks Program	\$2,225	\$7,430	\$3,500	\$5,500	\$5,500
Grand Total	\$5,765	\$10,980	\$7,040	\$6,550	\$6,550

The following is an overview of the major Capital programs proposed for the years 2027 to 2030.

INFRASTRUCTURE PROGRAM

Flood Protection and Dike Improvements (2027–2030: \$23,325,000)

The City has 49 km of perimeter dike and 39 drainage pump stations that provide the City with flood protection from ocean storm surges and freshets. This project includes flood protection improvements at priority locations to maintain or increase current flood protection service levels. Dike construction work includes, but is not limited to, dike raising, structural rehabilitation, re-grading and dike re-armouring at priority locations.

Disaster Mitigation and Adaptation Fund Infrastructure Upgrades (2027-2028: \$13,183,000)

The City invests in major disaster mitigation infrastructure to contribute to the Province of British Columbia and Canada's economic growth, public safety and ability to build a community more resilient to climate change. This project includes the design and construction of drainage pump station upgrades and perimeter dike raising included in the Disaster Mitigation and Adaptation Fund grant. The project will be completed in multiple phases.

Watermain Replacement and Upgrades Program (2027-2030: \$20,866,000)

This project supports the City's Ageing Utilities and Roads Infrastructure Report by replacing ageing watermain that are approaching the end of their service lives. Watermain replacement minimizes unplanned maintenance and improves the available water supply for fire protection. The watermain replacement program is informed by watermain age, material, and break history.

Steveston Sanitary Sewer Rehabilitation (2027-2030: \$28,000,000)

This project is part of a multi-year program to assess and rehabilitate or replace ageing gravity sewers in the Steveston area that are approaching the end of their service life. Rehabilitation and replacement will mitigate risk of infrastructure failure, thereby maintaining a high level of sanitary service to residents. This project includes assessment, rehabilitation or replacement, and associated activities required to facilitate sanitary system rehabilitation and replacement.

Top 20 Collision Prone Intersections (2027-2030: \$12,000,000)

Through this annual program, the City undertakes safety upgrades at the Richmond's most collision-prone intersection locations. The 2027-2030 programs will review and implement improvements to a number of high priority intersections, including Sea Island Way and Garden City Road, Shell Rd and Alderbridge Way. Upgrades may include modifications to or removal of existing channelized right turns, laning configuration or geometric upgrades, traffic signal upgrades, bike and pedestrian safety improvements and other traffic modifications. External grant funding opportunities may be available for these projects.

BUILDING PROGRAM**Works Yard Replacement Phase 2 (2029–2030: \$156,000,000)**

In July 2025, Council endorsed the overall building form, phasing and budget strategy for the Works Yard Replacement Project (WYRP).

The Works Yard is critical to City operations, emergency response, and disaster recovery, supporting the services, equipment, and materials fundamental to maintaining the City's infrastructure. The current facilities do not meet current building code standards, are not built to withstand disaster events, and are situated below the current flood construction level. These deficiencies limit the City's ability to respond and recover from a major seismic or flood event until the new facility is completed.

To ensure continuous operations during construction, the WYRP will be implemented in three phases over approximately ten years. Phase 2 encompasses the design and construction of new storage facilities, fleet parking areas, the central garage, and warehouse space to expand operational capacity. This phase will build upon the completion of the Phase 1 administration building and workshops, allowing a smooth transition of operations as the site continues to evolve. The replacement of Works Yard will be constructed to post-disaster and flood-resilient standards, enhancing the City's emergency response capabilities and long-term operational resilience.

PARKS PROGRAM**Minoru Park Enhancements (2027-2028: \$2,430,000)**

Minoru Park is the premier signature park in Richmond City Centre. Since it was first established in the 1950s, it has expanded and evolved to become the dynamic sport, recreational, cultural, and social hub of our community. Due to its popularity and functions, many areas of the park have also experienced heavy usage, and enhancements are imminently required to improve their level of services. Over the next few years, the following works are anticipated to be undertaken: an assessment will be undertaken to improve accessibility to some of the most frequently used park areas, including implementations of initial high-priority upgrades focusing around the Clement Track; the existing synthetic ball fields at Minoru Field 2 and Latrace Field will be aimed for end-of-life-cycle replacements in 2027 and 2028 respectively.

LAND PROGRAM**Strategic Real Estate Acquisition (2027–2030: \$109,000,000)**

Funds for land acquisition to meet the Council Approved Strategic Real Estate Investment Plan. Availability of funds in the capital budget provides the ability to act quickly when necessary, without having to wait for the financial plan amendment which is typically presented to Council in the fall of each year.

EQUIPMENT PROGRAM**Vehicle and Equipment Reserve Purchases (Public Works and Corporate Fleet) (2027–2030: \$15,899,000)**

In accordance with Sustainable Green Fleet Policy 2020, vehicles are eligible for the annual replacement project based on their age and condition. The replacement process of ageing fleet is to establish needs and develop specifications for vehicle/equipment replacements, send bid information out to the marketplace, evaluate submissions and award accordingly.

INFORMATION TECHNOLOGY PROGRAM**Annual Hardware Refresh (2027–2030: \$1,638,000)**

The City follows a progressive plan to keep its computer hardware up to date and reliable. As part of this plan, desktops and laptops are typically replaced on a five-year cycle to reduce the risk of equipment failure and ensure staff have the tools they need to work efficiently. Once replacement equipment is approved, older assets are depreciated and either traded in or responsibly recycled through certified, environmentally sound processes. This project continues the City's ongoing hardware refresh program, covering the scheduled replacement of end-of-life desktops, laptops, workstations, smartphones, and iPads.

Abbreviation	Full Form
5YFP	5 Year Financial Plan
APS	Accessible Pedestrian Signal
AI	Artificial Intelligence
CBI	Capital Building and Infrastructure Reserve
CN	Canadian National
DCC	Development Cost Charges
DFO	Fisheries and Oceans Canada
ETF	Experience the Fraser
GHG	Greenhouse Gas
HAF	Housing Accelerator Fund
HPS	High Pressure Sodium
HVAC	Heating, Ventilation, and Air Conditioning
ICI	Industrial, Commercial and Institutional
IT	Information Technology
LED	Light-Emitting Diodes
LTFMS	Long Term Financial Management Strategy
MRN	Major Road Network
MUP	Multi-Use Pathway
OBI	Operating Budget Impact
OCP	Official Community Plan
OMR	Operations, Maintenance, and Rehabilitation
Plan	The Proposed 5 Year Capital Plan
POP	Permit Optimization Project
POSS	Parks and Open Space Strategy
PW	Public Works
RCMP	Royal Canadian Mounted Police
Revolving Fund	Capital Reserve (Revolving Fund)
RFR	Richmond Fire-Rescue
RSA	Rate Stabilization Account
RT	Review Team
RTS	Richmond Trail Strategy
SCADA	Supervisory Control and Data Acquisition
SMT	Senior Management Team
TMC	Traffic Management Centre
UPS	Uninterruptable Power Supply



To: Finance and Audit Committee
From: Mike Ching, CPA, CMA
Director, Finance
Re: 2026 Proposed Operating Budget

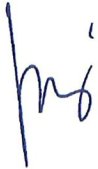
Date: November 17, 2025
File: 03-0985-01/2025-Vol
01

Staff Recommendations

- (1) That the 2026 Proposed Operating Budget as presented in Budget Option 2 for a total of 3.28% be approved as outlined below:
- (a) A same level of service budget increase of \$3,905,151 after tax growth with a tax increase of 1.19% be approved;
 - (b) Ongoing funding for expenditures previously approved by Council totaling \$2,742,450 as presented in Table 13 with a tax increase of 0.84% be approved;
 - (c) Emerging organizational additional levels in the amount of \$1,045,361 as presented in Attachments 10, 11, and 12, of the staff report titled 2026 Proposed Operating Budget with a tax increase of 0.32% be approved;
 - (d) The Rate Stabilization Account be used to pay for the one-time initial capital costs for the recommended No Tax Impact Positions from Attachment 11 totaling \$75,211 be approved;
 - (e) Transfer to reserves for Investment in Community Facilities as per Council's Long Term Financial Management Strategy in the amount of \$3,271,701 with a tax increase of 1.00% be approved;
 - (f) Senior level government and other government agency increase of \$1,479,436 with a tax increase of 0.45% be approved;
 - (g) Use of reserves for program expenditures for Affordable Housing, Child Care and Public Art programs of \$1,360,000 as presented in Attachment 9 be approved;
 - (h) Operating budget impacts from the 2026 Proposed Capital Budget totalling \$101,581 with a tax increase of 0.03% be approved; and
 - (i) The Rate Stabilization Account be used to reduce the overall impact of additional operating costs for a total of \$1,800,000 resulting in a tax decrease of 0.55% be approved.
- (2) That the 2026 Operating Budget as approved be included in the Consolidated 5 Year Financial Plan (2026-2030); and




- (3) That item 2 of the Long Term Financial Management Strategy (Council Policy 3707) be amended as follows:

Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, and the Council initiatives account.



Mike Ching, CPA, CMA
Director, Finance
(604-276-4137)

Att. 13

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
REVIEWED BY SMT	INITIALS: 
APPROVED BY CAO 	

Executive Summary

Each year the City prepares a 5 Year Financial Plan to comply with the requirements of Section 165 (1) of the *Community Charter*. The 2026 Operating Budget forms the basis of the 2026-2030 planning period. The future years are based on information available at the time of preparing the Plan including projections for future years received from external agencies, projected inflation which is an indicator of future costs and amounts approved by Council which will come into effect in future years.

The Plan includes an annual 1.00% increase in transfer to reserves which is committed to fund the Works Yard Replacement project and to fund infrastructure replacement needs. The Plan also includes the operating budget impact of major facility capital projects that are expected to reach completion in this planning period, including the Steveston Community Centre and Library and the West Richmond Pavilion.

The current economic environment carries much uncertainty related to global trade and the residual impacts on local businesses and consumers. With the weight of this uncertainty directly impacting citizens, the Senior Management Team directed that the budget should be reduced where possible without cutting services. Requests for additional services were heavily scrutinized with only the highest priority items being recommended in the proposed 2026 Operating Budget.

Staff are recommending a 2026 Operating Budget with an increase of 3.28% (Table 1). This will result in an increase of approximately \$76 in municipal taxes for an average residential property with an assessment value of \$1,319,103 (based on 2025 assessment value and tax rates).

The 2026 Proposed Operating Budget includes the addition of:

- 4 RCMP Officers, without tax impact due to a combination of increased revenue and contract surplus due to the detachment's vacancy pattern
- 1 Municipal Employee to support the RCMP Detachment
- 1 Emergency Vehicle Technician to support Richmond Fire Rescue
- 1 Senior Manager, Internal Audit and Risk to report to the Finance and Audit Committee and the Senior Management Team
- Funding for the additional security guard shift which was previously funded by one-time funding
- Funding for housing initiatives including 8 existing positions which are temporarily funded by the Housing Accelerator Fund federal grant in order to continue beyond the term of the grant funding, which ends in 2027.

Table 1: 2026 Proposed Operating Budget

	Budget Component	2026 Operating Budget Net Increase (in \$000s)	Tax Impact	Equivalent for Average Residential Property
1	Same Level of Service Increase (LTFMS target of 1.80%) (Table 8, see page 18) - After proposed reduction from temporary vacancies (see page 27) - Includes reserve funded programs (see Attachment 9)	\$3,905	1.19%	\$28
2	Previously Approved Expenditures (see page 22) - Amounts deferred from the 2025 Operating Budget through utilization of Rate Stabilization Account - Blackberry Management (Year 1 of 2) - Community Amenity Space in Luxe Lansdowne Development - Bowling Green Activity Centre OBI - Steveston Community Centre and Library Replacement OBI Phase-in (Year 4 of 4)	2,742	0.84%	19
3	Emerging Organizational Additional Level Increases - Externally Funded Items (see Attachment 10) - No Tax Impact Positions (see Attachment 11) - Recommended Emerging Organizational Additional Levels (see Attachment 12)	1,046	0.32%	8
4	Investment in Community Facilities (Transfer to Reserves) (see page 24)	3,272	1.00%	23
LTFMS Policy: Same Level of Service, Previously Approved Expenditures, Additional Levels, and 1.00% Infrastructure Replacement Needs		10,965	3.35%	78
5	External Senior Government Increases (see page 24): - Community Safety Cost-Sharing Obligations	1,479	0.45%	8
6	Operating Budget Impacts (see page 25) - OBI from 2026 Capital Budget	102	0.03%	1
7	- Proposed Rate Stabilization (see page 26)	(1,800)	(0.55%)	(11)
Subtotal of External Senior Government, Operating Budget impacts and Rate Stabilization		(\$219)	(0.07%)	(2)
2026 Proposed Operating Budget Increase		\$10,746	3.28%	
Annual equivalent tax increase for average residential property				\$76

The proposed 2026 Operating Budget includes only non-discretionary increases to maintain the same level of service as set out in contracts and agreements. Council policy requires that the tax increase to maintain the same level of service must be at the forecasted Vancouver CPI rate, which for 2026 is 1.80%. With the direction from the Senior Management Team to reduce the same level of service budget without impacting services, this target is exceeded as the proposed increase after reductions is 1.19%.

This is achieved through a one-time reduction to the budget recognizing that there is a certain level of vacancy that will naturally occur in any operational setting due to retirements, staff departures, temporary leaves of absence and internal promotions. When a position becomes vacant, it is not automatically replaced but rather goes through a process of review to determine if a replacement is warranted or if the position requires reclassification to meet current operational requirements. The 2026 Operating Budget includes an estimate for these temporary vacancies.

It is important to emphasize that this is not an indication of the removal of any service or position. It is however accepting that somewhere within the organization there will be a temporary vacancy, particularly as the workforce continues to age and the labour market remains competitive. The budget includes a preliminary estimate for where these temporary vacancies might occur. This estimated allocation will be reviewed throughout the 2026 year and may need to be reallocated between divisions through the budget amendment if results differ. This approach comes with the risk that if this estimate proves to be too high in comparison to the actual temporary vacancy rate experienced in 2026, the budget may have a shortfall. Any deficit realized would need to be funded through future budgets and therefore could result in an increase in the future. This vacancy estimate will be monitored and reviewed annually; staff will include any required adjustments in future budgets.

Despite these risks, staff recommend that this one-time strategy be implemented in the 2026 Operating Budget to reduce the tax impact as it is expected to be achievable.

The 2026 Operating Budget incorporates a number of items that were previously approved by Council which now require funding in the 2026 budget as was disclosed at the time of approval, including:

- Amounts deferred from the 2025 Operating Budget through utilization of Rate Stabilization Account
- Blackberry Management (Year 1 of 2)
- Community Amenity Space in Luxe Lansdowne Development
- Bowling Green Activity Centre OBI
- Steveston Community Centre and Library Replacement OBI Phase-in (Year 4 of 4)

The approach for blackberry management was approved by Council on June 9, 2025. Incorporated into the 2026 Operating Budget is the first phase of this action plan which includes purchasing a truck and adding two regular full-time staff. Once hiring and the preliminary planning for this new program is completed, phase 2 of the action plan will be included in the 2027 Operating Budget.

Each year, requests for emerging organizational additional levels are considered during the budget process. Many requests were evaluated and only the highest priority requests are brought forward in the proposed 2026 Operating Budget. There are several other requests that are priorities but will require further analysis and may be included in future budgets.

Requests for additional resources that could be fully mitigated without any tax impact are recommended in No Tax Impact Positions, as shown in Attachment 11.

There are five high-priority additional levels with tax impact that are recommended per Budget Option 2 of the proposed 2026 Operating Budget as summarized in Attachment 12.

External senior government increases that must be added to the 2026 Operating Budget include increase from E-Comm and regional policing teams.

The Operating Budget Impact of the proposed 2026 Capital Budget was heavily scrutinized and kept to a minimum.

It is recommended to reduce the overall tax impact through utilization of \$1.8M from the Rate Stabilization Account. This is less than the amount recommended in 2026 as it is important for the budget to provide funding for all approved amounts. This rate stabilization will gradually be reduced within the five year financial planning period.

As indicated, the one-time reduction included in the proposed 2026 Operating Budget cannot be repeated in future years. Therefore, the 5 Year Financial Plan projects that future year tax increases will be higher to maintain the same level of service.

Table 2: Proposed 5 Year Financial Plan (2026-2030)

Proposed 5 Year Financial Plan	2026 Budget	2027 Plan	2028 Plan	2029 Plan	2030 Plan
Same Level of Service Before Reductions	2.12%	2.15%	2.00%	1.90%	1.90%
Less: Reduction From Temporary Vacancies	(0.93%)	-	-	-	-
Same Level of Service Increase	1.19%	2.15%	2.00%	1.90%	1.90%
Investment in Community Infrastructure	1.00%	1.00%	1.00%	1.00%	1.00%
External Senior Government Related Increases	0.45%	0.43%	0.44%	0.38%	0.28%
Emerging Organizational Additional Levels	0.32%	0.51%	0.51%	0.40%	0.40%
Operating Budget Impact from Capital Budget	0.03%	0.18%	0.18%	0.18%	0.18%
Council Previously Approved Expenditures	0.84%	0.67%	0.53%	0.29%	0.06%
Less: Rate Stabilization	(0.55%)	(0.39%)	(0.25%)	(0.12%)	0.00%
Proposed Operating Budget Increase	3.28%	4.55%	4.41%	4.03%	3.82%

Staff Report

Origin

Subsection 165(1) of the *Community Charter* requires the City to adopt a 5 Year Financial Plan (5YFP) Bylaw. The 2026 Operating Budget forms the basis of the City's 5YFP. Under the *Community Charter*, the City is prohibited from incurring any expenditure unless the expenditures have been included for that year in its financial plan, and the City is required to provide a balanced budget. The financial plan cannot plan for a deficit. In addition, any deficit that results from one year needs to be included in the financial plan the following year.

Pursuant to Council Policy 3016, the operating and capital budgets and the 5 Year Financial Plan must be presented to Council by the first Council Meeting in January in which the annual budget is being prepared. It is prudent to approve the budgets prior to the start of the budget year in order for staff to have clear direction on budget and spending authorization from the start of the fiscal year. External organizations that evaluate the fiscal management of Canadian municipalities have acknowledged Richmond's commitment to this best practice.

The 2026 Proposed Operating Budget ("Budget") applies the principles of Council's Long Term Financial Management Strategy (LTFMS) (Policy 3707), which was originally adopted in 2003:

"Tax increases will be at Vancouver CPI rate (to maintain current programs and maintain existing infrastructure at the same level of service) plus 1.0% towards infrastructure replacement needs."

Projected 2026 CPI forecasts for Vancouver are estimated at 1.80% by the Conference Board of Canada in their autumn forecast.

This report supports Council's Strategic Plan 2022-2026 Focus Area #4

Responsible Financial Management and Governance:

Responsible financial management and efficient use of public resources to meet the needs of the community.

4.1 Ensure effective financial planning to support a sustainable future for the City.

4.2 Seek improvements and efficiencies in all aspects of City business.

4.3 Foster community trust through open, transparent and accountable budgeting practices and processes.

4.4 Work with all levels of governments for grant and funding opportunities.

Council's 2022-2026 Strategic Plan is summarized in Attachment 1.

Analysis

Environmental Scan

Economic Outlook

Global economic growth is expected to remain low amid continuing uncertainty related largely to changing global trade dynamics. According to the International Monetary Fund (IMF), growth will slow from 3.3% in 2024 to 3.2% in 2025 and further to 3.1% in 2026, as trade tensions, lower immigration, and policy unpredictability weigh on the outlook.¹

Globally, inflation is expected to decline to 4.2% in 2025 and 3.7% in 2026, with notable differences across regions. Inflation remains above target in the United States, while much of the rest of the world continues to experience price pressures. While the U.S. economy showed resilience early in the year, growth is now slowing due to the unwinding of front-loaded trade and investment activity, softening labour markets, and the increasing pass-through of tariffs to consumer prices. The U.S. growth forecast has now moderated to 2.0%.

Canada's economy remains delicately positioned between low growth and persistent inflation. Real GDP growth is projected to increase from 1.2% in 2025 to 1.6% in 2026, supported by fiscal measures and improving business sentiment as tariff concerns lessen. Despite softer labour markets, modest fiscal stimulus and stabilizing consumer demand are anticipated to strengthen activity. However, core inflation, which excludes components such as food and energy that frequently fluctuate, is near 3%, and the Bank of Canada looks closely at this measure to understand underlying inflation trends. While other measures, such as the Consumer Price Index (CPI), are tracking closer to the 2% target, caution remains, as the outlook is sensitive to U.S. policy shifts and trade conditions.²

British Columbia's economy continues to show resilience amid global trade uncertainty, though growth is slowing. Real GDP growth is forecast at 1.5% in 2025, down from the previous estimate of 1.8%, and 1.3% in 2026, revised from 1.9%. Inflationary pressures from U.S. tariffs are expected to be partially offset by the elimination of the consumer carbon tax. Key risks to the outlook include global trade tensions, commodity price volatility, and housing market weakness. Despite these challenges, B.C.'s diversified economy, easing interest rates, and employment gains provide a foundation for stronger medium-term growth.³

In Richmond, the city benefits from a well-diversified economy, with significant strengths in transportation, warehousing, logistics, manufacturing, and tourism bolstered by the city's strategic role as a gateway for people and goods. From this strong foundation, businesses are navigating challenges related to the broader economic slowdown, inflationary pressures, labour costs and availability, and high input costs. Industrial vacancy rates have edged slightly higher, with industrial sub-lease availability continuing, while office vacancy rates have trended downward, with new leasing activity. Looking ahead, low growth is expected in 2026, in line with regional and global economic trends.

¹ [International Monetary Fund, World Economic Outlook, October 2025](#)

² [Scotiabank, Global Economic Outlook, September 2025](#)

³ [Government of BC, Standing Strong for B.C., First Quarterly Report, September 2025](#)

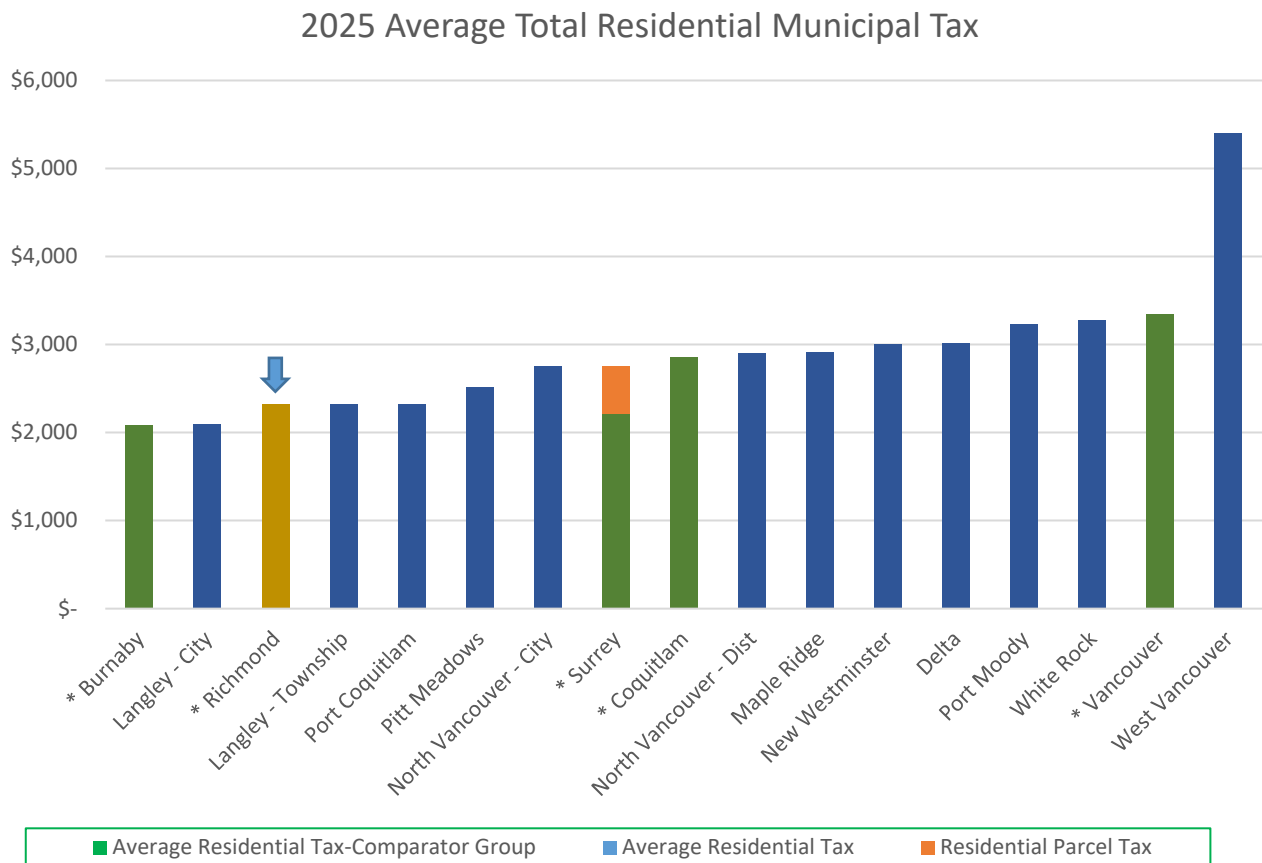
These external economic conditions influence the City's operations and financial situation. For example, the organization faces high costs for services and materials related to the extended period of inflationary pressures. Competition for labour remains challenging, especially for certain skillsets, as the local labour market is more constrained than those at the federal and provincial levels. Contracted services, such as the RCMP, are also subject to cost increases outside of the City's control. The factors discussed in this economic outlook were considered as part of the City's 2026 budget preparation.

Please refer to Attachment 2 for further information on the Economic Outlook.

Taxation

The City has kept property taxes below the average amongst other Metro Vancouver municipalities. Compared to the 17 municipalities in Metro Vancouver, the 2025 average taxes per dwelling in Richmond ranks as the third lowest at \$2,323 annually. Within the comparator group of Vancouver, Coquitlam, Burnaby and Surrey, Richmond has the second lowest average tax per dwelling. *Figure 1* shows the comparison of all Metro Vancouver municipalities.

Figure 1: Comparison of 2025 Average Tax per Dwelling



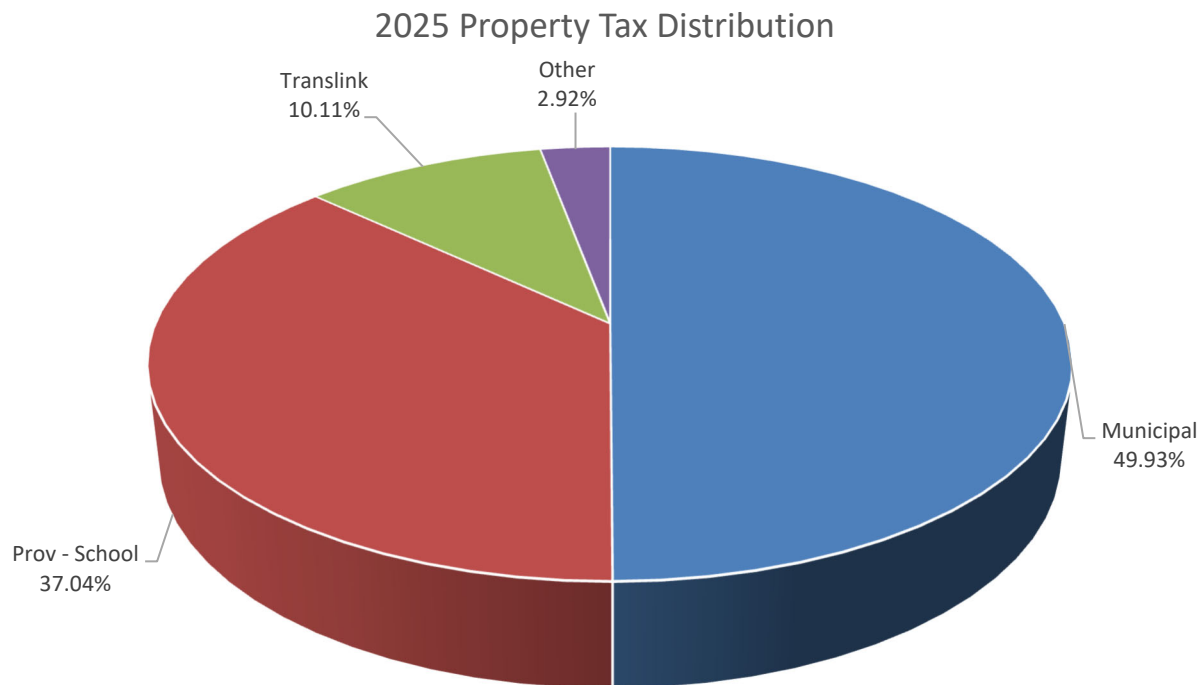
*Denotes Comparator group

Taxes Collected for Other Government Agencies

Over half of the property tax bill that is collected is on behalf of other agencies. Council has no control over these levies; the City is obligated to collect these and remit directly to the taxing authorities.

Figure 2 shows that in 2025, 50.07% of the residential tax bill was comprised of levies collected for other taxing jurisdictions including TransLink, School Board, Metro Vancouver, BC Assessment and Municipal Finance Authority.

Figure 2: Distribution of Property Taxes



Municipal Portion of Property Tax

Just under half of the property tax bill goes toward programs and services that are directly delivered or contracted by the City. In 2025, 49.93% of the residential tax bill was for municipal costs. Attachment 4 provides a breakdown of the 2025 municipal tax dollar – same level of service (without 2026 proposed OBIs and additional levels, which are subject to Council approval). Community Safety continues to be the largest component of the budget with approximately 40 cents of every municipal tax dollar collected spent on Policing and Fire rescue services. Over 13 cents is allocated toward Project Development and Facility Services in order to ensure facilities are adequately maintained, including community facility infrastructure replacement needs (refer to Investment in Community Facilities Infrastructure on page 24). All services are fundamental to the residents' quality of life and to support the local economy and vibrancy within the community.

Long Term Financial Management Strategy (LTFMS)

External Debt

At its meeting on May 9, 2022, Council approved the final step in the process to borrow \$96.0 million with an interest rate of 4.09% in order to provide funding for the Steveston Community Centre and Library replacement project, with payments amortized over 20 years. Annual debt payments of \$7.3 million commenced in 2023. \$6.4 million of the annual debt payment is funded from an allocation gaming revenue with the remainder of \$0.9 million funded by property taxes.

Gaming Revenue

As a host local government to the River Rock Casino, the City receives 10.00% of net casino revenue. The amount received is not within the City's control, however Council has full discretion over how to allocate these funds. Council's LTFMS states:

"Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, the Council initiatives account, and towards the cost of policing relating to gaming activities."

The 2025 Budget estimated \$11.5 million revenue would be received. Actual amounts received to date have been slightly below budget and is trending downward. Therefore, it is proposed to reduce the budget to \$10.5 million and to make a change to the allocation model as presented in Table 3.

Table 3: Casino Funding Allocation (in \$000s)

Casino Funding	Allocation Basis	2026 Proposed Budget	2025 Budget	Increase (Decrease)
Debt Servicing	Fixed	\$6,400	\$6,400	\$-
Grants	Policy	2,918	2,875	43
Council Community Initiatives Account	2.00%	210	230	(20)
Operating (RCMP)	None	-	979	(979)
Capital Reserve	Remainder	972	1,016	(44)
Total		\$10,500	\$11,500	(\$1,000)

Grants

Table 4 summarizes the contributions and grants funded by Gaming Revenue, the majority of which are indexed to inflation. The revised allocation includes the approved amount of annual funding.

Table 4: Grants Funded by Gaming Revenue (in \$000s)

Grants Funded by Gaming Revenue	Amount
Approved Contributions:	
Gateway Theatre contribution	\$1,541
Richmond Addiction Services Society	204
Richmond Centre for Disability contribution	208
Richmond Therapeutic Equestrian Society contribution	70
Approved Contributions	\$2,023
City Grants Program:	
Health, Social and Safety grants	507
Arts, Culture and Heritage grants	132
Parks and Recreation grants	128
Community Environmental Enhancement	69
Various Youth Grants	59
City Grants Program	\$895
Total	\$2,918

Council Community Initiatives

The Council Community Initiatives Account provides funding for one-time expenditures that address social, environmental, recreation and sports, heritage, arts and culture, safety and security, or infrastructure needs. No change is proposed to this portion of the allocation model. The Council Community Initiatives Account Provision has a balance of \$1.5 million as of October 31, 2025.

RCMP

Since 2007, a portion of gaming revenue has been allocated to contribute towards policing costs, which successfully reduced the tax impact for many years through utilization of this revenue source. This allocation has remained fixed at funding the cost of four officers as originally approved, with the amount rising each year in accordance with the RCMP contract. Due to the uncertainty in the amount of casino revenue that will be received combined with RCMP contract costs that increase beyond inflation, staff previously indicated this may need to be funded by taxation sources in the future. The revised allocation model does not allocate any of the gaming revenue toward policing costs. Starting with the 2026 budget, the policing contract is fully funded within the same level of service operating budget.

Capital Reserve

The remainder of casino revenue is allocated to the Capital Reserve. If the actual revenue received falls short of the budgeted estimate, or if the actual revenue exceeds the budget estimate, the transfer to the Capital Reserve will be adjusted accordingly.

Accordingly, staff recommend a change to the Long Term Financial Management Strategy policy to remove the cost of policing from the allocation. The revised policy is included in Attachment 5.

Budget Challenges

Senior Government Downloading

In recognition of Federal and Provincial government responsibility of social equity issues such as homelessness, housing affordability, poverty and addiction, temporary grant funding is provided from time to time. While the temporary funding is helpful to address initial impacts, the impacts are downloaded to the City leaving Council to decide whether to fund a longer-term strategy when the senior government funding ends.

Significant funding toward housing initiatives has been received from both the Federal and Provincial governments, which the City has utilized in combination with the Affordable Housing program that Council had previously approved. Together, these resources established the Housing Office department under the direction of the Deputy Chief Administrative Officer. It is proposed to continue phasing-in ongoing funding to facilitate the continuation of this broadened initiative for eight positions beyond the term of the temporary grant funding.

Contractual Obligations

There are a number of known non-discretionary cost pressures affecting the 2026 proposed operating budget including:

- Wage and fringe benefit impacts negotiated for collective bargaining agreements
- Contractual cost increases driven by other organization's collective bargaining agreements (RCMP, E-Comm)
- External Senior Government agency increases
- Funding for investment in Community Facilities, including ageing facilities, recently acquired facilities, and new facilities

Inflation

Vancouver CPI for the 12 month period ending October 2025 is 2.30%. This is higher than the CPI projection forecasted at the time of preparing the 2025 Operating Budget. However, staff have not adjusted the base budget for the difference between the actual CPI and the under projection from 2025 (2.10%). Non-discretionary increases are budgeted only as specified in agreements. Expenses impacted by inflation include asphalt, vehicle/equipment operating and future replacement costs, supplies and delivery charges.

CPI measures the basket of goods purchased by households; however, the basket of goods that the City needs to fund are vastly different. In comparison, the Municipal Price Index which includes funding community safety services, a unionized workforce and a complex infrastructure network is estimated at 3.75%.

Council's Long Term Financial Management Strategy (LTFMS) policy is that the tax increase to maintain current programs and maintain existing infrastructure at the same level of service will

be at Vancouver's CPI rate. Projected 2026 CPI forecasts for Vancouver are estimated at 1.80% by the Conference Board of Canada in their autumn forecast.

Budget Process

The 2026 Proposed Operating Budget presents a same level of service budget and only non-discretionary increases that can be clearly identified and supported are included. Inflationary increases are not automatically included in the budget without adequate supporting documentation, such as contract renewals that are in compliance with purchasing policies and guidelines. Where such contract renewals have led to budget reductions, these savings are already reflected within the base budget.

Enhanced or new levels of service are identified separately as ongoing additional expenditure requests by the respective divisions for Council's consideration in accordance with Council's Budget & 5-Year Financial Plan Preparation Policy (Policy 3016). Please refer to Attachment 3 for the 2026 Budget Cycle.

Budget Assumptions

Key Financial Indicators

Table 5 summarizes the key financial indicators of the 2026 Operating Budget gathered as of November 2025. These rates are continuously monitored for any significant changes.

The City is subject to various contractual increases to deliver the same level of service. The majority of the contractual increases for 2026 are greater than the projected Consumer Price Index (CPI) of 1.80%, such as the RCMP Contract, collective agreements, E-Comm, natural gas and electricity.

Table 5: Key Financial Drivers / Indicators

Key Financial Drivers / Indicators	2026	2027	2028	2029	2030
Vancouver Consumer Price Index (CPI) ¹	1.80%	1.80%	2.00%	1.90%	1.90%
Richmond Municipal Price Index (MPI) ²	3.75%	3.31%	2.95%	2.98%	2.90%
User Fees ³	1.90%	1.80%	2.00%	1.90%	1.90%
E-Comm ⁴	11.59%	11.47%	10.63%	10.66%	10.66%
RCMP Integrated Homicide Investigation Team Forecast ⁵	27.11%	12.45%	3.49%	3.06%	3.24%
RCMP Contract Increase ⁶	6.84%	3.61%	3.42%	3.47%	2.99%
Natural Gas ⁶	2.10%	3.00%	3.00%	3.00%	3.00%
Electricity ⁷	3.75%	3.75%	3.75%	3.75%	3.75%
Growth (Tax Base) ⁸	0.89%	0.92%	0.88%	0.80%	0.71%

Sources:

¹ The Conference Board of Canada Major City Insights Autumn 2025; 2029 is projected based on 2028 forecasts;² Finance Department, City of Richmond;³ User fees are based on CPI. 2026 is based on the CPI projections of Conference Board of Canada in June 2025 which was used as the basis for the Consolidated Fees Bylaw which was introduced on October 13, 2025 and adopted on November 10, 2025.⁴ Based on estimates provided by E-Comm;⁵ Based on forecast received from Provincial Ministry of Public Safety and Solicitor General - Policing and Security Branch;⁶ Based on Multi-Year Financial Plan from RCMP E Division;⁷ Climate & Environment Department, City of Richmond;⁸ Finance Department, City of Richmond

The current Collective Agreements for CUPE 718, CUPE 718-05 and CUPE 394 include rates for 2024-2027. The City's most recent collective agreement with International Association of Firefighters/ The Richmond Firefighters' Association, Local 1286 covered the years 2023-2024. *Table 6* provides a summary of the negotiated rate increases and those that are yet to be determined.

Table 6: Summary of City of Richmond Collective Bargaining Agreements

Collective Agreements	2025	2026	2027	2028	2029	2030
CUPE 718 (Inside Workers)	4.00%	3.50%	3.50%	TBD	TBD	TBD
CUPE 394 (Outside Workers)	4.00%	3.50%	3.50%	TBD	TBD	TBD
CUPE 718-05 (Library)	4.00%	3.50%	3.50%	TBD	TBD	TBD
Firefighters (IAFF) 1286	TBD	TBD	TBD	TBD	TBD	TBD

Other Agency's Collective Agreements that have a significant impact on the City's operating budget have not been finalized for 2026 and thus budgets provided by these agencies include estimates for their labour rates. CUPE 8911 (E-Comm) has an agreement in place until December 31, 2025. The National Police Federation's collective agreement expired on March 31, 2025. *Table 7* provides a summary of the negotiated rate increases and those that are yet to be determined.

Table 7: Summary of Other Agency Collective Bargaining Agreements

Other Agency's Collective Agreements	FY25	FY26	FY27	FY28	FY29	FY30
National Police Federation	4.00%	TBD	TBD	TBD	TBD	TBD
CUPE 8911 (E-Comm)	4.00%	TBD	TBD	TBD	TBD	TBD

The 2026 Operating Budget includes preliminary estimates for rates that are not finalized. If negotiated rates differ from the estimates, an adjustment will be required in future budgets.

2026 Proposed Operating Budget

This section of the report discusses each component of the 2026 Proposed Operating Budget.

1. Same Level of Service Increase

Attachment 6 presents the same level of service net budget by Division.

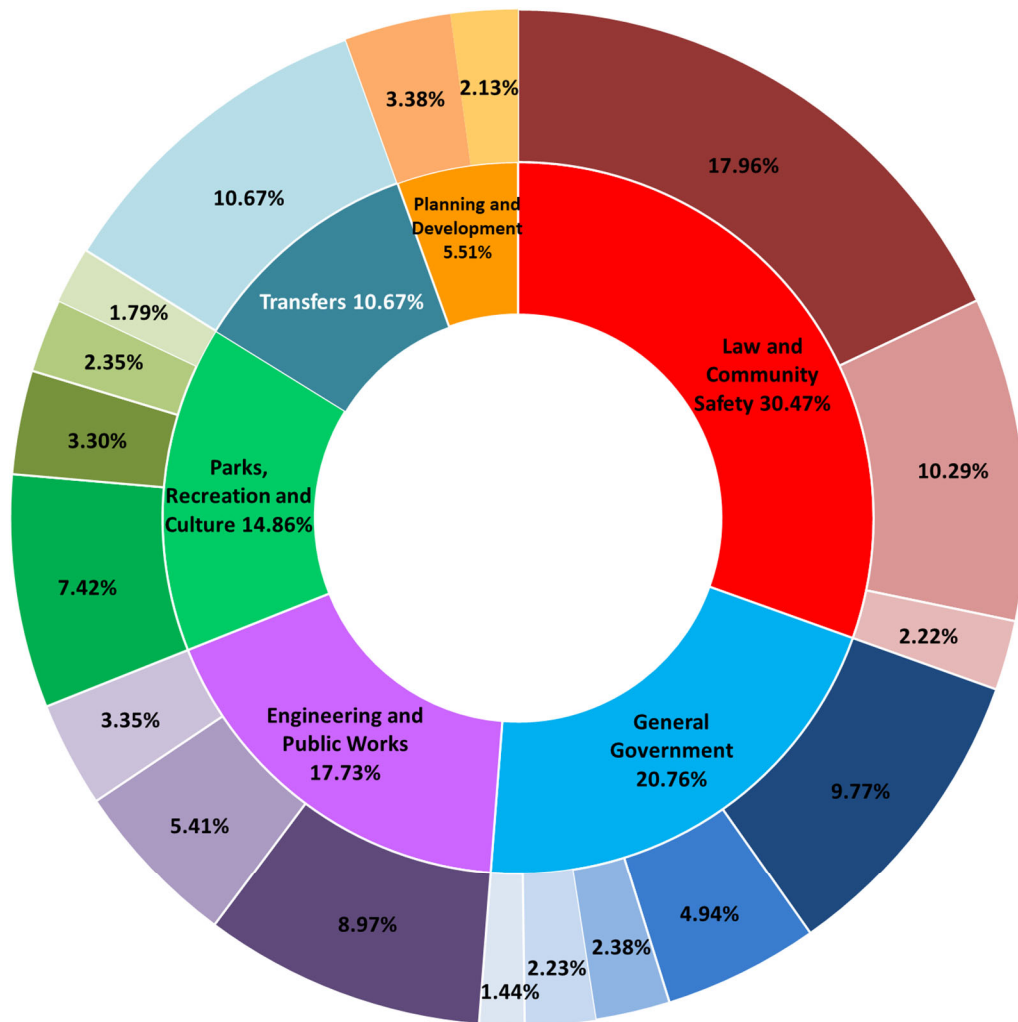
The All Divisions summary included in Attachment 7 shows the City's base operating budget to deliver the same level of service as last year, which totals \$481.1 million. Attachment 7 presents the net base budget by Division to deliver the same levels of service in 2026, before external senior government related increases and Council previously approved amounts.

Attachment 8 presents the same level of service budget for All Divisions by revenue and expense category. This includes programs funded by reserves for Affordable Housing, Child Care and Public Art programs, which are summarized in Attachment 9.

Figure 3 on page 17 shows the same level of service gross expenditures budget by division. 30.47% of the expenditures budget is required for policing, fire rescue and community safety. General government, which consists of 10 departments including Council, is the second largest component of the budget at 20.76% which includes the rental properties portfolio, transfers to statutory reserves for investment income earned on reserve balances as well as Information Technology, Finance and Corporate Services and Corporate Administration.

Figure 3: Same Level of Service Gross Expenditures Budget by Division

2026 Same Level of Service Gross Expenditures Budget



- Police - 17.96%
- Fire Rescue - 10.29%
- Community Safety - Other - 2.22%
- Finance, Business Services, Real Estate Services and Legislative Services - 9.77%
- General Government - Other - 4.94%
- Information Technology - 2.38%
- Corporate Administration - 2.23%
- Rental Properties - 1.44%
- Project Development and Facility Services - 8.97%
- Roads and Construction - 5.41%
- Engineering and Public Works - Other - 3.35%
- Recreation and Sport Services - 7.42%
- Parks - 3.30%
- Richmond Public Library - 2.35%
- Arts Culture and Heritage - 1.79%
- Reserve Funding - 10.67%
- Planning and Development - 3.38%
- Housing Office - 2.13%

Main Cost Drivers

Labour and fringe benefit impacts and contract services, including RCMP, represent approximately 85.45% of the City's operating expense budget increase in order to maintain the same level of service. As shown in *Table 3*, the collective agreement rates increase by 3.5% for 2026 for CUPE 718 and CUPE 394.

The RCMP contract increase is mainly due to increases in labour costs for the unionized workforce, overall administration allocated to the Richmond Detachment, as well as policing vehicles, equipment, supplies, increased costs for training and user service fee of the PRIMECorp System.

The proposed increase of \$420K in the municipal contribution to the Richmond Public Library has been included in the City's same level of service budget, driven by impacts of the Library's collective agreement. The annual contribution to the Lulu Island Energy Company will continue to be funded from appropriated surplus resulting in no additional tax impact.

The same level of service increase after proposed reduction from temporary vacancies is 1.19%, which is within the CPI target of 1.80%, in compliance with Council's LTFMS. Further details can be found in Table 9-Table 11.

Table 8: Same Level of Service Increase Summary

Expense and Revenue Summary	Amount (in \$000s)	Tax Impact
Main Cost Drivers (Detailed in <i>Table 9</i>)	\$15,504	4.74%
Expense decreases (Detailed in <i>Table 10</i>)	(2,884)	(0.88%)
Revenue increases (Detailed in <i>Table 11</i>)	(2,772)	(0.85%)
Subtotal	\$9,848	3.01%
Less: Tax growth	(2,900)	(0.89%)
Same Level of Service Increase after tax growth	\$6,948	2.12%
Less: Proposed Reduction from Temporary Vacancies	(3,043)	(0.93%)
Same Level of Service Increase after proposed reduction	\$3,905	1.19%

Table 9: Main Cost Drivers

Main Cost Drivers	Amount (in \$000s)	% of total increase
Labour and fringe benefit impacts associated with collective agreements	\$8,417	54.29%
RCMP contract	3,793	24.46%
RCMP contract previously funded by gaming revenue	1,038	6.70%
Materials and equipment	461	2.97%
Municipal contribution increases - Library	420	2..71%
IT contracts	386	2.49%
Infrastructure replacements and building improvements increase	268	1.73%
Utilities increase (natural gas, electricity)	259	1.67%
Contracts - security	140	0.90%
Contract others	130	0.84%
Vehicle charge	113	0.73%
Contract maintenance	79	0.51%
Total Main Cost Drivers	\$15,504	100.00%

Expense Decreases

At the Council meeting on July 14, 2025, Council directed that the maximum contribution to the Richmond Olympic Oval for 2026 be limited to \$2.5 million. This results in an expense decrease of \$1.1 million.

The RCMP Contract is the largest contract in the operating budget. The City confirms the desired number of officers each year and the RCMP E Division provides the budget estimate for the requested complement. The RCMP has temporary vacancies when members are on leaves of absence such as parental or maternity leave and as members retire or leave the detachment. Historically the actual amount invoiced to the City is lower than the budget estimate due to these temporary vacancies, officer vacancies as well as operational expenses not occurring as planned.

Staff recommend utilizing surplus anticipated in 2025 from the policing contract to offset the cost of policing services in 2026 due to the change in allocation of casino revenue. This fully mitigates the tax impact of this proposed policy change. In addition, staff recommend fully mitigating the tax impact of 4 additional RCMP officers for 2026 through a combination of increased revenue from provincial traffic fines and expected contract surplus due to historical vacancy patterns, as shown in item 3 of Attachment 11.

The City is required to pay for the full contract amount that is invoiced and bears the risk if the actual expenditures exceed the budget. Therefore, appropriating the 2025 contract surplus provides for one-time funding of the contract. As part of the annual budget process, staff will continue to monitor the policing contract surplus and make recommendations in subsequent budgets as required.

Table 10: Same Level of Service Expense Decreases

Expense Decreases	Amount (in \$000s)	Mitigated Tax Impact %
Decrease in municipal contribution to Oval	(\$1,074)	(0.33%)
Budget expense reduction due to portion of RCMP contract not anticipated to be incurred consistent with past trend	(1,038)	(0.32%)
Reduction to various fiscal expenses	(450)	(0.14%)
Natural Gas decrease due to carbon tax eliminated	(153)	(0.04%)
Reduction in unpaid invoice write-offs due to more efficient collection efforts	(100)	(0.03%)
Completion of enterprise fund repayments for various building retrofit projects	(36)	(0.01%)
Adjustment in operating cost associated with leases	(33)	(0.01%)
Total Expense Decreases	(\$2,884)	(0.88%)

Revenue Increases

In addition to increasing user fees by CPI wherever possible, staff conducted market reviews to ensure fees are in line with other municipalities and proposed bylaw fee changes were appropriate through the Consolidated Fees Bylaw. Staff also reviewed revenues for consistent trends where amounts could be more aggressively estimated. The following table summarizes the revenue increases that help to mitigate the tax impact of non-discretionary budget increases.

Table 11: Same Level of Service Revenue Increases

Revenue Increases	Amount (in \$000s)	Mitigated Tax Impact %
Increase in Payment in Lieu of Taxes	(\$675)	(0.21%)
Increased revenue (school tax commission, etc.)	(371)	(0.11%)
CPI increase for revenues	(322)	(0.10%)
Recreation revenue increase to align with fee increases (Aquatics, arenas, etc.)	(314)	(0.09%)
Increase in revenue to offset revenue funded programs	(268)	(0.08%)
Building permit revenue to align with expected development activity	(250)	(0.08%)
Recreation revenue increase to align with increased participation (Aquatics, arenas, etc.)	(225)	(0.07%)
Increase in parking revenue	(224)	(0.07%)
Increase in contract revenue	(123)	(0.04%)
Total Revenue Increases	(\$2,772)	(0.85%)

Tax Growth

New tax growth projections are based on “non-market change” figures provided by BC Assessment Authority. Non-market change is the term BC Assessment Authority uses for

changes to the municipal roll value that is not a result of market conditions. Non-market change could include changes in assessment class, exempt properties that become taxable in the following year or taxable properties that become exempt in the following year and developments under construction. Based on preliminary data from BC Assessment Authority, new tax growth for 2026 is estimated at \$2.9 million.

2. Council Previously Approved Expenditures

Amounts Funded through Rate Stabilization in the 2026 Budget

As part of the 2025 Operating Budget, Council approved \$2.0 million from the Rate Stabilization Account to reduce the overall tax impact. In order to ensure ongoing funding for all approved programs and services, this amount needs to be funded as part of the 2026 Operating Budget. Each year, staff recommend a reasonable amount to fund from Rate Stabilization taking into account funding available, projected funding needs and ensuring that the amount that will require funding in future years will not become a burden to future tax payers.

On July 9, 2025, Council approved Option 2, as outlined in the staff report titled “Proposed Practices to Accelerate Blackberry Management in Richmond”, dated May 5, 2025, from the Director, Climate and Environment and the Director, Parks Services, for the implementation of an annual blackberry management program. The annual operating cost will be \$545,723 as shown in *Table 12* and a one-time cost of \$160,000 for the purchase of a vehicle. Program implementation will be phased in over two years commencing in 2026 with a cost of \$345,723 phased in and balance to be phased in in 2027. An increase of \$346K is required in 2026, or an estimated tax impact of 0.11%.

Table 12: Blackberry Management

Blackberry Management Anticipated Resources and Costs	Amount (in \$000s)	Tax Impact
1 Regular Full Time Environmental Coordinator 2	\$180	0.06%
1 Regular Full Time Natural Areas Practitioner	166	0.05%
Parks Blackberry Management Program Labour	100	0.03%
Roads Blackberry Management Program Labour	100	0.03%
Total Previously Approved Expenditures	\$546	0.17%

Steveston Community Centre and Library OBI

Starting with the 2023 Operating Budget, staff recommended phasing-in operating funds for this new facility. 2026 is the final year of this phase-in plan, which was timed with the anticipated construction completion date. An increase of \$267,500 is required in 2026, or an estimated tax impact of 0.08.

Heritage Boat Restoration Project – Iona

On July 8, 2024 Council endorsed the heritage boat restoration projects including the *Crystal S* which is anticipated to be completed in the first quarter of 2026. At that time a future identified project was the *Iona* which is proposed to be the next project after completion of the *Crystal S*. Funding of \$96,000 is required for supplies, materials and moving costs. Funding is available from previously received filming revenue that was collected from Britannia sites and was previously approved by Council to be used exclusively for Heritage projects. Inclusion of this project in the 2026 Operating Budget results in no additional tax impact.

Community Amenity Space in Luxe Lansdowne Development

A Community Facility was negotiated as part of a mixed-use development located in the City Centre Lansdowne Village area at 5591, 5631, 5651 and 5671 No. 3 Road. Townline Ventures Inc. is providing a turnkey facility (Luxe Lansdowne), as outlined through rezoning (RZ 17-779262). This City took ownership of this facility on October 14, 2025.

The Community Facility will have a minimum of 558 m² (6,006 ft²) divided into two distinct spaces; one to be leased to Richmond Centre for Disability (4,000.2 ft²) and the second unit to be leased at market rate to a commercial operator (2,005.68 ft²). An increase of \$77K is required in 2026, or an estimated tax impact of 0.02%.

Bowling Green Community Activity Centre OBI

Council approved the Bowling Green Community Activity Centre Operating Budget Impact and Operating Model with an annual operating budget impact of \$52,000, or an estimated tax impact of 0.02% in 2026.

All amounts previously approved by Council are summarized in *Table 13*.

Table 13: Previously Approved Expenditures

Previously Approved Expenditures	Amount (in \$000s)	Tax Impact
Rate Stabilization for 2025 Budget	\$2,000	0.61%
Blackberry Management	546	0.17%
OBI from Major Facilities Replacement Projects – Steveston Community Centre and Library (Year 4 of 4)	267	0.08%
Heritage Boat Restoration Project – <i>Iona</i>	96	0.03%
Community Amenity Space Luxe Lansdowne Development	77	0.02%
Bowling Green Community Activity Centre	52	0.02%
Total Previously Approved Expenditures	\$3,038	0.93%
Less: Heritage Boat Restoration Project – <i>Iona</i> Funded By Previously Received Filming Revenue	(96)	(0.03%)
Less: Blackberry Management Year 2 implementation	(200)	(0.06%)
Total Previously Approved Expenditures 2026 Tax Impact	\$2,742	0.84%

3. Externally Funded Programs

City staff work collaboratively with senior levels of government and external agencies to identify opportunities to apply for grant funding. Staff have strategically pursued external grant funding opportunities which helps to offset increases in the operating budget.

Attachment 10 summarizes the successful applications that the City has been awarded. In order to have the authority to incur any expenditure, including those funded by external organizations, the amounts must be included in the City's 5 Year Financial Plan.

4. Emerging Organizational Additional Level of Service Requests

For 2026, 23 requests to meet growing demands for new services were considered totaling \$5.3 million. The Senior Management Team (SMT) appointed a Review Team comprised of Directors across the City to review each request using established ranking criteria. The prioritized requests were also carefully reviewed by the CAO and SMT.

Following the rigorous review process, a total of 11 additional level submissions are recommended for funding by the CAO and SMT, of which five have a tax impact, and six are funded through incremental revenue sources or reallocation of existing budgets.

Please refer to Attachments 11 and 12 for a description of the recommended emerging organization additional levels, and Attachment 13 for the description of those that could not be recommended for funding in 2026 due to budget constraints. The recommended totals are also summarized in *Table 14*.

Table 14: Emerging Organizational Additional Levels – Recommended for Funding in 2026

Emerging Organizational Additional Levels	Amount (in \$000s)	Tax Impact
Attachment 11: No Tax Impact Positions – additional expenses <ul style="list-style-type: none"> - 5 RFTs are funded by reallocation of existing budgets - 4 RCMP Regular Members - 2 TFTs are funded by external grants 	\$1,815	0.56%
Attachment 11: No Tax Impact Positions – offset by revenue, grants and reduction of operating expenses	(1,815)	(0.56%)
Attachment 12: Emerging Organizational Additional Levels <ul style="list-style-type: none"> - Includes 1 Municipal Employees to support the RCMP Detachment - 1 Emergency Vehicle Technician to support Richmond Fire Rescue - 1 Senior Manager, Internal Audit and Risk - Funding for the additional security guard shift - Phase in of Housing Accelerator Fund to base budget (Year 2 of 4) 	1,046	0.32%
Total Emerging Organizational Additional Levels	\$1,046	0.32%

The proposed 2026 Operating Budget presented in Budget Option 1 includes recommended additional level requests totaling \$1.0 million a 0.32% tax impact. The Finance and Audit Committee has the discretion to change the recommendation for funding any of the emerging organizational additional level requests, with resulting tax impacts.

In addition to the items presented in Attachments 11-13, there are a number of additional items that were discussed during the budget process that are emerging but require additional analysis before being brought forward to Council. This includes:

- resources required for Richmond Fire Rescue including additional firefighters and support roles;
- labour to maintain the growing investment in tangible capital assets from both development and approved construction which has been deferred until the completion of the assets; and
- optimal level of support for various corporate support functions such as Human Resources, Finance, Information Technology and Communications.

Additional information will be provided to Council to provide a comprehensive resourcing plan in the coming year with potential impacts to future budgets.

5. Investment in Community Facilities (Transfer to Reserves)

In September 2003, City Council approved the Long Term Financial Management Strategy (LTFMS - Policy 3707) directing a one per cent tax increase in transfer to reserves for infrastructure replacement needs. Since the establishment of this policy, the City has funded a number of major facility projects such as:

- Fire Hall No. 1
- Fire Hall No. 3
- Minoru Centre for Active Living
- Phoenix Net Loft deconstruction
- Richmond Animal Shelter
- Bowling Green Community Activity Centre
- West Richmond Pavilion (formerly called Hugh Boyd Community Facility and Fieldhouse)
- Works Yard Replacement – Phase 1

The major facility replacement that is anticipated to be in service in 2025 is the Bowling Green Community Activity Centre. The Steveston Community Centre and Library is currently under construction and is anticipated to be completed before the end of 2026. The Works Yard is another major facility replacement that has a 10-year timeline and is currently underway. The entire project budget is estimated to be \$410.0 million and \$100.0 million of that has been approved thus far. The Proposed 5 Year Capital Plan (2026-2030) includes \$230.0 million for this project. The Covered Lacrosse Box and the Japanese Duplex Restoration and Fit Out are the other major facility projects that have been included in the Proposed 5 Year Capital Plan.

The CBI Reserve is not only being used for replacement of major facilities, but also to fund capital improvements for more than 180 City-owned buildings. A building assessment is conducted regularly on the buildings to identify the capital work required. Feasibility level review and costing is then performed before submitting the capital requests to the budget process.

To support the Works Yard Replacement project budget, the City will need to maintain a one per cent annual property tax increase for the next 10 years. This is in line with the Council's Long Term Financial Management Strategy Policy 3707. Other submissions that will be funded in 2026 include capital works at the Richmond Ice Centre and Richmond Cultural Centre. The list of CBI-funded 2026 capital projects are listed in Appendix 5.

The proposed 2026 Operating Budget includes \$3,271,701 in accordance with this Council policy, a 1.00% tax impact.

6. External Senior Government Related Increases

Council Policy 3707 item 2 states:

“Any additional costs imposed on the City as a result of mandatory senior government policy changes should be identified and added to that particular year’s taxes above and beyond the CPI and infrastructure percentage contribution.”

Table 15 summarizes the items included in the 2026 budget increase that are mandated by the following senior government legislation:

- *Emergency Communications Corporations Act (Provincial)*
- *Police Act (Federal)*

In accordance with Council policy, these items are identified and included in the tax increase above and beyond the CPI target.

Community Safety Cost Sharing Obligations

Emergency Communications 911:

The City is a shareholder in E-Comm and is required to share in the costs of operating Emergency Communications 911.

Specialized RCMP Teams:

In addition to the complement of RCMP officers contracted by the City, there are additional costs associated with regional and provincial specialized teams which are allocated to each City. Richmond’s incremental allocation of these costs are summarized in Table 15.

Table 15: External Senior Government Related Increases

External Senior Government Increases	Amount (in \$000s)	Tax Impact
E-Comm Enhancements	\$875	0.27%
Provincial Integrated Homicide Investigative Team RCMP	360	0.11%
Integrated Teams and Real Time Intelligence Centre	244	0.07%
Total External Senior Government Increases	\$1,479	0.45%

7. Operating Budget Impact (OBI)

Operating Budget Impacts (OBI) are ongoing additional operating and maintenance costs associated with new assets, which are approved by Council through the capital budget process. It is important that OBI funding is included in the operating budget when these capital projects or contributed assets become operational, as the level of service is dependent on this funding.

The OBI impact from the 2026 Proposed Capital Budget recommended by staff, is \$101,581, or an estimated tax impact of 0.03%. If Council approves additional projects or removes any of the recommended projects, this amount may change.

8. Rate Stabilization

The City's Rate Stabilization Account (RSA) was approved by Council in 2013 in order to ensure that funding be available to help balance the budget for non-recurring items and smooth out tax increases. The establishment of an RSA for the operating budget was also based on past experience where external non-controllable events impacted the City's operating budget and there was no funding available to offset this "temporary condition".

The City has used RSA in a practical and effective manner, and staff are careful in managing the usage to ensure that the RSA is not carried forward on an indefinite basis. The risk and downside of utilizing RSA is that once it has been carried forward in this way, it must be maintained because the reduction or elimination of it will create pressure on the following year's operating budget. The tax increase is not reduced but temporarily shifted.

In the 2025 Operating Budget, the Rate Stabilization Account was utilized to reduce the tax impact by \$2.0 million. This amount was deferred to 2026 resulting in a tax impact of 0.61%.

Staff recommends using rate stabilization funding of \$1.8 million in the 2026 budget. This will reduce the 2026 tax impact by 0.55% and will gradually be phased into the budget within the five-year financial plan.

Utilizing more rate stabilization would decrease the 2026 tax increase but will also result in a higher tax increase for the following years. *Table 16* summarizes how the RSA balance is proposed to be utilized as a result of the 2026 Budget Process.

Table 16: Proposed RSA Utilization

RSA Balance as of October 31, 2025		\$16,758,532
<i>From 2026 One-Time Expenditures report:</i>		
2026 One-Time Expenditures	(3,504,797)	
<i>From 2026 Proposed Operating Budget report:</i>		
Proposed Rate Stabilization of the 2026 Operating Budget	(1,800,000)	
2026 Initial Capital Costs from Council Approved Blackberry Management for One Truck	(160,000)	
2026 Initial Capital Costs from 2026 No Tax Impact Positions (Attachment 11)	(75,211)	
Total 2026 Proposed RSA Utilization		(5,540,008)
Balance After Proposed 2026 Utilization		\$11,218,524

2026 Budget Options

Staff have prepared three budget options for Council's consideration in order to provide resources for high priority emerging organization needs.

All options include:

- Non-discretionary increases to maintain the same level of service, in compliance with Council's LTFMS
- Investment in community facility infrastructure replacement needs, in accordance with Council's LTFMS for planned capital projects
- Mandatory Senior Government Increases
- Inclusion of 4 RCMP Officers in base budget previously funded by casino revenue
- Continued phase-in of OBI related to the new Steveston Community Centre and Library which is under construction
- Funding for Blackberry Management as approved by Council including two Regular-Full-Time positions and a truck
- Operating Budget Impacts from the Proposed Capital Budget
- No Tax Impact positions including 4 additional RCMP officers

The options presented including varying amounts of:

- Recommended Emerging Operational Additional Levels
- Rate Stabilization Funding

Proposed Reduction from Temporary Vacancies

All budget options include a budget reduction resulting from temporary vacancies. This is achieved through a one-time reduction to the budget recognizing that there is a certain level of vacancy that will naturally occur in any operational setting due retirements, staff departures, temporary leaves of absence, and internal promotions. When a position becomes vacant, it is not automatically replaced, but rather goes through a process of review to determine if a replacement is warranted or if the position requires reclassification to meet current operational requirements. The 2026 Operating Budget includes an estimate for these temporary vacancies.

It is important to emphasize that this is not an indication of the removal of any service or position, it is however accepting that somewhere within the organization there will be a temporary vacancy, particularly as the workforce continues to age and the labour market remains competitive. The budget includes a preliminary estimate for where these temporary vacancies might occur. This estimated allocation will be reviewed throughout the 2026 year and may need to be reallocated between divisions through the budget amendment if results differ. This approach comes with the risk that if this estimate proves to be too high in comparison to the actual temporary vacancy rate experienced in 2026, the budget may have a shortfall. Any deficit realized would need to be funded through future budgets and therefore could result in an increase in the future. This vacancy estimate will be reviewed annually and staff will include any required adjustments in future budgets.

Despite these risks, staff recommend that this one-time strategy be implemented in the 2026 Operating Budget to reduce the tax impact as it is expected to be achievable.

Option 1 – Same Level of Service, with Reductions, Emerging Additional Levels with No Tax Impact with Rate Stabilization

Option 1 includes funding for the same level of service, including non-discretionary increases, which have been offset by expense decreases and revenue increases. It includes external senior government mandatory increases, continues to phase-in funding for the new Steveston Community Centre and Library which is anticipated to be completed in 2026 and includes the OBI impact of the 2026 Proposed Capital Budget.

Option 1 also fully complies with the LTFMS policy to increase investment in community infrastructure by 1.00%, providing funding for future phases of approved capital projects.

The emerging organizational additional levels recommended in Budget Option 1 (as presented in Attachments 11) provides funding for emerging organizational additional levels with no tax impact. This includes funding for 4 RCMP Regular Members with a fully mitigated tax impact due to additional revenue from provincial traffic fine sharing revenue and contract surplus due to the detachment's vacancy patterns.

Option 1 proposes to include \$1.8 million of Rate Stabilization funding to reduce the 2026 tax impact. This amount is lower than the amount temporarily stabilized in the 2025 Operating Budget in recognition that these costs require ongoing funding.

Option 1 results in an overall tax impact of 2.96%, which amounts to an increase of \$69 for an average residential property with an assessment value of \$1,319,103.

Option 2 – High Priority Emerging Organizational Additional Levels (Recommended)

Budget Option 2 includes everything in Option 1 with additional amounts for high priority emerging organizational additional levels.

The emerging organizational additional levels in Budget Option 2 includes:

- A Regular-Full Time Inventory Control Clerk to support the RCMP Detachment
- A Regular-Full Time Senior Manager, Internal Audit and Risk
- Ongoing funding for an additional security guard shift, which was previously funded one-time during the pilot phase
- A Regular Full-Time Emergency Vehicle Technician to support Richmond Fire Rescue
- Continuation of phasing in funding for eight positions to facilitate broadened housing initiatives which are temporarily funded by the Housing Accelerator Fund (Year 2 of 4)

Option 2 results in an overall tax impact of 3.28% and is the recommended option, which amounts to an increase of \$76 for an average residential property with an assessment value of \$1,319,103. This option is recommended by staff.

Option 3 – High Priority Emerging Organizational Additional Levels and Preserve Rate Stabilization

Option 3 includes everything in Budget Option 2, however, it does not utilize any rate stabilization funding which recognizes the full impact of 2026 increases without deferral to future years. This allows preservation of the rate stabilization balance to fund future one-time initiatives and to offset future increases which are not fully known at this time.

Option 3 results in an overall tax impact of 3.83%, which amounts to an increase of \$89 for an average residential property with an assessment value of \$1,319,103.

Table 17 summarizes all three options, with the varying amounts highlighted in yellow.

Table 17: Proposed Budget Options

Budget Components	Option 1	Option 2 <i>Recommended</i>	Option 3
	Additional Levels with No Tax Impact with Rate Stabilization	High Priority Emerging Additional Levels with Rate Stabilization	Emerging Additional Levels with preservation of Rate Stabilization
Same Level of Service	3.01%	3.01%	3.01%
Less: Reduction From Temporary Vacancies	(0.93%)	(0.93%)	(0.93%)
Less: 2026 Tax Growth	(0.89%)	(0.89%)	(0.89%)
Same Level of Service after tax growth (below CPI target of 1.80%)	1.19%	1.19%	1.19%
Previously Approved Expenditures <i>Table 13, page 22</i>	0.84%	0.84%	0.84%
Law and Community Safety Emerging Organizational Additional Level Increases - Budget Option 1 (Attachment 11) - Budget Option 2 and 3 (Attachment 12 # 1 and 4)	0.26%	0.35%	0.35%
Housing Initiatives Emerging Organizational Additional Level Increase (Attachment 12 #5)	-%	0.12%	0.12%
Citywide Emerging Organizational Additional Level Increases (Attachment 12 #2 and 3)	-%	0.11%	0.11%
Mitigated tax impact of Emerging Organizational Additional Level	(0.26%)	(0.26%)	(0.26%)
Investment in Infrastructure Replacement Needs (Transfer to Reserves) <i>page 24</i>	1.00%	1.00%	1.00%
LTFMS Policy: Same Level of Service + Previously Approved Expenditures + Emerging Organizational Additional Levels + 1.00% for Infrastructure Replacement Needs	3.03%	3.35%	3.35%
Senior Government Increases <i>Table 15 page 25</i>	0.45%	0.45%	0.45%
Operating Budget Impacts <i>page 25</i>	0.03%	0.03%	0.03%
Rate Stabilization <i>page 26</i>	(0.55%)	(0.55%)	-
Subtotal of Senior Government Increases, Operating Budget Impacts and Rate Stabilization	(0.07%)	(0.07%)	0.48%
Preliminary 2026 Operating Budget Increase	2.96%	3.28%	3.83%
Annual equivalent tax increase for average residential property	\$69	\$76	\$89

Financial Impact

The CAO and SMT have done considerable work including conducting significant reviews to achieve a combined same level of service budget of 1.19% which is below the CPI target of 1.80%. The Proposed Operating Budget Option 2 of 3.28% is recommended as presented in *Table 18*.

Table 18: 2026 Proposed Operating Budget Increase

Items	Total 2026 Operating Budget Increase (in \$000s)	Tax Impact	Equivalent for Average Residential Property
Same Level of Service before tax growth	\$9,848	3.01%	\$70
Less: Reduction From Temporary Vacancies	(3,034)	(0.93%)	(21)
Less: 2026 Estimated Tax Growth	(2,900)	(0.89%)	(21)
Same Level of Service after tax growth (below CPI target of 1.80%)	3,905	1.19%	28
Previously Approved Expenditures	2,742	0.84%	19
Emerging Organizational Additional Level Increases	1,046	0.32%	8
Investment in Infrastructure Replacement Needs (Transfer to Reserves)	3,272	1.00%	23
LTFMS Policy: Same Level of Service + Previously Approved Expenditures + Emerging Organizational Additional Levels + 1.00% for Infrastructure Replacement Needs	10,965	3.35%	78
External Senior Government Increases	1,479	0.45%	8
Operating Budget Impacts	102	0.03%	1
Less: Proposed Rate Stabilization	(1,800)	(0.55%)	(11)
Subtotal of Senior Government Increases, Operating Budget Impacts and Rate Stabilization	(219)	(0.07%)	(2)
Proposed 2026 Operating Budget Increase	\$10,746	3.28%	
Annual equivalent tax increase for average residential property			\$76

Conclusion

Keeping with Council's mandate as stipulated in the Long Term Financial Management Strategy policy, the 2026 recommended operating budget increase is 3.28%. The increase maintains the same level of service below CPI target and includes funding for emerging organizational additional levels, 1.00% transfer to reserves in support of funding for community facilities replacement needs, various senior government increases and operating budget impacts from the Proposed Capital Budget and recommended One-Time Expenditures. Rate stabilization funding is utilized to partially offset the impacts.

The 2026 Operating Budget, as approved by Council, will form the basis of the Consolidated 5 Year Financial Plan, which is required under the *Community Charter*. Based on preliminary assumptions, *Table 19* provides estimated increases for the years 2027-2030. The Plan estimates for 2027-2030 are based on information currently available and will be revised with each respective budget year.

Table 19: Proposed 5 Year Financial Plan (2026-2030)

Proposed 5 Year Financial Plan	2026 Budget	2027 Plan	2028 Plan	2029 Plan	2030 Plan
Same Level of Service Before Reductions	2.12%	2.15%	2.00%	1.90%	1.90%
Less: Reduction From Temporary Vacancies	(0.93%)	-	-	-	-
Same Level of Service Increase	1.19%	2.15%	2.00%	1.90%	1.90%
Investment in Community Infrastructure	1.00%	1.00%	1.00%	1.00%	1.00%
External Senior Government Related Increases	0.45%	0.43%	0.44%	0.38%	0.28%
Emerging Organizational Additional Levels	0.32%	0.51%	0.51%	0.40%	0.40%
Operating Budget Impact from Capital Budget	0.03%	0.18%	0.18%	0.18%	0.18%
Council Previously Approved Expenditures	0.84%	0.67%	0.53%	0.29%	0.06%
Less: Rate Stabilization	(0.55%)	(0.39%)	(0.25%)	(0.12%)	0.00%
Proposed Operating Budget Increase	3.28%	4.55%	4.41%	4.03%	3.82%



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2026 Proposed Operating Budget

Index of Attachments

1. Council Strategic Plan (2022-2026)
2. Economic Outlook
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1. Council Strategic Plan (2022-2026)



2. Economic Outlook

Richmond remains a key employment centre within the region, supported by a strong and diversified economic base that enhances its resilience to economic challenges. Local businesses generate over 40.0%⁴ of the City's property tax revenues, enabling exceptional levels of municipal services for residents while ensuring a reasonable allocation of taxation among property classes. Richmond's economy is subject to continually evolving global, regional and local trends. As part of its budget planning process, the City examines the current economic context and available forecasts to manage short-term risks and advance long-term financial sustainability.

Global, National and Provincial Forecasts

Global growth is projected to slow, from 3.3% in 2024 to 3.2% in 2025, and 3.1% in 2026, as trade tensions, restricted immigration, and policy uncertainty weigh on economies across the world.

Recent shifts in international trade policy, particularly the United States' implementation of higher tariffs, have introduced significant uncertainty into the global economic landscape. While subsequent negotiations and policy adjustments have moderated some of the initial disruptions, the overall trajectory of global growth remains unclear. Businesses and policymakers continue to navigate a fluctuating environment marked by evolving regulations and unpredictable market responses. That said, a strong boom in Artificial Intelligence (AI)-related investment and associated productivity gains could help support growth.

Canada's economy continues to face a delicate balance between subdued growth and persistent inflation, with growth projected to increase from 1.2% in 2025 to 1.6% in 2026. Fiscal measures and improving business confidence, supported by easing tariff concerns, are expected to underpin a gradual recovery. While labour market conditions remain soft, modest fiscal stimulus and stabilizing consumer demand may help sustain economic activity. However, with core inflation near 3.0%, well above the Bank of Canada's 2.0% target, monetary easing is expected to proceed cautiously, with only limited rate cuts anticipated as policymakers remain alert to risks from U.S. policy shifts and trade developments.

In B.C., the trends are similar, with growth anticipated to be 1.5% for 2025 and 1.3% for 2026, reflecting global trade conditions and a cooling housing market. Consumer spending was strong early in 2025, as supported by pre-tariff buying and a temporary GST/HST holiday. The Consumer Price Index (CPI) is anticipated to be 2.3% in 2025 and 2026 before averaging 2.0% in 2027–2029. Housing markets are expected to stay soft in 2025 before rebounding in 2026, and job growth is anticipated to slow (1.3% in 2025; 0.6% in 2026) with unemployment near 6.0% before trending to 5.5% by 2029.

⁴ [City of Richmond, 2024 Annual Report, p. 66](#)

1. Global Forecast⁵

The global economy is entering a period of transition marked by policy uncertainty and slowing growth. Following the United States' tariff increases earlier in 2025, subsequent trade adjustments have eased some disruptions, yet confidence in the stability of the global economy remains fragile. Cuts to international aid, immigration restrictions, and rising fiscal deficits in several advanced economies are reshaping global growth dynamics and heightening risks.

The International Monetary Fund (IMF) is projecting that global growth will slow from 3.3% in 2024 to 3.2% in 2025 and 3.1% in 2026, reflecting headwinds from uncertainty and trade fragmentation. Advanced economies are expected to grow by an average of 1.5%, with the U.S. at 2.0%, while emerging and developing economies are forecast to expand just above 4.0%.

Globally, inflation is expected to moderate to 4.2% in 2025 and 3.7% in 2026, with inflation risks higher in the United States and subdued elsewhere. World trade growth is forecast at 2.9%, below pre-2025 levels.

Risks to the outlook include continuing policy uncertainty, restrictive immigration, and elevated fiscal vulnerabilities that could weigh on investment, labour supply, and productivity. Additional risks include potential corrections in technology markets tied to AI-driven optimism, commodity price shocks, and pressures on central bank independence. On the upside, reduced trade barriers or stronger productivity growth from technological advances, such as those related to AI, could lift prospects.

2. Canadian Forecast⁶

The Canadian economy continues to face a difficult balance between weak growth and stubborn inflation. Real GDP is expected to increase from 1.2% in 2025 to 1.6% in 2026, supported by more stimulative fiscal policy and improving business sentiment as some tariff concerns ease. Recent job losses and soft business investment highlight near-term weakness, but fiscal initiatives and a gradual recovery in consumer demand may help stabilize activity over the coming year.

Although economic momentum remains subdued, core inflation, which excludes items such as food and energy that frequently change, continues at around 3.0%. This is well above the Bank of Canada's (BoC) 2.0% target. Low growth would seem to warrant interest rate cuts, but the persistence of inflation calls for caution.

The policy backdrop in the United States is also shaping Canada's outlook. Slowing U.S. growth, shifting trade dynamics, and potential changes in Federal Reserve policy direction—driven in part by political pressure—could affect Canadian exports, financial conditions, and currency performance.

⁵ [International Monetary Fund, World Economic Outlook, October 2025](#)

⁶ [Scotiabank, Global Economic Outlook, September 2025](#)

Overall, Canada is expected to experience low but improving growth in 2026, supported by fiscal stimulus, easing financial conditions, and the gradual easing of trade disruptions.

Canadian Economic Indicators	2023	2024	2025f	2026f	2027f
Real GDP (% change)	1.5	1.6	1.2	1.6	N/A
Consumer Price Index (% change)	3.9	2.4	1.9	2.0	N/A
Residential Investment (% change)	-8.4	-0.5	2.1	3.7	N/A
Business Investment (% change)	1.6	-1.8	-0.6	0.2	N/A
Unemployment Rate (%)	5.4	6.4	7.0	6.8	N/A
Housing Starts (000s)	240	245	268	253	N/A

[Source: Scotiabank Global Economics \(September 11, 2025\)](#)

3. British Columbia Forecast⁷

Economic growth in the province has been revised down to 1.5% in 2025, and the forecast for 2026 has been lowered to 1.3%. The downward revisions reflect challenging global trade conditions as well as a slowdown in the housing market.

Consumer spending has been strong to date in 2025, reflecting lower interest rates, the temporary federal GST/HST holiday, and a rush to purchase goods prior to expected implementation of higher U.S. tariffs. The Consumer Price Index (CPI) in B.C. is expected to slow to 2.3% for both 2025 and 2026, then average 2.0% for the balance of the 2027-2029 forecast, as trade pressures ease and monetary policy works to bring inflation down.

Residential construction activity is expected to remain subdued in 2025, with home sales and prices declining in 2025 before rebounding in 2026 and stabilizing through 2029. Housing starts are expected to be near historical averages amid lower population growth and challenging market conditions but support from policy measures and investment.

Employment growth is expected to slow in the near term, rising by 1.3% in 2025 and 0.6% in 2026 due to lower immigration and international trade disruptions. The province's unemployment rate is projected to average 6.1% in 2025 and 6.0% in 2026, tracking below that of Canada overall. Over the medium term, employment growth is expected to stabilize, with the unemployment rate gradually declining to 5.5% by 2029.

British Columbia Indicators	2023	2024	2025f	2026f	2027f
Real GDP (% change)	2.4	1.2	1.5	1.3	1.9
Consumer Price Index (% change)	3.9	2.6	2.3	2.3	2.1
Population (% change)	3.2	3.0	0.4	-0.2	0.8
Retail Sales (% change)	-0.1	0.6	5.2	2.7	3.4
Unemployment Rate (%)	5.2	5.6	6.1	6.0	5.8
Housing Starts (000s)	50.5	45.8	43.2	43.5	46.6

[Source: Government of BC. Standing Strong for B.C., First Quarterly Report, September 2025.](#)

⁷ [Government of BC. Standing Strong for B.C., First Quarterly Report, September 2025](#)

Local Trends

1. Metro Vancouver⁸

Metro Vancouver's growth prospects remain low amid the shifting economic and policy environment. While it is somewhat shielded from the volatility of U.S. tariffs as compared to other regions of Canada, persistent housing affordability challenges and reduced international migration pose significant constraints. These factors suggest a tempered trajectory for the region's growth outlook.

Despite these challenges, Metro Vancouver continues to navigate the turbulence. The economy is expected to grow by 1.5% in 2025, before increasing to 2.1% in 2026 and 2.0% in 2027, which is slightly higher than growth rates expected at the provincial and national levels in 2026 and 2027. The Consumer Price Index (CPI) is expected to be 2.3% in 2025, then slightly decline to 1.8% in 2026 and 2027.

Metro Vancouver housing starts are projected to decline for a second consecutive year to 25,980 units in 2025, down from 28,110 units in 2024. It is expected to continue easing steadily down to 22,000 units annually by 2029. The slowdown reflects the impacts of economic uncertainty, slowing population growth, and affordability challenges. Construction output is projected to increase 1.9% in 2025 following a 5.3% decline in 2024. Steady growth of 1.9% annually is expected from 2026 to 2029, supported by large non-residential projects that partially offset slowing residential activity.

Metro Vancouver's employment growth has slowed notably since its post-pandemic surge, with a decade low of 1.8% in 2024, but is expected to rise by 2.4% in 2025. Gains nearly stall in 2026, with a minimal 0.1% gain representing a historically low addition of only 1,200 net new jobs. Strong population growth in recent years have expanded the labour force faster than job creation, pushing the unemployment rate up to 6.3% in 2025. As population growth slows in 2026 and employment strengthens, the unemployment rate is expected to decline to 5.5%, and then further to 5.0% in 2027.

Metro Vancouver Economic Indicators	2023	2024	2025f	2026f	2027f
Real GDP (% Change)	2.3	1.2	1.5	2.1	2
Consumer Price Index (% Change)	4.2	2.6	2.3	1.8	1.8
Population (% Change)	4.6	3.9	1	-0.4	-0.1
Retail Sales (% Change)	0	1.3	7.8	3.1	1.8
Unemployment Rate (%)	5.7	5.9	6.3	5.5	5
Housing Starts (000s)	33.2	28.1	26.0	24.0	23.2

[Source: Conference Board of Canada Major City Insights, Vancouver \(October 2025\)](#)

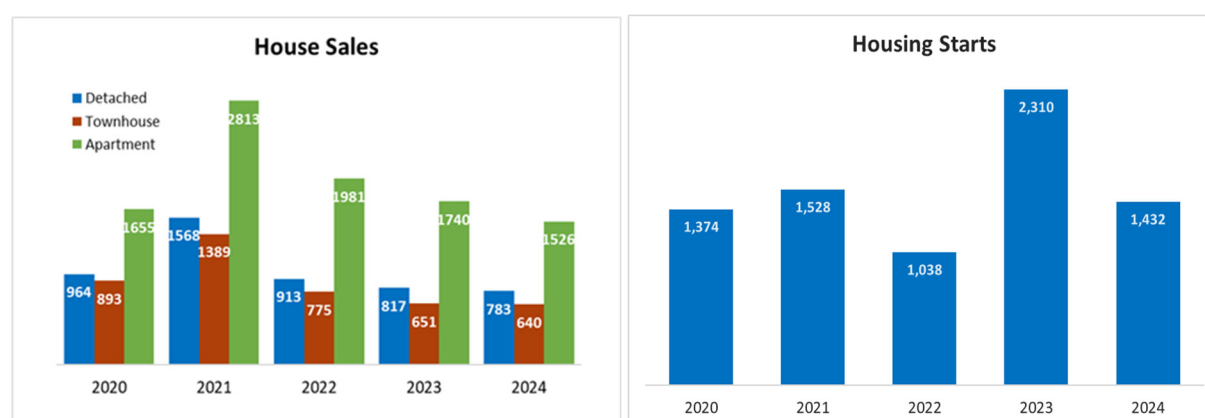
⁸ [Conference Board of Canada Major City Insights, Vancouver \(October 2025\)](#)

2. Richmond⁹

Richmond benefits from a well-diversified economy and has key strengths across its multiple sectors. A healthy share of Richmond's jobs are community-oriented, serving local residents and other businesses, as well as those jobs that are export-oriented, serving national and international markets. Nearly 70.0% of these economic base jobs are in sectors linked to the city's role as a people and goods movement gateway, including transportation, warehousing and logistics, manufacturing, wholesale, and tourism. Richmond has a regional advantage in these industries due to the presence of the port and airport.

From this strong economic foundation in Richmond, businesses continue to face challenges stemming from the broader economic slowdown and inflationary pressures. Key issues include securing financing for complex projects, labour cost and availability, and elevated input costs. Industrial vacancy rates have edged slightly higher, with industrial sub-lease availability continuing, while office vacancy rates have trended downward, with new leasing activity. Looking ahead, low growth is expected in 2026, in line with regional and global economic trends.

3. Housing Market



In 2024, sales across all housing types in Richmond declined, continuing the downward trend observed in 2023. However, these declines have generally been less severe than those seen between 2022 and 2023.

Between 2023 and 2024, detached home sales fell by 4.16%, while townhome and apartment sales declined by 1.69% and 12.30%, respectively. Sales made during the first two quarters of 2025 relative to the same period last year reflect a similar declining trend across all three types of housing, with a decrease of 26.51% for detached home sales, 12.98% for townhomes, and 14.07% for apartments.

Since mid-2024, the Bank of Canada has implemented multiple interest rate cuts, bringing the policy rate down to 2.50%. These reductions are beginning to ease financing pressures, which

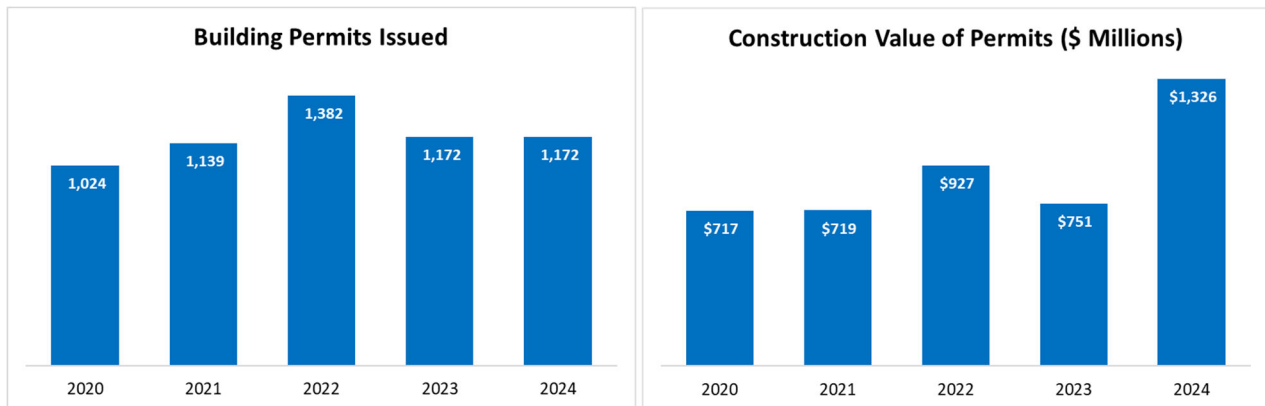
⁹ City of Richmond Interactive Data, <http://www.businessinrichmond.ca/data-centre/> (unless stated otherwise).

can support a gradual recovery in the housing market, though affordability and economic uncertainty concerns remain.

Housing starts in Richmond fell by 38.01% between 2023 and 2024, after a 122.54% increase between 2022 and 2023. There has been a fair amount of fluctuation in housing starts over the past five years, and the first two quarters of 2025 reflected an 82.01% decline as compared to the same period in 2024. Multiple and complex dynamics affect housing starts, including demand projections, population growth, financing costs, and labour availability.

Housing Indicators	2025 to Q2	2024 to Q2	% Change
Total Sales - Detached	305	415	-26.51%
Total Sales - Townhouse	295	339	-12.98%
Total Sales - Apartment	690	803	-14.07%
Housing Starts	168	934	-82.01%

4. Construction Activity

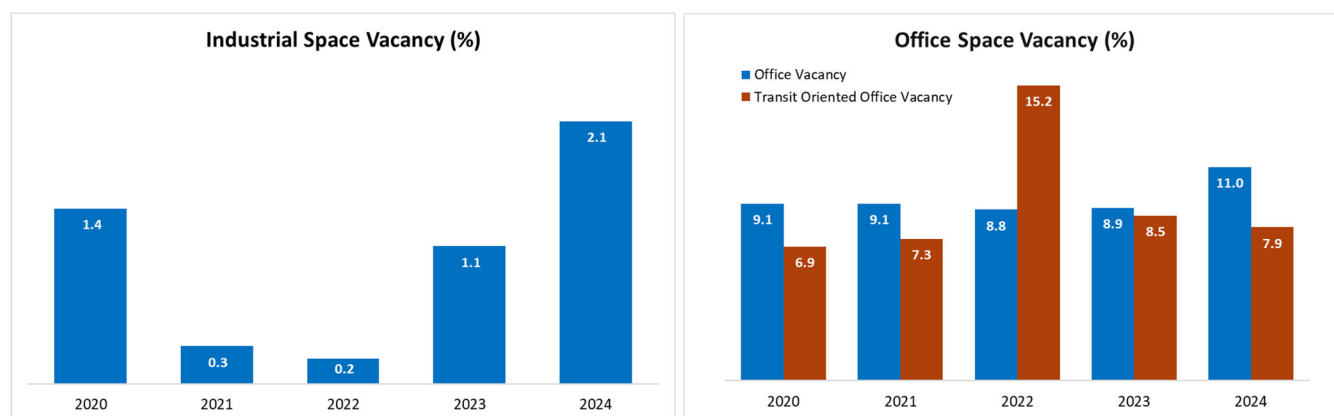


Between 2023 and 2024, the number of building permits issued in Richmond remained steady, while the construction value of those permits increased by 76.59%. The combination of higher construction value with a stable or declining number of permits can indicate fewer but larger and more complex developments with longer development cycles. These numbers also reflect positive economic activity in Richmond during a period of slowing growth and still high interest rates.

By the end of the second quarter of 2025, the construction value of building permits issued in Richmond was \$474.0 million, a 48.10% decrease compared to the same period in 2024. Concurrently, the number of building permits issued during the first six months of 2025 fell by 23.42% over the same period in 2024. Substantial fluctuations in construction value and building permits can be expected, depending on the projects registered and associated development cycles.

Construction Indicators	2025 to Q2	2024 to Q2	% Change
Building Permits Issued	474	619	-23.42%
Construction Value (\$ millions)	247	475	-48.10%

5. Commercial Space¹⁰



Richmond has over 46 million square feet of industrial space, which is the largest share of Metro Vancouver’s regional industrial inventory (by any one municipality/ jurisdiction). While industrial space vacancy fluctuates quarter-over-quarter, it had generally been declining since 2018, reaching a low of 0.2% that held for three quarters at the end of 2022 and early 2023. Since then, it has gradually increased, though some quarters have seen a dip back to a more constrained vacancy rate. From Q3 2024, the rate has been close to 2%, with some additional softening in mid-2025 to 2.7%. Industrial vacancy in Richmond is consistently lower than the Metro Vancouver average.

Average net asking rents for industrial space in Richmond stood at \$21.22 per sq. ft. in Q2 2025, slightly above the Metro Vancouver average of \$19.94 per sq. ft., driven in part by the addition of high-quality new builds during the second quarter of 2025 and still low vacancy rates.

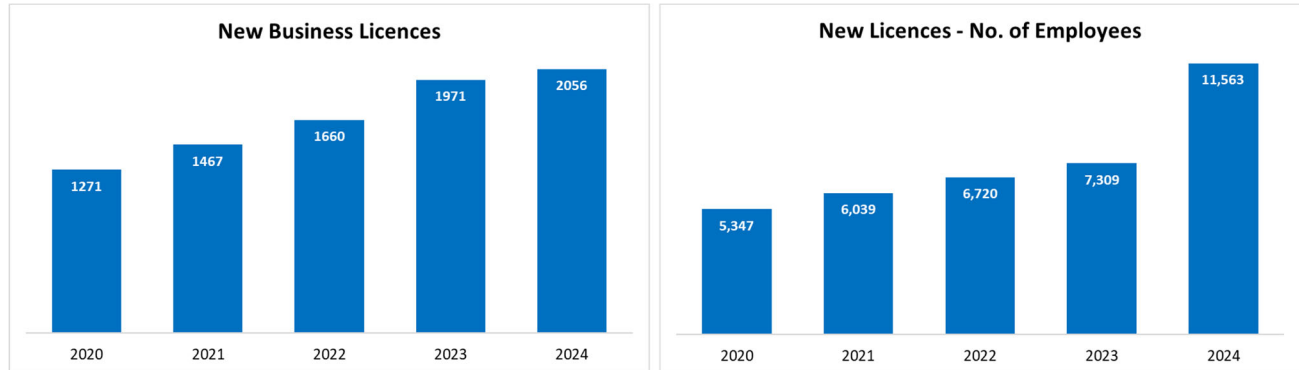
Office space vacancy in Richmond has risen in recent years though has declined consistently in 2025 to date. The rate was 8.8% in 2022, increasing slightly to 8.9% in 2023 and then climbing to 11.0% in 2024. By the end of the second quarter of 2025, the vacancy rate had declined to 10.1%, below the Metro Vancouver average of 11.5% and well below downtown Vancouver’s 14.2% vacancy during the same period.

The office market in Richmond has seen some recent new leasing activity, and asking rents continue to be the lowest in the region, including for Class A space. The market has remained more resilient than might have been anticipated, though uncertainty persists amid slowing economic growth.

¹⁰ [Cushman & Wakefield Vancouver Office and Industrial Market Beat Reports \(Q2 2025\)](#). Note that the large increase in the transit-oriented office vacancy in 2022 was primarily driven by the Paramount development (6388 No. 3 Road) coming to market. Short-term fluctuations are expected as new supply is added. The definition of “transit-oriented office” is office space within 600 meters of a Skytrain station. As this definition includes a limited number of developments in the City Centre, any change (whether related to new inventory or absorption) may have a seemingly disproportionate impact on the data.

Commercial Space Indicators	2025 to Q2	2024 to Q2	% Change
Industrial Inventory (million sf)	46.84	46.00	1.83%
Industrial Vacancy Rate (%)	2.7	1.4	92.86%
Office Inventory (million sf)	5.12	5.09	0.51%
Office Vacancy Rate (%)	10.1	10.4	-2.88%

6. Business Growth

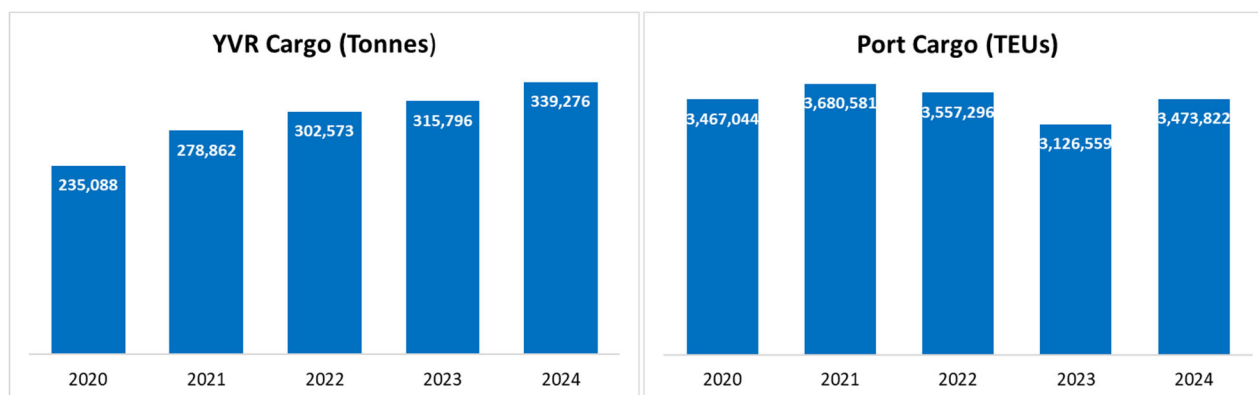


The growth in new business licences, along with the number of employees associated with these new licences, has continued since 2020, highlighting sustained positive economic activity in Richmond. In the first half of 2025, new business licences increased by 10.64% compared to the same period in 2024, accompanied by a 12.06% rise in employees associated with these new businesses.

By the end of the second quarter of 2025, the number of valid licensed businesses had grown by 2.58% compared to the same period in 2024. The total number of valid business licences has remained relatively steady throughout the past 5+ years at between 13,000 and 14,500. This indicates a healthy balance in Richmond's business landscape, where the entry of new businesses and the growth of existing ones offsets closures and relocations that are part of normal business cycles.

Local Business Activity	2025 to Q2	2024 to Q2	% Change
Valid Business Licences	14,368	14,007	2.58%
New Business Licences	1,185	1,071	10.64%
New Licences – No. of Employees	4,508	4,023	12.06%

7. Trade

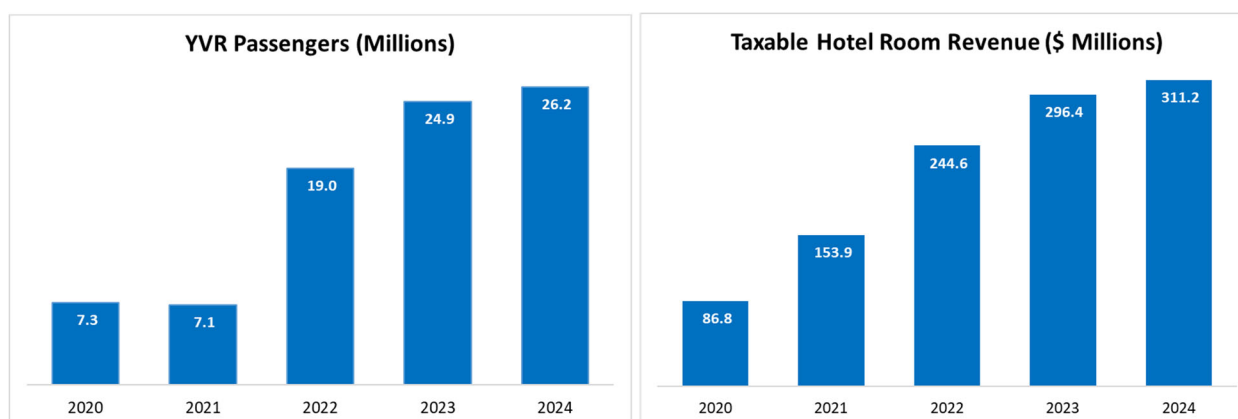


YVR has shown a steady recovery in cargo volumes since the sharp decline experienced during the COVID-19 pandemic in 2020. With a notable increase of 7.44% between 2023 and 2024, cargo volumes in 2024 exceeded those recorded in 2018. The increase persisted during the first two quarters of 2025, with a 9.03% rise compared to the same period in 2024.

Cargo volumes at the Port of Vancouver have also grown steadily in recent years, with an 11.11% increase recorded between 2023 and 2024, and are now higher than pre-COVID levels. In the first two quarters of 2025, volumes rose by 6.15% compared to the same period in 2024. While uncertainty persists due to fluctuating global trade dynamics, more than 80% of the trade through the Port of Vancouver is with countries other than the U.S.¹¹ Trade through the Port of Vancouver connects Canada to more than 170 countries, and this diversification supports continued strength during times of change.

Trade Indicators	2025 to Q2	2024 to Q2	% Change
YVR Cargo (tonnes)	170,950	156,797	9.03%
PMV Cargo (TEUs)	1,877,771	1,769,018	6.15%

8. Tourism



¹¹ [Port of Vancouver, September 2025](#).

There has been significant positive growth in the tourism sector over the past several years following the severe declines due to the COVID-19 pandemic. Between 2023 and 2024, passenger traffic at YVR grew by 5.22%, and this upward trend carried into the first two quarters of 2025, with volumes reaching 12.9 million. This figure marks an increase of 1.98% from passenger volumes witnessed in the first half of 2024, surpassing the record of 12.7 million passengers set in the first half of 2019.

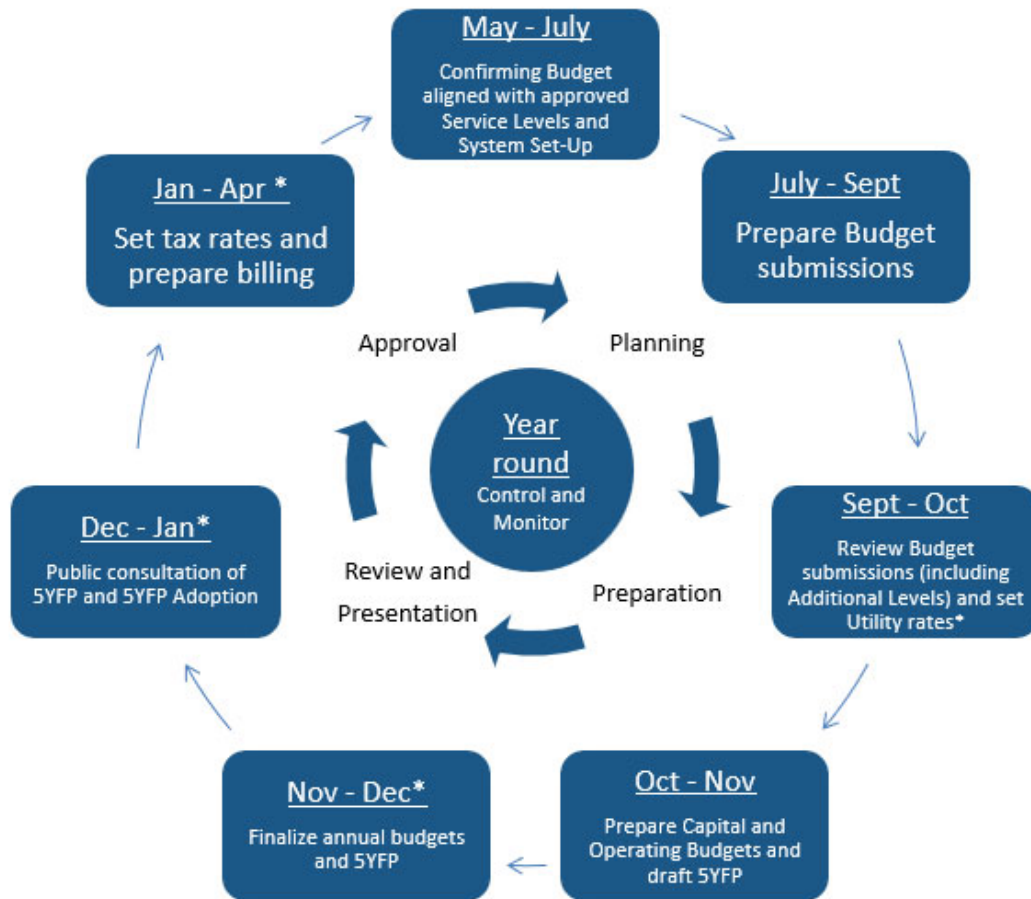
Similarly, hotel room revenues have continued to increase, rising by 4.99% between 2023 and 2024, followed by a further 0.54% increase in the first two quarters of 2025 compared to the same period in 2024. High-profile events such as the 2025 Invictus Games have contributed to strong demand to date, and the upcoming FIFA World Cup matches in 2026 are expected to further bolster the strength of the sector locally.

The Municipal and Regional District Tax (MRDT) partnership model between the City of Richmond, the Richmond Hotel Association, and Tourism Richmond is expected to generate between \$25-35 million in funding over a five-year period (2022 – 2027) to support tourism sector growth through destination marketing and development initiatives. MRDT revenue collected during the first half of 2025 was 0.54% higher than the first half of 2024, and the near-term forecast anticipates continued strong revenues.

Tourism Indicators	2025 to Q2	2024 to Q2	% Change
YVR Passengers (millions)	12.85	12.60	1.98%
Hotel Room Revenue (\$ millions)	148.60	147.80	0.54%

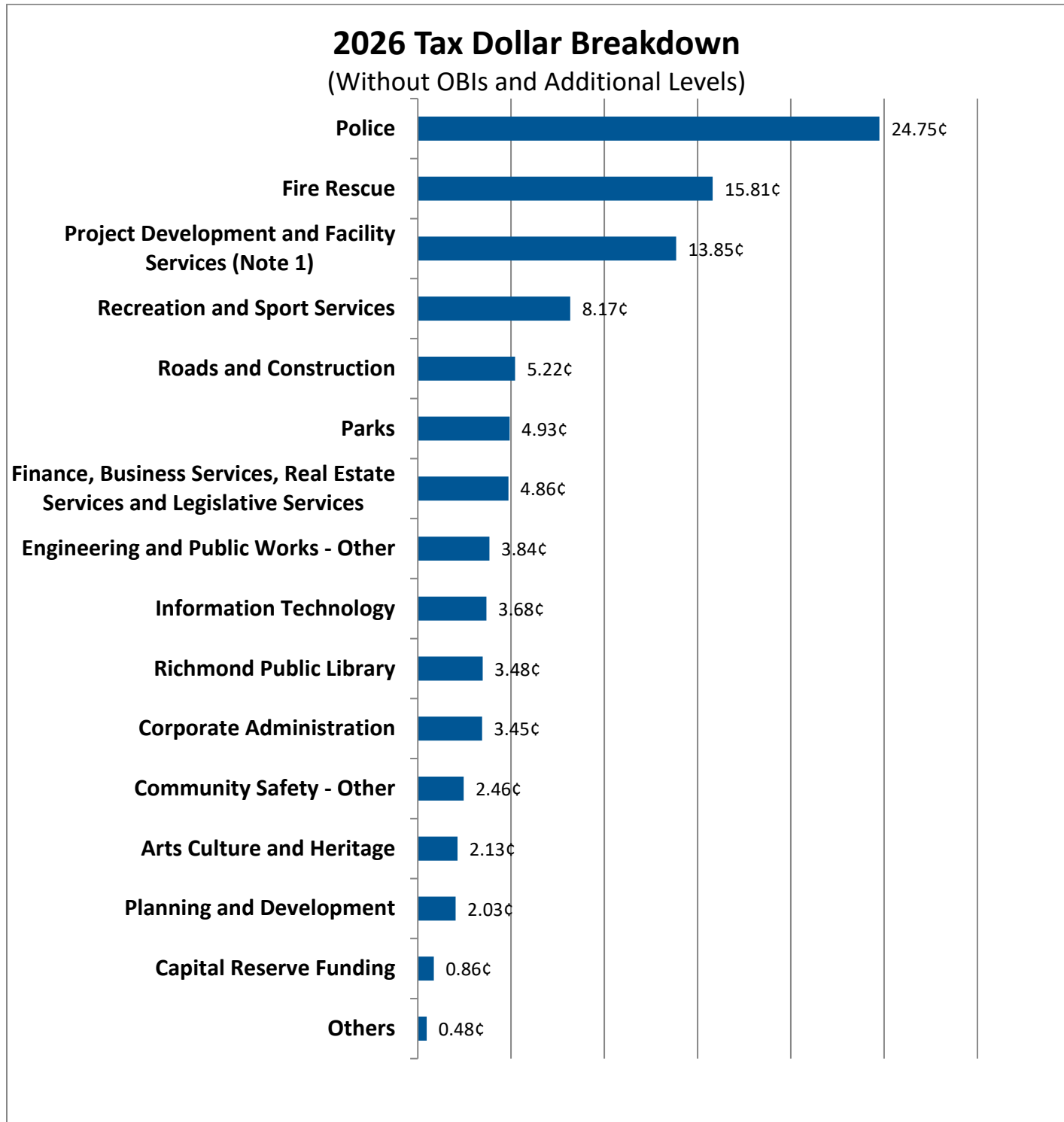
3. 2026 Budget Cycle

2026 Budget Cycle



* Council Involvement

4. 2026 Tax Dollar Breakdown



Note 1: Includes Investment in Community Facilities Infrastructure Replacement needs.

5. Long Term Financial Management Strategy Proposed Policy



City of
Richmond

Policy Manual

Page 1 of 2	Long Term Financial Management Strategy	Policy 3707
	Adopted by Council: September 22, 2003 Amended by Council: March 23, 2015	

POLICY 3707:

It is Council policy that:

1. **Tax Revenue**

Tax increases will be at Vancouver's CPI rate (to maintain current programs and maintain existing infrastructure at the same level of service) plus 1.0 % towards infrastructure replacement needs.

2. **Gaming Revenue**

Gaming revenues are designated for the capital reserves, the major capital community facility replacement program, the grants program, and the Council initiatives account, ~~towards the cost of policing relating to gaming activities.~~

3. **Alternative Revenues & Economic Development**

Any increases in alternative revenues and economic development beyond all the financial strategy targets can be utilized for increased levels of service or to reduce the tax rate.

4. **Changes to Senior Government Service Delivery**

Any additional costs imposed on the City as a result of mandatory senior government policy changes should be identified and added to that particular year's taxes above and beyond the CPI and infrastructure percentage contribution.

5. **Capital Plan**

Ensure that long term capital funding for infrastructure (e.g. parks, trails, facilities, roads etc.) is in place in order to maintain community liveability and generate economic development.

6. **Cost Containment**

Staff increases should be achieved administratively through existing departmental budgets, and no pre-approvals for additional programs or staff beyond existing budgets should be given, and that a continuous review be undertaken of the relevancy of the existing operating and capital costs to ensure that the services, programs and projects



Adopted by Council: September 22, 2003

Amended by Council: March 23, 2015

delivered continue to be the most effective means of achieving the desired outcomes of the City's vision.

7. **Efficiencies & Service Level Reductions**

Savings due to efficiencies or service level reductions identified in the strategy targets should be transferred to the capital reserves. Any savings due to efficiencies beyond the overall strategy targets can be utilized to reduce the tax rate or for increased levels of service.

8. **Land Management**

Sufficient proceeds from the sales of City land assets will be used to replenish or re-finance the City's land inventory. Any funds in excess of such proceeds may be used as directed by Council.

9. **Administrative**

As part of the annual budget process the following shall be undertaken:

- all user fees will be automatically increased by CPI;
- the financial model will be used and updated with current information, and
- the budget will be presented in a manner that will highlight the financial strategy targets and indicate how the budget meets or exceed them.

10. **Debt Management**

Utilize a "pay as you go" approach rather than borrowing for financing infrastructure replacement unless unique circumstances exist that support borrowing.

6. 2026 Same Level of Service Net Base Budget

Department/Division	2025 Adjusted Base Budget (in \$000s) (Restated for Comparison)	2026 Proposed Net Base Budget (in \$000s)	Amount Change (in \$000s)	Percent Change	Tax Impact
Policing	\$85,769	\$89,828	\$4,059	4.73%	1.24%
Fire Rescue	54,462	57,366	2,904	5.33%	0.89%
Law and Community Safety - Other	3,692	3,688	(4)	(0.11%)	0.00%
Law and Community Safety - Total	143,923	150,882	6,959	4.84%	2.13%
Parks Recreation and Culture	53,804	55,265	1,461	2.72%	0.45%
Library	12,222	12,643	421	3.44%	0.13%
Parks Recreation and Culture including Library	66,026	67,908	1,882	2.85%	0.58%
Engineering and Public Works	48,459	50,573	2,115	4.36%	0.65%
Finance and Corporate Services	30,195	30,995	800	2.65%	0.24%
Corporate Administration	12,172	12,524	351	2.88%	0.11%
Planning and Development	6,582	6,616	34	0.51%	0.01%
Housing Office	703	739	36	5.12%	0.01%
Planning and Development and Housing Office	7,285	7,355	70	0.96%	0.02%
Fiscal	(308,060)	(310,389)	(2,329)	0.76%	(0.71%)
Same Level of Service Increase	\$0	\$9,848	\$9,848		3.01%
Less: Estimated 2026 New Tax Growth		(2,900)	(2,900)		(0.89%)
Same Level of Service Increase After Tax Growth	\$0	\$6,948	\$6,948		2.12%
Less: Proposed Reductions		(3,043)	(3,043)		(0.93%)
Same Level of Service Increase After Tax Growth and Reductions	\$0	\$3,905	\$3,905		1.19%

7. 2026 Same Level of Service Base Budget by Division

All Divisions

All Divisions includes Law and Community Safety, Parks, Recreation and Culture (including Library), Engineering and Public Works (excluding Utilities), Finance and Corporate Services, Corporate Administration, Planning and Development, and Fiscal.

	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues	(\$483,601,600)	(\$494,170,600)	(\$10,569,000)	2.19%
Expenditures				
Labour	207,303,300	216,188,500	8,885,200	4.29%
Contract Services	121,191,300	126,825,800	5,634,500	4.65%
Operating Expenses	43,989,700	44,866,500	876,800	1.99%
Total Operating Expenses	372,484,300	387,880,800	15,396,500	4.13%
Fiscal Expenses	62,743,800	74,516,800	11,773,000	18.76%
Transfers	48,373,500	41,620,600	(6,752,900)	(13.96%)
Grand Total¹	\$0	\$9,847,600	\$9,847,600	

¹ 2026 Proposed Base Budget increase represents the same level of service before Tax Growth. Each line consolidates All Divisions together with the Richmond Public Library amounts.

FTE

	2024 FTE	2025 FTE	2025 Change
Total	1,635.6	1,658.6	23.0

The Full-Time Equivalent (FTE) for 2025 includes positions approved by Council in the 2025 budget process. This does not include emerging organizational additional levels that are proposed in the 2026 operating budget as these are subject to Council approval.

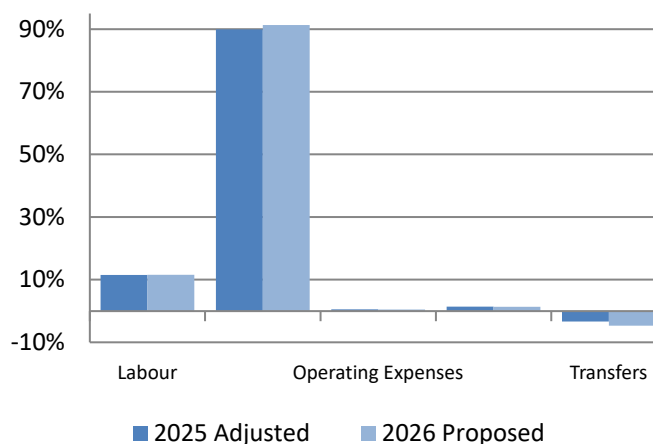
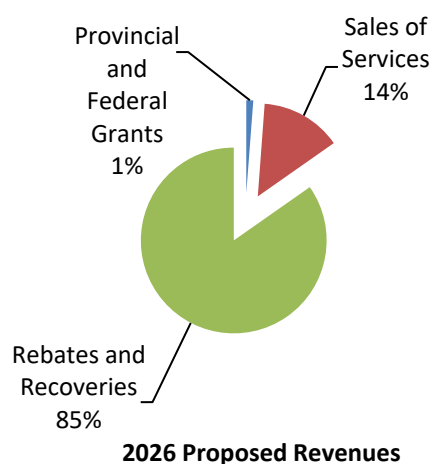
FTE – Library

	2024 FTE	2025 FTE	2025 Change
Total	95.5	95.5	-

Policing

Policing in Richmond is contracted to the Royal Canadian Mounted Police (RCMP). The Province of British Columbia has entered into an agreement with the Government of Canada to employ the RCMP to carry out the duties of a provincial police force. The City has in turn entered into an agreement with the Province of British Columbia to employ the RCMP to carry out the duties of a local police force in the City of Richmond.

	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues	(\$11,245,600)	(\$10,877,900)	367,700	(3.27%)
Expenditures				
Labour	11,181,200	11,647,400	466,200	4.17%
Contract Services	87,244,400	91,944,600	4,700,200	5.39%
Operating Expenses	489,300	493,200	3,900	0.80%
Total Expenditures	98,914,900	104,085,200	5,170,300	5.23%
Fiscal Expenses	1,347,000	1,335,000	(12,000)	(0.89%)
Transfers	(3,247,000)	(4,713,900)	(1,466,900)	45.18%
Grand Total	\$85,769,300	\$89,828,400	\$4,059,100	4.73%



FTE

	2024 FTE	2025 FTE	2025 Change
Total	104.3	106.3	2.0

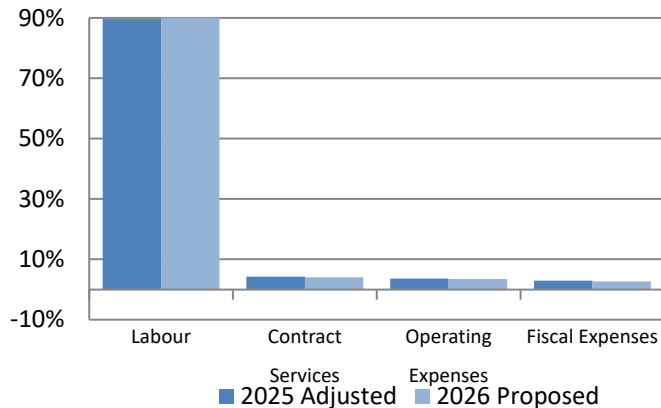
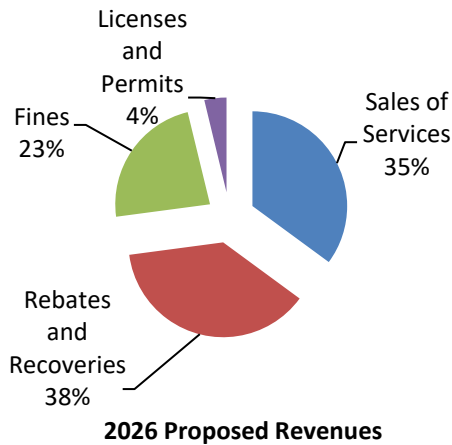
RCMP Contract Complement (Funded)

	2024 FTE	2025 FTE	2025 Change
Officers	276.0	282.0	6.0
Less: Non-Budgeted	(11.0)	(11.0)	-
Municipal Policing	265.0	271.0	6.0
Specialized Police Operations and Integrated Homicide Investigation Team	15.1	16.1	1.0
Total	280.1	287.1	7.0

Fire Rescue

The City's Fire-Rescue Department responds to multiple emergency and non-emergency calls every day, from fires to medical emergencies, motor vehicle incidents and more. The team also offers a wide range of public education and prevention services to further the mission to protect and enhance the City's livability through service excellence.

	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues	(\$196,700)	(\$198,200)	(\$1,500)	0.76%
Expenditures				
Labour	48,982,400	51,874,200	2,891,800	5.90%
Contract Services	2,326,600	2,326,800	200	0.01%
Operating Expenses	1,969,300	1,982,400	13,100	0.67%
Total Expenditures	53,278,300	56,183,400	2,905,100	5.45%
Fiscal Expenses	1,593,400	1,539,400	(54,000)	(3.39%)
Transfers	(213,100)	(159,100)	54,000	(25.34%)
Grand Total	\$54,461,900	\$57,365,500	\$2,903,600	5.33%



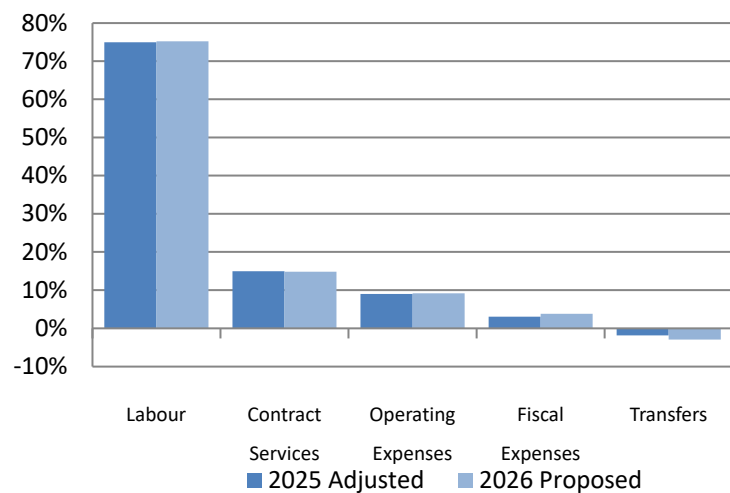
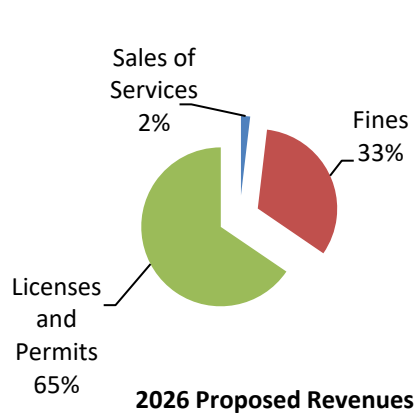
FTE

	2024 FTE	2025 FTE	2025 Change
Total	268.6	270.6	2.0

Law and Community Safety - Other

The role of the Community Bylaws Department is to lead, assist or partner with others to ensure that the City's various bylaws are complied with for the overall benefit of the community. The Law department is responsible for providing advice to City Council and staff regarding the City's legal rights and obligations.

	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues	(\$8,002,900)	(\$8,464,600)	(\$461,700)	5.77%
Expenditures				
Labour	8,762,300	9,138,800	376,500	4.30%
Contract Services	1,745,900	1,802,200	56,300	3.22%
Operating Expenses	1,051,200	1,111,900	60,700	5.77%
Total Expenditures	11,559,400	12,052,900	493,500	4.27%
Fiscal Expenses	354,200	461,200	107,000	30.21%
Transfers	(218,600)	(361,600)	(143,000)	65.42%
Grand Total	\$3,692,100	\$3,687,900	(\$4,200)	(0.11%)



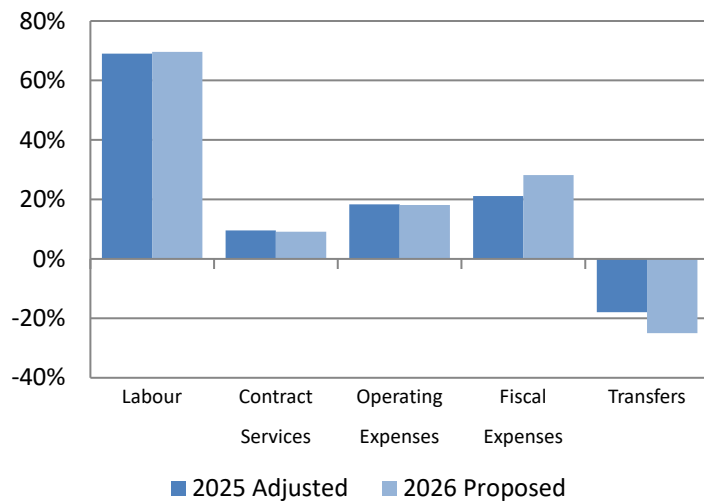
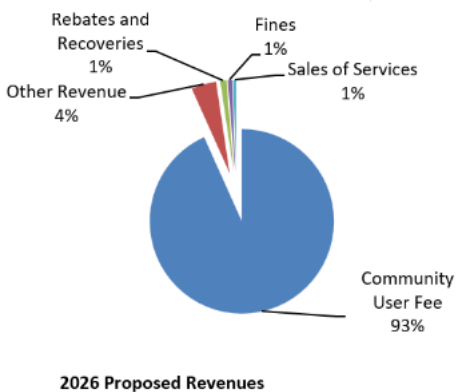
FTE

	2024 FTE	2025 FTE	2025 Change
Total	67.8	66.8	(1.0)

Parks, Recreation and Culture

Coordinates, supports and develops Richmond's community services including recreation, library, arts, heritage and sports. Oversees City owned public facilities and the design, construction and maintenance of City parks, trails and green spaces. Works with community partners and coordinates events and filming in the City.

	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues	(\$13,763,400)	(\$14,502,900)	(\$739,500)	5.37%
Expenditures				
Labour	56,012,000	58,266,900	2,254,900	4.03%
Contract Services	7,334,300	7,300,200	(34,100)	(0.46%)
Operating Expenses	13,784,800	14,088,800	304,000	2.21%
Total Expenditures	77,131,100	79,655,900	2,524,800	3.27%
Fiscal Expenses	15,059,000	20,666,600	5,607,600	37.24%
Transfers	(12,400,600)	(17,911,500)	(5,510,900)	44.44%
Grand Total	\$66,026,100	\$67,908,100	\$1,882,000	2.85%



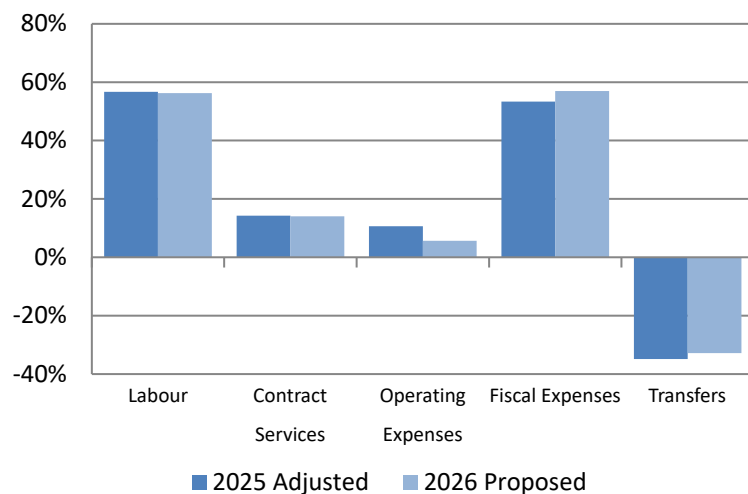
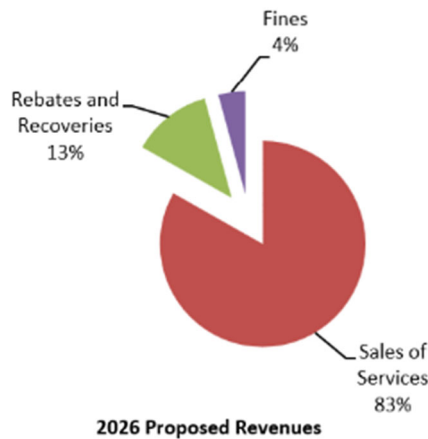
FTE

	2024 FTE	2025 FTE	2025 Change
Parks, Recreation and Culture	492.9	492.9	-
Library	95.5	95.5	-
Total	588.4	588.4	-

Engineering and Public Works (Excluding Utilities)

Comprises engineering planning, design, construction and maintenance services for all utilities and City building infrastructure. Responsible for roads and construction services, transportation, street lighting, climate, environment, corporate and community energy programs. This division includes Project Development and Facility Services which is overseen by the Deputy Chief Administrative Officer.

	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues	(\$4,970,700)	(\$5,272,100)	(\$301,400)	6.06%
Expenditures				
Labour	30,107,200	31,398,100	1,290,900	4.29%
Contract Services	7,585,300	7,834,600	249,300	3.29%
Operating Expenses	3,900,000	3,716,900	(183,100)	(4.69%)
Total Expenditures	41,592,500	42,949,600	1,357,100	3.26%
Fiscal Expenses	28,386,700	31,819,600	3,432,900	12.09%
Transfers	(16,549,900)	(18,924,000)	(2,374,100)	14.35%
Grand Total	\$48,458,600	\$50,573,100	\$2,114,500	4.36%



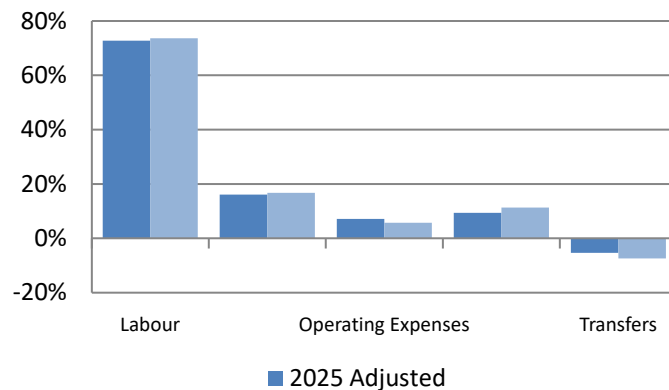
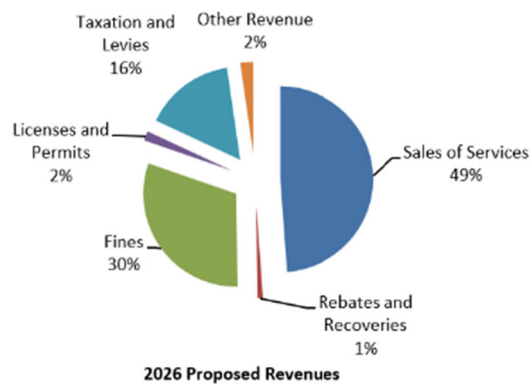
FTE

	2024 FTE	2025 FTE	2025 Change
Total	350.1	357.1	7.0

Finance and Corporate Services

Responsible for the financial well-being of the City, through the provision of financial advice, services and information to Council, staff and the public, as well as through the support and fostering of a viable business community. This division includes clerk's office, customer service, information technology, finance, economic development, real estate services, and business services.

	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues	(\$806,100)	(\$908,600)	(\$102,500)	12.72%
Expenditures				
Labour	22,561,800	23,497,200	935,400	4.15%
Contract Services	4,986,400	5,341,800	355,400	7.13%
Operating Expenses	2,213,100	1,825,100	(388,000)	(17.53%)
Total Expenditures	29,761,300	30,664,100	902,800	3.03%
Fiscal Expenses	2,907,400	3,600,900	693,500	23.85%
Transfers	(1,667,600)	(2,361,100)	(693,500)	(41.59%)
Grand Total	\$30,195,000	\$30,995,300	\$800,300	2.65%



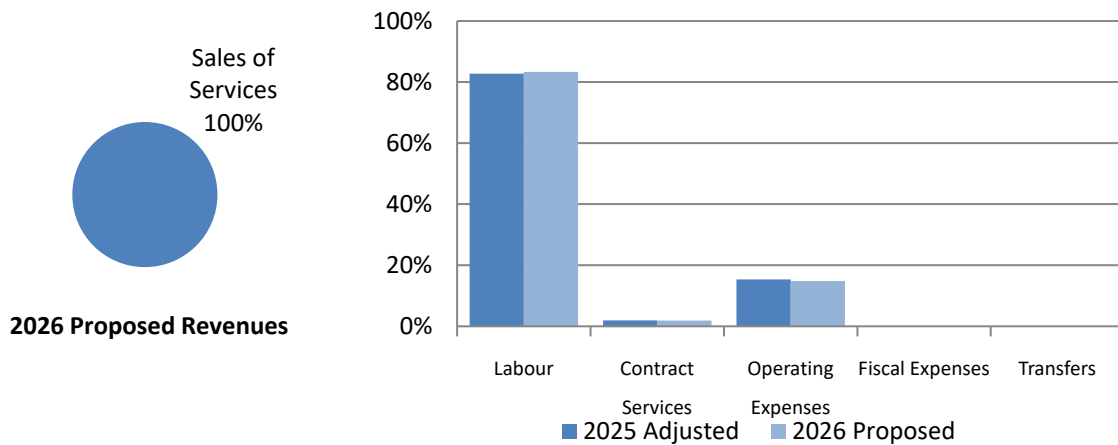
FTE

	2024 FTE	2025 FTE	2025 Change
Total	171.1	178.1	7.0

Corporate Administration

The CAO's Office oversees the overall administration of the corporate body (business units/operations) of the City and employees. Other departments and functions include Deputy CAO Administration, human resources, corporate communications, production centre, intergovernmental relations, special projects and coordination of interdivisional projects and the Corporate Planning and Programs Management Group (CPMG). This is also where the budget for Mayor and Councillors resides.

	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues	(\$5,000)	(\$5,000)	\$-	-%
Expenditures				
Labour	10,097,600	10,440,600	343,000	3.40%
Contract Services	229,500	229,500	-	-%
Operating Expenses	1,844,400	1,852,500	8,100	0.44%
Total Expenditures	12,171,500	12,522,600	351,100	2.88%
Fiscal	300	300	-	-%
Transfers	5,600	5,600	-	-%
Grand Total	\$12,172,400	\$12,523,500	\$351,100	2.88%



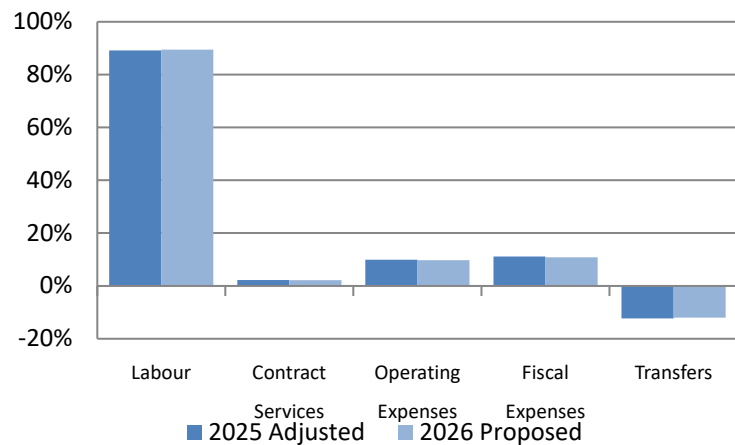
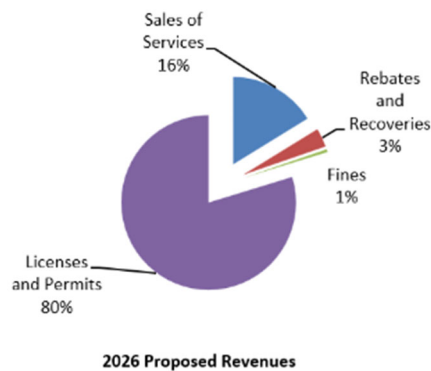
FTE

	2024 FTE	2025 FTE	2025 Change
Total	60.4	63.4	3.0

Planning and Development (Excluding Housing Office)

Incorporates policy planning, development applications, building approvals, and community social development, which includes social planning, diversity, youth, child care and older adult services. This division provides policy directions that guide growth and change in Richmond with emphasis on land use planning, development regulations, environmental protection, heritage and livability. These planning functions play a vital part in the City's life cycle and involve the development of community plans and policies, zoning bylaws, as well as development related approvals and permits.

	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues	(\$10,947,000)	(\$11,413,100)	(\$466,100)	4.26%
Expenditures				
Labour	15,617,100	16,122,600	505,500	3.24%
Contract Services	387,100	387,400	300	0.08%
Operating Expenses	1,736,500	1,744,400	7,900	0.45%
Total Expenditures	17,740,700	18,254,400	513,700	2.90%
Fiscal Expenses	1,948,400	1,945,400	(3,000)	(0.15%)
Transfers	(2,159,900)	(2,171,000)	(11,100)	0.51%
Grand Total	\$6,582,200	\$6,615,700	\$33,500	0.51%



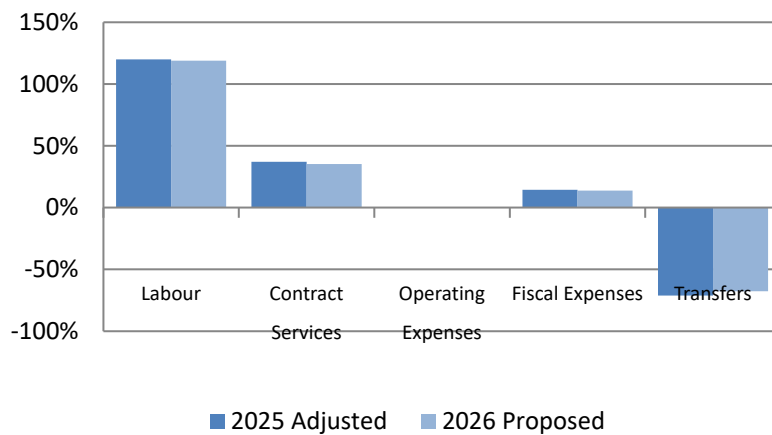
FTE

	2024 FTE	2025 FTE	2025 Change
Total	112.4	112.4	-

Housing Office

In 2024, the Housing Office was created to give greater focus and resourcing to support the delivery of housing options along a housing continuum. The purpose of the City's Affordable Housing program is to support the creation of affordable housing in partnership with senior levels of government, non-profit organizations and the private sector. Through various programs and policies, the City has successfully secured over 2,300 affordable housing units since the City's first Affordable Housing Strategy was adopted in 2007. The Housing Office is overseen by the Deputy Chief Administrative Officer.

	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues	\$-	\$-	\$-	-%
Expenditures				
Labour	842,100	878,400	36,300	4.31%
Contract Services	260,200	259,900	(300)	(0.12%)
Operating Expenses	400	400	-	-%
Total Expenditures	1,102,700	1,138,700	36,000	3.26%
Fiscal Expenses	101,000	101,000	-	-%
Transfers	(501,000)	(501,000)	-	-%
Grand Total	\$702,700	\$738,700	\$36,000	5.12%



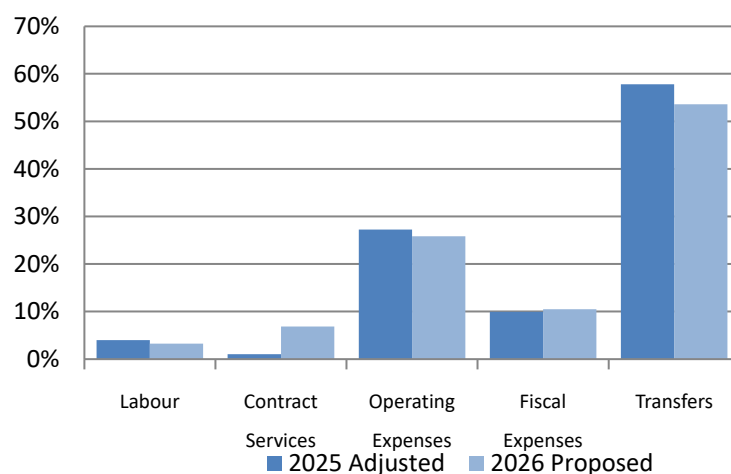
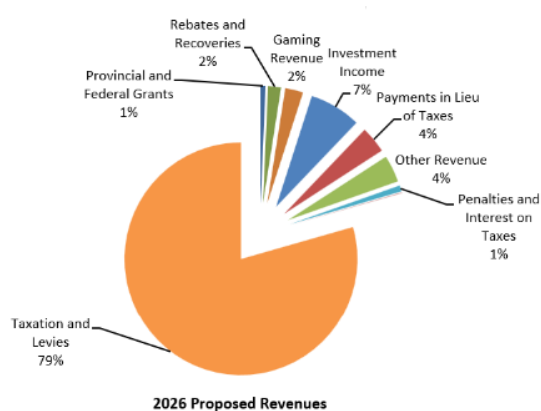
FTE

	2024 FTE	2025 FTE	2025 Change
Total	8.0	11.0	3.0

Fiscal

Fiscal division includes city-wide revenues and expenditures, such as property taxes, investment income, rental property income, municipal regional district tax, property expenses, long-term debt payments, and transfer to reserves.

	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues	(\$433,664,200)	(\$442,528,200)	(\$8,864,000)	2.04%
Expenditures				
Labour	3,139,600	2,924,300	(215,300)	(6.86%)
Contract Services	9,091,600	9,398,800	307,200	3.38%
Operating Expenses	17,000,600	18,050,700	1,050,100	6.18%
Total Expenditures	29,231,800	30,373,800	1,142,000	3.91%
Fiscal Expenses	11,046,400	13,047,400	2,001,000	18.11%
Transfers	85,325,700	88,718,200	3,392,500	3.98%
Grand Total	(\$308,060,300)	(\$310,388,800)	(\$2,328,500)	0.76%



8. 2026 Same Level of Service Base Budget by Category

Amounts in \$000s	2025 Adjusted Base Budget (Restated for Comparison)	2026 Proposed Base Budget	Change 2026 \$	Change 2026 %
Revenues				
Taxation and Levies	(\$327,170)	(\$327,170)	-	-%
Municipal Regional District Tax	(9,184)	(9,170)	14	(0.15%)
Sales of Services	(46,643)	(47,892)	(1,249)	2.68%
Investment Income – Statutory Reserves (requirement pursuant to the <i>Community Charter</i>)	(40,000)	(40,000)	-	-%
Investment Income – General	(8,270)	(8,270)	-	-%
Payment in Lieu of Taxes	(15,001)	(16,302)	(1,301)	8.67%
Licenses and Permits	(13,987)	(14,967)	(980)	7.01%
Gaming Revenues	(11,500)	(10,500)	1,000	(8.70%)
Other Revenue	(11,847)	(19,900)	(8,053)	67.98%
Total Revenues	(483,602)	(494,171)	(10,569)	2.19%
Operating Expenses				
Wages and salaries	207,303	216,188	8,885	4.29%
RCMP Contract (City excluding YVR)	70,738	75,030	4,292	6.07%
Contract Services (RCMP YVR Contract, E-Comm and Integrated Teams, MRDT Contracts, IT licenses, maintenance, etc.)	50,453	51,796	1,343	2.66%
Supplies and Materials	43,990	44,867	877	1.99%
Total Operating Expenses	372,484	387,881	15,397	4.13%
Fiscal Expenses (Excluding Amortization and Transfers from Capital)				
Interest and Financing (Interest on Long Term Debt and capital leases, bad debts)	4,282	4,182	(100)	(2.34%)
Total Fiscal Expenses (Excluding Amortization and Transfers from Capital)	4,282	4,182	(100)	(2.34%)
Transfers (Excluding Equity Amortization and Transfers from Capital)				
Repayment of Debt	3,707	3,835	128	3.45%
Transfers to Statutory Reserves and Provisions	103,129	108,121	4,992	4.84%
Total Transfers (Excluding Equity Amortization and Transfers from Capital)	106,836	111,956	5,120	4.79%
Grand Total	\$0	\$9,848	\$9,848	

Each line consolidates All Divisions together with the Richmond Public Library amounts. Amounts include estimates for fully recoverable expenses which have no tax impact. Base amounts include E-Comm. and integrated teams before external senior government increases. Base amounts exclude externally funded programs.

9. 2026 Program Expenditures Funded by Reserves

The Affordable Housing, Child Care, and Public Art programs are fully funded by their respective reserve funds, which receive contributions from development activity. The *Community Charter* requires that the funding source for all proposed expenditures be included in the City's Consolidated 5 Year Financial Plan, and specifically those funded by statutory reserve funds. Accordingly, this attachment outlines the planned program expenditures and their specific reserve funding sources.

Summary of Operating Programs Funded by Reserves		
Project Name	Reserve Funding Source	2026
Affordable Housing Operating Initiatives	Affordable Housing Operating	\$400,000
12040 Horseshoe Way Repayment	Affordable Housing - City Wide	525,000
Affordable Housing Total		925,000
Child Care - Administration	Child Care Operating	200,000
Child Care Projects - City-wide (Capital Grants)	Child Care Development	50,000
Child Care Projects - City-wide (Non-Capital Grants)	Child Care Operating	10,000
Child Care Total		260,000
Public Art Program	Public Art Program	175,000
Public Art Total		175,000
		\$1,360,000

The proposed expenditures for 2026 and the planned expenditures for 2027-2030 are summarized in this attachment for each program.

Affordable Housing Program 2026

In 2024, the Housing Office was created to give greater focus and resources to support the delivery of housing options along the housing continuum. The purpose of the City's Affordable Housing program is to support the creation of affordable housing in partnership with senior levels of government, nonprofit organizations and the private sector. Through various programs and policies, the City has successfully secured over 2,300 affordable housing units since the first Affordable Housing Strategy was adopted in 2007.

The following developments highlight the successes of the city in delivering housing to some of the most vulnerable members of the community.

- Kiwanis Towers, which provides 296 affordable rental units for low income seniors;
- Storeys, which provides 129 affordable rental units for low income households;
- Alderbridge Supportive Housing, which provides 40 units for residents experiencing homelessness;
- Aster Place Supportive Housing, which provides 40 units for residents experiencing homelessness;
- Harbour House, which provides 25 units of transitional housing for women and women with children; and

- Rio Vista, which will provide 80 units of rental housing with three levels of affordability including affordable market rentals (30.00%), units with rents-geared-to-income (50.00%) and units with deeply-subsidized rents (20.00%).
- Forthcoming projects include:
 - Aberdeen Rental Residences

City staff are pursuing opportunities to secure Provincial funding through BC Housing's Community Housing Fund to develop roughly 200 units of affordable rental housing along Sexsmith Road. The ability to secure funding for the project requires that the City partner with a non-profit housing operator who would ultimately be the recipient of capital grants to build the homes and long-term operating funding to manage the development. Further, a zoning by-law amendment is required to enable residential development in the form of apartment housing. At this time, staff are exploring the feasibility of developing two six-storey wood framed buildings on the property. While the predominant use of the lands would be for rental tenure housing, complementary non-residential uses such as a daycare, office space, and small retail stores would be enabled by the property-specific zone.

Affordable Housing Program (in \$000s)	2026	2027	2028	2029	2030
Affordable Housing Operating Initiatives	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
12040 Horseshoe Way (Shelter) Repayment	525	525	525	525	525
Total Affordable Housing Program	\$ 925	\$ 925	\$ 925	\$ 925	\$ 925
Affordable Housing Funding Sources					
Affordable Housing Operating Reserve	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
Affordable Housing City-Wide Reserve	525	525	525	525	525
Total Affordable Housing Funding Sources	\$ 925	\$ 925	\$ 925	\$ 925	\$ 925

Affordable Housing Operating Initiatives

The Council-adopted Affordable Housing Strategy 2017–2027 and Homelessness Strategy 2019–2029 guide the City's actions regarding affordable housing and homelessness service provision. The Affordable Housing Operating Initiatives may be used to cover staff salaries, consulting services related to research, public engagement and economic analyses, legal fees for the preparation of housing agreements, initiatives to address homelessness and other activities related to implementing the actions identified in the noted strategies.

Internal Debt Payment

In 2016, Real Estate Services conducted an extensive search for a suitable residential property to allow for a year-round shelter. The search generated limited options requiring staff to focus on industrial sites. In 2017, the property at 12040 Horseshoe Way was identified as a viable site for the establishment of the shelter and was subsequently purchased by the City for \$6,080,000. Funding for the purchase came from the City's Industrial Use Reserve. Under the *Community Charter*, these funds must be repaid to the source reserve fund with interest. Internal repayments of \$525,000 from the Affordable Housing Reserve (City-Wide) are being made annually and will end in 2032, being 15 years from commencement in 2018.

Child Care Program 2026

Child care is an important service for Richmond residents and an essential need for many parents. The 2024–2034 Richmond Child Care Strategy, approved by City Council on December 18, 2024, and the 2021–2031 Richmond Child Care Action Plan, adopted by City Council on April 12, 2021, outline the City’s commitment to child care. The identified priorities include creating and maintaining child care spaces, supporting quality, inclusivity and accessibility, advocacy, collaboration and providing access to education and information to support educators, families and the community.

The City supports the creation of child care spaces by accepting voluntary contributions from developers in the form of built child care facilities or cash-in-lieu contributions to the Child Care Statutory Reserves and other development-related opportunities that may evolve over time. In the future, child care projects will also be funded through the City’s Amenity Cost Charges (ACC) Program. The City currently manages and maintains 13 existing City-owned child care facilities, including two Early Childhood Development (ECD) Hubs.

Dedicated City staff resources help to develop, maintain and support the child care system in Richmond. Child care grants support the work of non-profit child care providers seeking to improve the quality or capacity of care in their facility, or non-profit societies supporting quality programming and/or providing professional development opportunities for the broader child care community in Richmond.

Child Care Program (in \$000s)	2026	2027	2028	2029	2030
Child Care – Administration	\$200	\$200	\$0	\$0	\$0
Child Care - City-Wide (Capital Grants)	50	50	50	50	50
Child Care - City-Wide (Non-Capital Grants)	10	10	10	10	10
Total Child Care Program	\$260	\$260	\$ 60	\$ 60	\$ 60
Child Care Funding Sources					
Child Care Operating Reserve	\$210	\$210	\$10	\$10	\$10
Child Care City-Wide Reserve	50	50	50	50	50
Total Child Care Funding Sources	\$260	\$260	\$ 60	\$ 60	\$ 60

Child Care – Administration

A source of funding is required to support the City's Child Care section and to assist in implementing specific actions in the Council endorsed 2024–2034 Richmond Child Care Strategy and the 2021–2031 Richmond Child Care Action Plan.

The Child Care Planner 2 position, which was created as an auxiliary position in 2017 and became a regular position in 2020, is funded through the Child Care Operating Reserve and plays an important role in supporting the ongoing collaboration with the operators of the 13 City-owned child care facilities and ECD Hubs, supporting the Richmond Child Care Grant Program and Child Care Development Advisory Committee and assisting with the planning, design and construction of new child care facilities secured as community amenity contributions.

Specific job duties include working with developers, community members and child care operators to support the creation of new child care facilities and the stability, health and safety of existing child care facilities. Further work includes assisting with the planning and development of new child care facilities (including ECD Hubs), researching, developing and updating City publications and working documents, and responding to requests for information from the community, parents and child care providers.

In addition, any funds remaining after ensuring sufficient funding for the Child Care Planner 2 position may be used to pay for administrative costs related to: expenses to support the child care work program, research, production of reports, creation of developer resources and to support the ongoing development of new amenities under development, including ECD Hubs and child care facilities as necessary.

The Child Care Operating Reserve is an appropriate source of funding for such expenses. It was established to support grants, conduct research and fund expenses to support the development of quality child care within the city. There is currently sufficient funding in the Child Care Operating Reserve to fund this request for 2026.

Child Care – City-Wide (Capital Grants)

Sufficient funding is required to administer the City's 2026 Child Care Capital Grants Program. These grants support non-profit child care operators with capital improvements to enhance their child care programs (e.g. minor renovations, outdoor playground upgrades and the purchase of equipment and furnishings). Grants were advertised in September 2025 and, with Council approval, will be awarded in February or March 2026.

The Child Care City-Wide Reserve is an appropriate source of funding for this expense. It was established to fund capital expenses to support the development of quality child care within the city. There is currently sufficient funding in the Child Care City-Wide Reserve to fund this request for 2026.

Child Care – City-Wide (Non-Capital Grants)

Funding is required to enable the provision of the 2026 Child Care Professional and Program Development Grants (non-capital). These grants support non-profit organizations in Richmond to deliver professional development initiatives for Early Childhood Educators and child care providers. These grants may also support the purchase of toys, equipment and resources for lending libraries that are available to Richmond child care providers. Grants will be advertised in September 2025 and, with Council approval, will be awarded in February or March 2026.

The Child Care Operating Reserve is an appropriate source of funding for such expenses. It was established, in part, to fund grants to support the development of quality child care within the city. There is currently sufficient funding in the Child Care Operating Reserve to fund this request for 2026.

Public Art Program 2026

The Public Art Program is a self-sustaining project funded by private development contributions to the Public Art Reserve, guided by a Council-approved policy (Policy 8703 and supported by a Council-appointed Public Art Advisory Committee).

The Public Art Program contributes to Council's Strategic Plan 2022-2026 *Vibrant, resilient and active communities supported by a wide variety of opportunities to get involved, build relationships and access resources*. The Public Art Program advances the Richmond Art Strategy.

Public Art Program (in \$000s)	2026	2027	2028	2029	2030
Public Art Program	\$175	\$175	\$175	\$175	\$175
Total Public Art Program	\$175	\$175	\$175	\$175	\$175
Funding Source:					
Public Art Program Reserve	\$175	\$175	\$175	\$175	\$175
Total Public Art Funding Source	\$175	\$175	\$175	\$175	\$175

The scope of work consists of \$175,000 of developer-funded public art projects as detailed below.

Proposed Public Arts Projects 2026	Estimated Costs
Annual Community Public Art Programs - Urban Infrastructure Art Wrap Program, Engaging Artists in Community Program, Community Mural Program	\$90,000
Community Public Art Projects - No. 3 Road Art Columns	40,000
Community Education, Artists Professional Development and Mentorship, Public Art Bus Tours	15,000
Collaboration with other City Partners - Capture Photography Festival, Children's Art Festival, Culture Days	30,000
Total	\$175,000

10. Externally Funded Programs

City staff work collaboratively with senior levels of government and external agencies to identify opportunities to apply for grant funding. This attachment summarizes the successful applications that the City has been awarded. In order to have the authority to incur any expenditure, including those funded by external organizations, the amounts must be included in the City's 5 Year Financial Plan.

Each 5 Year Financial Plan is repealed upon adoption of the subsequent financial plan, and therefore external grants that have not been fully expended need to be included in the financial plan to retain expenditure authorization for unspent amounts. The amount included in the 2026 Budget is based on funding available from the external source and anticipated to be spent in 2026. If the funding remains unspent at the end of the year, it will be included again in the subsequent budget year, subject to the terms of the external agreement. There is no tax impact as a result of including these expenditures in the 5 Year Financial Plan.

Externally Funded Programs (in \$000s)	Full Award Amount / Annual Contribution	2026 Estimated Expenditures
Housing Accelerator Fund ¹	\$35,932	\$11,753
Municipal and Regional District Tax ¹	9,170	9,170
Local Government Climate Action Program ¹	2,791	483
Richmond Building Safer Communities Fund ¹	2,680	100
Major Road Network Program ^{1,2}	2,530	2,530
Housing Capacity Funding ¹	1,150	345
Richmond Food Hub ¹	1,000	126
Japanese Canadian Legacies Society grant	400	120
Federation of Canadian Municipalities Feasibility Study on Financing Options for Energy Retrofits	220	220
City of Richmond GHG Reduction Pathways for City Owned	200	200
Municipal Top Up Incentives for Heat Pumps Retrofits	130	130
Community Based FireSmart Education Grant	100	100
Richmond Circular City Strategy Material Flow Analysis Grant	88	88
Richmond Youth Situation Table	50	50
Other Grants	121	121
Total Externally Funded Programs	\$56,562	\$25,536
Total Grants/External Funding	(\$56,562)	(\$25,536)
Tax Impact of Including Externally Funded Programs	\$0	\$0

¹ Refer to the following pages for additional information

² Estimated annual funding allocation

Housing Accelerator Fund

On January 22, 2024, the City announced a three-year partnership with the federal government to add 1,022 homes by utilizing \$35.9 million in committed funding through Canada Mortgage and Housing Corporation's (CMHC) Housing Accelerator Fund (HAF). HAF-funded projects include housing grants, technology solutions to expedite the processing of permits, and enhanced opportunities to establish working partnerships with non-profit housing operators. In addition to these initiatives, HAF funds may be used towards activities that may otherwise be funded out of the Affordable Housing Reserve, such as the cost of consulting fees tied to advancing technical due diligence with City-led affordable housing development. Where eligible, HAF funds will be used in lieu of drawing funds from the noted Reserve.

Housing Accelerator Fund (in \$000s)	2024- 2025 Estimate	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	Total
Contribution Disbursement	\$4,572	\$12,298	\$19,062	\$0	\$0	\$0	\$35,932
Total Housing Accelerator Fund (HAF)	\$4,572	\$12,298	\$19,062	\$0	\$0	\$0	\$35,932
Funding Source:							
Grant from Federal Government	\$4,572	\$12,298	\$19,062	\$0	\$0	\$0	\$35,932
Total HAF Funding Sources	\$4,572	\$12,298	\$19,062	\$0	\$0	\$0	\$35,932

Municipal and Regional District Tax

Enabled by regulation under Section 123 of the *Provincial Sales Tax Act*, the City applies to the Government of B.C. once every five years to be a designated recipient of the 3.00% Municipal and Regional District Tax (MRDT). The MRDT is applied to the sales of short-term accommodation, such as hotels, in participating areas of British Columbia. It is intended to help grow B.C. visitation and jobs and to amplify B.C.'s tourism marketing efforts in a competitive global marketplace. Applications are subject to provincial requirements including enacting a City bylaw, developing a 5-year strategic business plan, and obtaining the majority support of hoteliers who charge the tax on the purchase price of accommodation. The most recent application by the City of Richmond was approved for the period from July 1, 2022, to June 30, 2027.

MRDT funds are utilized in accordance with established strategic plans that are jointly developed by partners and approved by the Government of B.C., as well as legal agreements between the City, the Richmond Hotel Association and Tourism Richmond. The prescribed uses of the funds are as follows:

- Tourism marketing, programs and projects,
- Sport hosting marketing, programs and projects, and
- Destination enhancement initiatives including investments in the operation of tourism attractions; major events; tourism product development; and direct sales.

In addition, 100.00% of MRDT received from Online Accommodation Platforms is directed to the City's Affordable Housing Reserve Fund in accordance with the City bylaw.

MRDT revenue forecasts are highly variable and are subject to changing industry conditions, including major events that may attract visitors to the region as well as past situations such as travel restrictions related to the COVID-19 pandemic.

Municipal and Regional District Tax Allocation (in \$000s)	2025 Estimate	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan
Tourism Richmond	\$6,257	\$6,288	\$6,320	\$6,352	\$6,383	\$6,415
City of Richmond	1,051	1,058	1,064	1,070	1,077	1,083
Richmond Hotel Association	1,051	1,058	1,064	1,070	1,077	1,083
Sport Hosting Office	400	400	400	400	400	400
Affordable Housing Reserve	425	366	350	350	350	350
Total Municipal and Regional District Tax (MRDT)	\$9,184	\$9,170	\$9,198	\$9,242	\$9,287	\$9,331
Funding Source:						
Municipal and Regional District Tax (MRDT) enabled through Provincial Sales Tax	\$9,184	\$9,170	\$9,198	\$9,242	\$9,287	\$9,331
Total MRDT Funding Sources	\$9,184	\$9,170	\$9,198	\$9,242	\$9,287	\$9,331

Local Government Climate Action Program (LGCAP)

The Government of British Columbia (the Province) announced the Local Government Climate Action Program (LGCAP) in May 2022 as a replacement to the previous Climate Action Revenue Incentive Program, which was discontinued in 2021. LGCAP uses a revised approach for allocating funding to local governments and Modern Treaty First Nations. Through this revised approach, the City of Richmond receives funding from the Province for five fiscal years (2022 to 2026). Per Council direction from November 14, 2022, LGCAP funding is being allocated strategically each year to support community-wide program actions by the City that are key to achieving the 50.00% citywide greenhouse gas emission reduction target by 2030, as noted in the Community Energy & Emissions Plan 2050 and to source three temporary full time Senior Climate Action Specialists and one temporary full time Corporate Energy Manager positions.

In March 2024 the Province advanced the equivalent of three years of program funding totaling \$1,658,659, accordingly there will be no further disbursements through March 2027. Disbursements beyond that are not known at this time.

Local Government Climate Action Program (LGCAP) (in \$000s)	2022 - 2025 Estimate	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	Total
Estimated spending	\$1,240	\$483	\$705	\$363	\$0	\$0	\$2,791
LGCAP funding							
Grant from Provincial Government	\$2,791	\$0	\$0	\$0	\$0	\$0	\$2,791
Total LGCAP Funding Sources	\$2,791	\$0	\$0	\$0	\$0	\$0	\$2,791

Richmond Building Safer Communities Fund

The City of Richmond was allocated a total of \$2.7 million from the Federal Building Safer Communities Fund (BSCF) over four years to implement prevention and intervention programming to address gun and gang violence among young people. Through this funding, the City has implemented a range of BSCF programs and initiatives that target at-risk youth. As the current federal funding concludes in March 2026, recommendations for sustainability options beyond March 2026 have been submitted for Council's consideration and as part of the 2026 budget process.

Building Safer Communities Fund (in \$000s)	2023-2025 Estimate	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	Total
Program implementation	\$2,580	\$100	\$0	\$0	\$0	\$0	\$2,680
Total Building Safer Communities Fund	\$2,580	\$100	\$0	\$0	\$0	\$0	\$2,680
Funding Source:							
Grant from Federal Government	\$2,580	\$100	\$0	\$0	\$0	\$0	\$2,680
Total BSCF Funding Sources	\$2,580	\$100	\$0	\$0	\$0	\$0	\$2,680

Major Road Network Operation, Maintenance and Rehabilitation Program

The City of Richmond received \$4.3M in funding in 2025 from the South Coast British Columbia Transportation Authority (Translink) for operating, maintaining and rehabilitating the Major Road Network (MRN). Of this amount, \$2.5M is designated for operating costs and \$1.8M for capital projects. There is an estimated 174 lane kilometers of MRN in the City of Richmond. It is estimated to increase annually by CPI.

Major Road Network Program (in \$000s)	2025 Estimate	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan
Operations and Maintenance	\$2,481	\$2,530	\$2,581	\$2,633	\$2,686	\$2,740
Total Major Road Network Program	\$2,481	\$2,530	\$2,581	\$2,633	\$2,686	\$2,740
Funding Sources:						
Grant from TransLink	\$2,481	\$2,530	\$2,581	\$2,633	\$2,686	\$2,740
Total MRN Funding Sources	\$2,481	\$2,530	\$2,581	\$2,633	\$2,686	\$2,740

Housing Capacity Initiative

The City of Richmond received \$1.2 million in funding from the Province of British Columbia for capacity funding for local government implementation of the legislative changes to support housing initiatives in 2024. To date, \$0.5 million has been disbursed in 2024 and 2025, and the balance is planned to be disbursed in the coming years as per table below to cover the costs of hiring consultants and staff related to the implementation of the housing bills (e.g., growth projections, economic analysis, designers/architects).

Housing Accelerator Fund – HAF (in \$000s)	2024-2025 Estimate	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	Total
Contribution Disbursement	\$460	\$345	\$345	\$0	\$0	\$0	\$1,150
Total Housing Accelerator Fund (HAF)	\$460	\$345	\$345	\$0	\$0	\$0	\$1,150
Funding Source:							
Grant from Federal Government	\$460	\$345	\$345	\$0	\$0	\$0	\$1,150
Total HAF Funding Sources	\$460	\$345	\$345	\$0	\$0	\$0	\$1,150

Richmond Food Hub

Funded by a \$1.0 million grant from the Government of B.C., the City of Richmond is undertaking work to establish a commercially-focused Richmond Food Hub as part of the B.C. Food Hub Network. Phase 1 of the initiative, which is currently in progress, is a gap analysis and needs assessment to better understand Richmond's current strengths and identify how a Food Hub could respond to gaps and benefit the local economy through potential expanded access to key resources, information, equipment, and space.

Based on the results of Phase 1, and depending on Council direction and the ability to secure sufficient additional funding, the City could then proceed with Phases 2 and 3. This could include a competitive procurement approach to seek an entity (or partnering entities) to provide the location and/or facility to establish a Food Hub, and an associated business plan for its operations and governance structure. Phase 2 is anticipated to take place during 2026. Phase 3, the construction and/or redevelopment of a potential site with partners would follow, with a potential launch date in 2027.

Funds from the Government of B.C. are and will be used to support staff resourcing, consultant costs, and Hub implementation costs related to advancing an identified site/facility toward launch. It is anticipated that approximately 34.00% of the grant will be spent in Phase 1 (Spring 2024 – Winter 2025-26), 3.00% in Phase 2 (Spring-Summer 2026), and 63.00% in Phase 3 (2027).

Richmond Food Hub (in \$000s)	2024-2025 Estimate	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	Total
Feasibility and implementation	\$246	\$126	\$628	\$0	\$0	\$0	\$1,000
Total Richmond Food Hub	\$246	\$126	\$628	\$0	\$0	\$0	\$1,000
Funding Source:							
Grant from Provincial Government	\$246	\$126	\$628	\$0	\$0	\$0	\$1,000
Total Richmond Food Hub Funding Sources	\$246	\$126	\$628	\$0	\$0	\$0	\$1,000

11. 2026 No Tax Impact Positions

2026 No Tax Impact Positions				
Ref	Requested By	Description	Amount	Tax Impact
1	Housing Office/ Planning and Development	<p>Planner 1, Development Applications (TFT) The Province has issued a Housing Target order for Richmond which mandates the City to deliver 6,753 new residential units over the next five years. In accordance with the order, the City is responsible for providing periodic and regular updates on the progress of housing in Richmond. The information and level of detail required to be reported out is not currently captured by the City. In addition, with the implementation of Bill 46 and the potential introduction of Amenity Cost Charges (ACCs) and the DCC assessment of SSMUH development, together with recent regulatory amendments to DCC, ACC, and School Site Acquisition Charges installment regulations, new process, securities, data recording and administration is required of the City. Together these Provincial regulations and requirements have placed an increased administrative burden on the City.</p> <p>A Planner 1 is proposed to be responsible for the design of processes and data collection methods in addition to administering the collection of ACCs. This temporary position will be funded annually by the Housing Accelerator Fund grant.</p>	\$149,797	0.05%
2	Housing Office/ Engineering and Public Works	<p>Engineering in Training (TFT) There are currently over 200 active development applications, many of which require Transportation review. This is a request for temporary staffing for 2 years, funded through the Canada Mortgage and Housing Corporation's (CMHC) Housing Accelerator Fund, for an Engineer-in-Training to assist in completing development application reviews, expediting the delivery of housing within the City and meeting the City's housing targets. This temporary position will be funded annually by the Housing Accelerator Fund grant.</p>	\$119,613	0.04%

2026 No Tax Impact Positions				
Ref	Requested By	Description	Amount	Tax Impact
3	Law and Community Safety	<p>RCMP Resource Plan Regular Member Request (4 Members for 2026) The RCMP requests 8 additional police officers as a result of community priorities, population growth and increases in the complexity of files and disclosure. This submission requires \$55,211 initial capital cost.</p> <p>Due to the tax impact and other increases that will impact taxpayers, it is recommended to provide funding for 4 out of the requested 8 additional officers. This results in a tax impact of 0.26%.</p> <p>It is further recommended to mitigate the tax impact through a combination of incremental revenue expected to be received from the Province from traffic fine revenue and through anticipated contract surplus.</p>	\$852,046	0.26%
4	Engineering and Public Works	<p>Project Manager (RFT) - Roads & Construction Services The growing complexity of work requirements, an expanding capital construction portfolio, and the need to meet service levels have increased resource demands impacting Roads Operations and Maintenance. A resource review identified the need for an additional exempt position to manage over 100 employees and enhance operational capacity, efficiency, and performance. This position is funded through a reallocation of existing Roads & Construction budgets, with no additional tax impact.</p>	\$193,157	0.06%
5	Deputy CAO's Office	<p>Building System Maintenance Workers (Regularize 2 TFTs to RFTs) Facilities Management team is requesting to regularize 2 TFT Building System Maintenance Workers (BSMW) positions to 2 RFT to support capital installations, replacements, and preventative maintenance across our facilities that is currently completed by external contractors. By creating RFT positions these staff will be able to perform repairs and system maintenance resulting in lower costs and higher efficiencies. This position is funded through a reallocation of existing Facilities and Project Development budgets, with no additional tax impact.</p>	\$242,896	0.07%

2026 No Tax Impact Positions				
Ref	Requested By	Description	Amount	Tax Impact
6	Finance and Corporate Services	Senior Financial Analyst (2 RFTs) The addition of two Senior Financial Analysts is proposed to strengthen the municipality's capacity for financial oversight, control, and compliance. These positions will play a critical role in enhancing financial analysis, forecasting, and budgeting processes to ensure the effective allocation and management of municipal resources. The Senior Financial Analysts will provide advanced analytical support to improve the accuracy and transparency of financial reporting, strengthen expenditure monitoring, and enhance the municipality's ability to identify and mitigate financial risks. This position will be funded by previously approved impacts from new infrastructure and growth. This submission requires \$20,000 initial capital cost.	\$257,297	0.08%
Total No Tax Impact Positions			\$1,814,806	0.56%
Citywide No Tax Impact Positions			\$962,760	0.30%
Law and Community Safety No Tax Impact Positions			\$852,046	0.26%
Mitigated tax impact			(\$1,814,806)	(0.56%)
Total No Tax Impact Positions			\$0	0.00%
Initial Capital Cost associated with No Tax Impact Positions			\$75,211	

12. Emerging Organizational Additional Levels – Recommended for Funding in 2026

Emerging Organizational Additional Levels - Recommended for Funding in 2026				
Ref	Requested By	Description	Amount	Tax Impact
1	Law and Community Safety	RCMP Resource Plan Municipal Employee Request – Inventory Control Clerk (RFT) The increasing number of police officers and advancements in policing have meant an increase in required inventory items and police weaponry. The increase in inventory has highlighted the growing requirement to improve the tracking process and the need for support staff to administer the asset management program. This position will provide operational support to all policing units and play a key part in the Richmond Detachment's asset management. Inventory Control Clerks work 7 days a week and provide operational support 16 hours a day.	\$99,191	0.03%
2	Finance and Corporate Services	Senior Manager, Internal Audit and Risk (RFT) This role is proposed to provide objective assessments and reporting to the Senior Management Team and the Finance and Audit Committee on the design and effectiveness of internal controls, compliance, and organizational risk management practices. Activities would include increasing the frequency and scope of internal audits, establishing regular and transparent reporting to the Committee, and aligning the City's practices with recognized global standards in governance, risk management, and internal auditing.	\$246,538	0.08%
3	Deputy CAO's Office	City Hall Precinct Security Increased Level of Service The City introduced additional security guard shift services in 2024 for City Hall and the City Hall Annex. These enhanced services were funded through temporary, one-time funding and continued into 2025 as part of a pilot initiative. Following a thorough evaluation, it was determined that the additional security guard shifts effectively met the City's safety and operational needs. These services have played a vital role in maintaining a secure environment for both the public and City staff.	\$92,100	0.03%
4	Law and Community Safety	Richmond Fire Rescue Emergency Vehicle Technician Staff Increase (RFT) It is recommended that one (1) full-time (FTE) Emergency Vehicle Technician staff member in RFR be approved to stabilize workload demands. This added resource will ensure that RFR and the City will continue to provide a safe community and timely responses to the public and stakeholders.	\$211,592	0.06%

Emerging Organizational Additional Levels - Recommended for Funding in 2026				
Ref	Requested By	Description	Amount	Tax Impact
5	Housing Office/Planning and Development	Housing Initiative OBI Phase in (Year 2 of 4) Currently 8 positions are temporarily funded by the Housing Accelerator Fund (HAF) through to 2027. These positions are required to continue beyond the term of this grant funding to advance affordable housing projects; LEMR program; partnership with senior governments for built projects; developing informed policy; economic analysis, research, and public engagement.	\$395,940	0.12%
2026 Total Emerging Organizational Additional Levels - Recommended			\$1,045,361	0.32%
Housing Initiatives Emerging Organizational Additional Levels - Recommended			\$395,940	0.12%
Citywide Emerging Organizational Additional Levels - Recommended			\$338,638	0.11%
Law and Community Safety Emerging Organizational Additional Levels - Recommended			\$310,783	0.09%
2026 Total Emerging Organizational Additional Levels - Recommended			\$1,045,361	0.32%

13. Emerging Organizational Additional Levels – Not Recommended for Funding in 2026

Emerging Organizational Additional Levels – Not Recommended for Funding in 2026				
Ref	Requested By	Description	Total Amount	Tax Impact %
1	Law and Community Safety	<p>RCMP Resource Plan Regular Member Request (4 Members for 2026) The RCMP requests 8 additional police officers as a result of community priorities, population growth and increases in the complexity of files and disclosure. This submission requires \$55,211 initial capital cost.</p> <p>Due to the tax impact and other increases that will impact taxpayers, it is recommended to provide funding for 4 out of the requested 8 additional officers.</p>	\$852,045	0.26%
2	Law and Community Safety	<p>RCMP Resource Plan Municipal Employee Request - Police Records Clerk (RFT) The main function of a PRC is to maintain, classify, and review operational and administrative files generated by detachment personnel, primarily using the Police Records Information Management System (PRIME). This position works 24/7/365, creating records and conducting the initial review of files.</p>	\$96,781	0.03%
3	Law and Community Safety	<p>RCMP Resource Plan Municipal Employee Request – Crime Analyst (RFT) To respond to the increasing complexity of investigations and the evolving nature of crime statistics. The Richmond RCMP Criminal Analysis Unit (CAU) faces increasingly more intricate analytical products, mounting demands and a growing workload. The CAU provides crime statistics for various departments in the City, RCMP, as well as responding to inquiries from external sources, including media outlets.</p>	\$130,021	0.04%
4	Parks, Recreation and Culture	<p>New Position – Parks Infrastructure – RFT Labourer 2 (OBI Growth) Council approved Parks Capital Projects completed between 2022 and 2025 have expanded the parks asset inventory, increasing the requirement for labour to perform maintenance of engineered and constructed landscape elements in Parks. As a result, the total ongoing budget impact (OBI) required now supports one full-time staff position. This submission requires \$160,000 initial capital cost for a truck.</p>	\$153,330	0.05%

Emerging Organizational Additional Levels – Not Recommended for Funding in 2026				
Ref	Requested By	Description	Total Amount	Tax Impact %
5	Parks, Recreation and Culture	New Position – Horticulture – RFT Labourer 2 (OBI Growth) Council approved Parks Capital Projects completed between 2022 and 2025 resulted in a growth in parks asset inventory and has increased the requirement for labour to perform maintenance of landscape paintings. With the completion of Parks Capital Projects during this period, the total labour (OBI) required now amounts to one full-time staff equivalent. This submission requires \$160,000 initial capital cost for a truck.	\$153,330	0.05%
6	Parks, Recreation and Culture	Urban Forestry - RFT Labourer 2 (OBI Growth) In 2022-2024, 4915 new trees were planted through development, service agreements, compensation plantings, and Parks and Engineering Capital Projects. A new position is required to provide all tree maintenance aspects such as pruning, clearance, watering, health, mulching, infrastructure management, inspection and leaf control.	\$124,434	0.04%
7	Corporate Administration	HR Advisor - Recruitment - Parks, Recreation and Culture The Parks, Recreation and Culture Division consistently generates the highest volume of HR and recruitment activity across the organization. The scale of seasonal hiring, specialized program staffing, and ongoing full-time recruitment needs requires a significantly higher level of resourcing and coordination compared to other divisions. Enhanced recruitment support is necessary to ensure the City can continue to attract qualified candidates, maintain program delivery standards, and support the division's operational and community service commitments.	\$144,699	0.04%
8	Planning and Development	Planner 1 (2 RFT) (Community Social Development) Two RFT Planner 1 positions are required to provide stability, consistency and essential support to senior planners to advance strategic priorities related to social issues, such as homelessness and poverty reduction. These roles are relied on by the City, department and community to support important functions of the department including research, data analysis and implementation of Council-adopted Strategies and Plans. This work is consistently in high demand as a result of rising expectations in the community,	\$279,594	0.09%

Emerging Organizational Additional Levels – Not Recommended for Funding in 2026				
Ref	Requested By	Description	Total Amount	Tax Impact %
		increasingly complex needs for residents and growing social issues in Richmond.		
9	Finance and Corporate Services	WebEOC Cloud Migration WebEOC (Emergency Management System) is a system used by Emergency Programs to coordinate and manage information during emergencies. The current version of WebEOC will no longer be supported by the vendor after December 31, 2026. Migrating WebEOC to a cloud-based environment will ensure system reliability, security, and availability when this system is needed most. This submission requires \$34,500 initial capital cost.	\$51,200	0.02%
10	Corporate Administration	Organizational Development Specialist The proposed Organizational Development Specialist role will provide focused support to departments across the City, enabling more proactive and integrated approaches to organizational effectiveness. This exempt, regular full-time position will be instrumental in advancing the City's goals around innovation, employee engagement, and service excellence.	\$144,699	0.04%
11	Corporate Administration	Job Evaluation Specialist As the City of Richmond continues to grow, job evaluations have more than doubled in the past several years (40 plus requests per year now). Another resource is needed to handle the volume. Also, other obligations including an on-going, proactive review of all positions in set intervals, and review of new positions after 6 months have not been conducted in several years.	\$144,699	0.04%
12	Corporate Administration	Human Resources Information Systems (HRIS) Specialist Currently, HR and IT staff manage HRIS functions on an ad hoc basis, leading to inefficiencies, data risks, and underuse of system capabilities. A dedicated specialist would provide consistent oversight, improve accuracy, and ensure the City fully leverages its investment in HR technology.	\$162,400	0.05%
Total Emerging Organizational Additional Levels - Not Recommended for Funding in 2026			\$2,437,232	0.75%



City of Richmond

Report to Committee

To: Finance and Audit Committee
From: Mike Ching, CPA, CMA
Director, Finance
Re: 2026 One-Time Expenditures



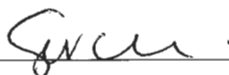
Date: November 17, 2025
File: 03-0985-01/2025-Vol 01

Staff Recommendation

That the one-time expenditures totaling \$3,504,797 as outlined in Attachment 1 of the 2026 One-Time Expenditures staff report, be approved with funding from the Rate Stabilization Account and included in the Consolidated 5 Year Financial Plan (2026-2030).

Mike Ching, CPA, CMA
Director, Finance
(604-276-4137)

Att. 2

REPORT CONCURRENCE	
CONCURRENCE OF GENERAL MANAGER 	
REVIEWED BY SMT	INITIALS: 
APPROVED BY CAO 	

Staff Report

Origin

One-time expenditure requests are typically non-recurring items over and above the base annual budget or items that are recurring in nature but are not required on an annual basis. Council established a Rate Stabilization Account (RSA) to provide funding for such requests. The RSA has also been used to defer the City's annual tax increase to a future year. Each year, once the City's accounts from the prior year are finalized, any resulting surplus is transferred into the RSA.

Any approved one-time expenditure requests will be included in the 2026-2030 Consolidated 5 Year Financial Plan (5YFP).

This report supports Council's Strategic Plan 2022-2026 #4 Responsible Financial Management and Governance:

Responsible financial management and efficient use of public resources to meet the needs of the community.

- 4.1 Ensure effective financial planning to support a sustainable future for the City.*
- 4.2 Seek improvements and efficiencies in all aspects of City business.*
- 4.3 Foster community trust through open, transparent and accountable budgeting practices and processes.*
- 4.4 Work with all levels of governments for grant and funding opportunities.*

Analysis

For 2026, there are 14 one-time expenditure requests totalling \$3,627,930. The Senior Management Team (SMT) appointed a Review Team to review each request using established ranking criteria. The prioritized requests were also reviewed by the CAO and SMT. There is no additional tax impact from any of the proposed requests as they will be funded from the RSA.

The RSA was approved by Council in 2013 in order to ensure that funding be available to help balance the budget for non-recurring items and smooth out tax increases. The establishment of an RSA for the operating budget was also based on past experience where external non-controllable events impacted the City's operating budget and there was no funding available to offset this "temporary condition".

The RSA has an unaudited balance of \$16,758,532 available as of October 31, 2025. While there is no additional tax impact from utilizing the RSA to fund one-time expenditure requests, the ability to fund such requests depends on the annual surplus.

The City has used RSA in a practical and effective manner and staff are careful in managing the usage to ensure that the RSA is not carried forward on an indefinite basis. The risk and downside

of utilizing RSA is that once it has been carried forward in this way, it must be maintained because the reduction or elimination of it will create pressure on the following year's operating budget. The tax increase is not reduced but temporarily shifted.

The CAO and SMT have carefully reviewed all one-time expenditure requests to be funded from RSA. A description of the requests recommended by the CAO and SMT for funding in 2026 are included in Attachment 1 and those not recommended for funding in 2026 are included in Attachment 2.

Council may change any of the staff recommendations. The Consolidated 5 Year Financial Plan (2026-2030) will include the amounts as approved by Council.

One-Time Expenditure Requests

Table 1 shows the summary of the one-time expenditure requests:

Table 1 – One-Time Expenditure Requests Summary

# of One-Time Expenditures Requested	Recommended Amount (In \$000s)	Not Recommended For Funding in 2026 Amount (In \$000s)	Total (In \$000s)
14	\$3,505	\$123	\$3,628

Table 2 summarizes how the available RSA balance is proposed to be utilized as a result of the 2026 budget process:

Table 2 – Proposed RSA Utilization

RSA Balance Available as of October 31, 2025		\$16,758,532
2026 One-Time Expenditures - Recommended (Attachment 1)	(3,504,797)	
From 2026 Proposed Operating Budget report:		
Proposed Rate Stabilization of the 2026 Operating Budget (Budget Option 2)	(1,800,000)	
2026 Initial Capital Costs from Council Approved Blackberry Management for One Truck	(160,000)	
2026 Initial Capital Costs from No Tax Impact Positions (Attachment 11)	(75,211)	
Total 2026 Proposed RSA Utilization		(5,540,008)
Remaining Balance After Proposed 2026 Utilization		\$11,218,524

Proposed Rate Stabilization of the 2026 Operating Budget

A total of \$1,800,000 from the RSA is proposed to be utilized to reduce the tax impact as presented in the 2026 Proposed Operating Budget (Budget Option 2).

Truck for Blackberry Management

At the Council meeting held on June 9, 2025, Council adopted the following resolution:

“That Option 2, as outlined in the staff report titled “Proposed Practices to Accelerate Blackberry Management in Richmond”, dated May 5, 2025, from the Director, Climate and Environment and the Director, Parks Services, for the implementation of an annual blackberry management program, be approved.”

This approval includes the purchase of a truck for \$160,000 to be funded by the Rate Stabilization Account.

Initial Capital Costs from No Tax Impact Positions

The 2026 Proposed Operating Budget recommends approval of No Tax Impact positions which require upfront costs of \$75,211 for equipment.

Financial Impact

The recommended one-time expenditures totaling \$3,504,797 as outlined in Attachment 1 are proposed to be funded from the Rate Stabilization Account with no additional tax impact. The final amount approved by Council will be included in the Consolidated 5 Year Financial Plan (2026-2030).

Conclusion

One-time expenditure requests were carefully reviewed by the CAO and SMT. The high priority requests in the amount of \$3,504,797 as summarized in Attachment 1 are recommended to be approved and included in the Consolidated 5 Year Financial Plan (2026-2030).



Melissa Shiao, CPA, CA
Manager, Financial Planning and Analysis
(604-276-4231)

MS:bn

- Att. 1: 2026 One-Time Expenditure Requests – RECOMMENDED
2: 2026 One-Time Expenditure Requests – NOT RECOMMENDED FOR FUNDING IN 2026

2026 One-Time Expenditure Requests – RECOMMENDED

Ref	Category	Description	Amount
1	Legislative Requirement	2026 Election At the Council meeting on November 10, 2025 Council approved Advance Planning for the 2026 Election. Adequate funding is required to effectively plan, administer, and conduct the upcoming 2026 Election. The projected financial requirements are informed by the actual expenditures from the 2022 Election, which serve as the baseline for cost estimation. These projections have been adjusted to reflect anticipated increases due to inflation, population growth, expanded voter services, and evolving operational and security demands.	\$1,113,000
2	Council Strategic Plan	City Events Program 2026 This request is to fund the 2026 City events in alignment with the Council-approved Signature and Community Events Plan 2025-2029 and as detailed in the City Signature and Community Events Program 2026, which is on the General Purposes Committee agenda for November 17, 2025. Events enrich the lives of residents by providing opportunities for the community to connect, learn and celebrate together. They contribute to social and economic well-being, build community capacity and sense of identity and raise the profile of Richmond.	\$1,027,900
3	Council Strategic Plan	Recreation Fee Subsidy Program (RFSP): Central Fund The RFSP requires Central Fund support as work on the Parks, Recreation and Culture Pricing Policy progresses. Funding contributions from Associations/Societies to support RFSP is on hold while the age of seniors is revisited as directed by Council.	\$134,000
4	Council Strategic Plan	Community Safety - Building Safer Communities Fund (BSCF) Sustainability Plan (2 TFT) Public Safety Canada (PSC) provided funding to municipalities through the Building Safer Communities Fund (BSCF) to support youth violence prevention programs from July 1, 2023, to March 31, 2026. PSC has confirmed that no further funding will be provided beyond this period. As part of the BSCF agreement, the City of Richmond must submit a sustainability plan, outlining which initiatives will continue post-funding. It is recommended that funding between April 1, 2026 to December 31, 2027 for two temporary full-time positions: a Risk Interrupter for youth aged 18–24 and a data manager for the Richmond Youth Situation Table (RYST), be approved to sustain the plan. This approach supports long-term integration of crime prevention and intervention infrastructure within the City of Richmond and promotes sustainability through internal resource development.	\$278,693

2026 One-Time Expenditure Requests – RECOMMENDED – continued

Ref	Category	Description	Amount
5	Service Enhancement	<p>Enterprise Risk Management Project</p> <p>This project will create a framework to systematically identify, assess, prioritize and manage risks across the organization.</p> <p>Program deliverables will include standardized risk assessment tools and processes, and a central risk register that will support more informed strategic planning and decision making by management and Council.</p>	\$305,576
6	Council Strategic Plan	<p>Steveston Historical Society 3 Year Pilot</p> <p>This request is for a 3-year pilot to support the Steveston Historical Society to become more sustainable to continue to maintain open hours for the Steveston Museum and offer programming for the community and tourists.</p> <p>The pilot would increase the existing support of \$40,000 annually by \$60,000 for a total annual support of \$100,000 for three years.</p>	\$180,000
7	Service Enhancement	<p>Demolition Bylaw Expansion to Multifamily and Non-residential Buildings</p> <p>Council endorsed a recommendation on Oct 27, 2025 to expand the Demolition Bylaw to include multifamily and non-residential buildings, beyond single- and two-family dwellings.</p> <p>An amended bylaw to formalize this change will be presented to Council in early 2026. In order to effectively administer the changes, resources will be required to customize the system to accommodate the necessary updates. In addition to the changes specific to the bylaw amendment, this request includes resources to optimize other AMANDA system enhancements which would be cost effective to complete simultaneously</p>	\$149,750
8	Service Enhancement	<p>Commercial Truck Parking Pilot Program Bylaw Enforcement</p> <p>At the Council meeting on September 22, 2025, Council endorsed the Proposed Commercial Truck Parking Strategies report. This report identified that resources would be required to support Parking Enforcement of the recommended overnight commercial truck pilot program.</p>	\$120,000

2026 One-Time Expenditure Requests – RECOMMENDED – continued

Ref	Category	Description	Amount
9	Service Enhancement	Maintain Media Lab Level of Service In 2022 the City of Richmond received a federal government grant to reduce community violence with a focus on youth. Some of the funding from this grant was used to increase the level of service at the Media Lab through 2025. To maintain the same level of service in 2026, additional funding is required to maintain a minimum of 5 youth drop-in sessions per week, as well as various one-time workshops and events throughout the year. The Richmond Media Lab is a unique facility in the Lower Mainland. It provides a youth hub for leadership, violence prevention, and skills building that serves as an important part of Arts, Recreation, Youth, and Wellness strategies.	\$50,618
10	Service Enhancement	Library Physical Collection For the past decade, the Richmond Public Library has managed its collections within the same level of funding, carefully monitoring circulation trends and adjusting allocation between physical and digital collections to meet community's needs as effectively as possible. However, as both physical and digital circulation continues to increase, this is no longer sustainable. Furthermore, with the new Steveston Library scheduled to open in late 2026, its space will triple, creating greater capacity for an expanded physical collection. Increased funding will enable the library to purchase more books, respond more quickly to needs, reduce wait times for holds, and improve access for our customers. Increased investment is needed to allow the library to continue delivering the high level of service that Richmond residents have come to expect from their library.	\$100,000
11	Service Enhancement	Veterans Street Banner Program At the Council meeting on October 10, 2025, Council approved funding for the veterans street banner program. Staff propose a three-year duration for the Veteran Banner Program based on the expected life-cycle of street banners which have been installed on a periodic (two to four month) durations. Working with Royal Canadian Legion, Richmond Branch #291 representatives, staff have identified 114 lamp standards which are capable of supporting banners in the vicinity of the City Hall and Minoru Park precinct. The banners will be in place commencing October 1 through November 30, 2026, to coincide with the 100th Anniversary of the Royal Canadian Legion.	\$45,260
2026 One-Time Expenditures Total – RECOMMENDED			\$3,504,797

2026 One-Time Expenditure Requests – NOT RECOMMENDED FOR FUNDING IN 2026

Ref	Category	Description	Amount
1	Infrastructure Need	<p>Richmond Staff Directory (REPO9) Sync Replacement</p> <p>The Richmond Directory Repository (REPO) is a legacy database solution that has been in place for over 25 years which does not currently meet today's security recommendations and standards. Its main purpose is to supply employee directory service information (like a phone book) such as name, title, telephone, department, location, etc. which is used by PeopleSoft and Microsoft Word processes.</p> <p>The main objective of this project is to engage consulting services to assist City staff in replacing REPO with a modern, secure, and sustainable solution that meets today's security recommendations while providing a reusable solution for future use-cases involving the supply of employee directory service information.</p>	\$36,400
2	Service Enhancement	<p>MyRichmond Web Drop-In Calendars</p> <p>This request is to implement a dynamic, web-based drop-in calendar that provides up-to-date program availability. This solution will enable users to filter by facility, activity, or date, ensuring accurate and timely information, and ultimately enhancing the customer experience to replace static PDF documents posted on the website.</p>	\$35,000
3	Infrastructure Need	<p>Remote Sites Security Protection Refresh</p> <p>The request is to replace gateway devices at 22 remote City sites that utilize Internet for connectivity to the City network. Sites include a number of childcare facilities, Lulu Island Energy locations, and smaller City facilities. This upgrade will ensure adequate security controls in place to provide safety and stability of the City network.</p>	\$51,733
2026 One-Time Expenditures Total – NOT RECOMMENDED FOR FUNDING IN 2026			\$123,133



City of Richmond

Report to Committee

To: Finance and Audit Committee

Date: November 6, 2025

From: John Irving, P.Eng., MPA
Deputy CAO,
Chief Executive Officer, Lulu Island Energy
Company

File: 01-0060-20-LIEC1/2025-
Vol 01

Jerry Chong, CPA, CA
General Manager, Finance and
Corporate Services
Chief Financial Officer, Lulu Island Energy
Company

Re: Lulu Island Energy Company – 2026 Operating and Capital Budgets

Staff Recommendation

That the Lulu Island Energy Company report titled “Lulu Island Energy Company – 2026 Operating and Capital Budgets”, dated November 6, 2025 from the Chief Executive Officer and Chief Financial Officer, Lulu Island Energy Company be received for information.

John Irving, P.Eng., MPA
Deputy CAO,
Chief Executive Officer,
Lulu Island Energy Company
(604-276-4140)

Jerry Chong, CPA, CA
General Manager, Finance and
Corporate Services
Chief Financial Officer,
Lulu Island Energy Company
(604-276-4064)

REPORT CONCURRENCE	
REVIEWED BY SMT	INITIALS:
APPROVED BY CAO 	

Report

DATE: October 22, 2025

TO: LIEC Board of Directors

FROM: Alen Postolka, P.Eng., Director, District Energy

Re: Lulu Island Energy Company – 2026 Operating and Capital Budgets

Staff Recommendations

1. That the 2026 operating budget for Lulu Island Energy Company, as presented in the staff report titled “Lulu Island Energy Company – 2026 Operating and Capital Budgets”, dated October 22, 2025, be approved; and
2. That the 2026 capital budget for Lulu Island Energy Company and funding, as presented in the staff report titled “Lulu Island Energy Company – 2026 Operating and Capital Budgets”, dated October 22, 2025, totalling \$1,218,000, be approved.

Background

Lulu Island Energy Company (LIEC), a wholly-owned corporation of the City of Richmond (City), provides district energy services on behalf of the City. LIEC owns and operates the Alexandra District Energy Utility (ADEU) and the City Centre District Energy Utility (CCDEU). Attachment 1 provides an overview of LIEC’s District Energy Utility (DEU) services. DEU is a key strategy in achieving the City’s goal of net zero emissions by 2050. LIEC’s systems have already resulted in a reduction of over 25,398 tonnes of greenhouse gas (GHG) emissions.

On September 22, 2022, LIEC entered into a Project Agreement (PA) with Corix Utilities Inc. (Corix) and Canada Infrastructure Bank (CIB) to design, build, finance, operate and maintain CCDEU Infrastructure, providing heating and cooling services to new residential, commercial, and mixed-use developments within the City Centre area. The existing Oval Village District Energy Utility (OVDEU) infrastructure was incorporated into the CCDEU project, and all OVDEU capital work and operations are being executed under the PA.

The purpose of this report is to seek the Board’s approval of LIEC’s 2026 operating and capital budgets. Upon approval, staff will present LIEC’s 2026 operating and capital budgets to City Council for information, in accordance with the City’s reporting process.

2026 Operating Budget

It is important to recognize that LIEC is still a relatively new utility and remains in a significant growth phase when compared to other well-established City utilities. Hence, the operating costs are estimated using previous years' operational and maintenance expenses and electricity and natural gas usage, while taking into consideration projected costs for the new infrastructure in the upcoming year. Customers' energy use and building performance are estimated based on historical metered energy consumption, average building performance in the region, and energy modeling reports from the developer's engineers when actual data is unavailable. All capital and operating costs are recovered through revenues from metered billings to LIEC customers, ensuring that the business is financially self-sustainable.

The 2026 operating budget incorporates estimated revenues and expenses from the ADEU and CCDEU based on the current projections, development activity, and timing of connections for the 2026 year. The budgeted operating expenses also include the approved accrued amounts owing as defined in the CCDEU Project Agreement.

LIEC is classified as a Government Business Enterprise (GBE). As a GBE, LIEC is required to apply International Financial Reporting Standards (IFRS) in the preparation of its financial statements. Table 1 outlines the proposed 2026 operating budget alongside a comparison to the 2025 submission.

Table 1: 2026 Operating Budget under IFRS

	2026 Budget	2025 Budget	\$ Changes	% Change
Revenues				
Metered Billings (Quarterly)	\$12,389,125	\$10,490,541	\$1,898,584	18%
Service fee	981,486	981,486	-	-
	13,370,611	11,472,027	1,898,584	17%
Cost of Sales				
Contracts	3,516,702	3,039,245	477,457	16%
Utilities	2,886,362	3,081,202	(194,840)	(6%)
Depreciation	3,225,255	2,253,789	971,466	43%
	9,628,319	8,374,236	1,254,083	15%
Gross margin	3,742,292	3,097,791	644,501	21%
General and Administration Expenses				
Salaries and benefits	1,385,729	1,256,558	129,171	10%
Administration expenses	462,919	446,424	16,495	4%
Insurance	417,591	454,486	(36,895)	(8%)
Professional Fees	387,290	438,560	(51,270)	(12%)
	2,653,529	2,596,028	57,501	2%
Net income before other items	1,088,763	501,763	587,000	-
Contributions and Financing expense				
Developer contributions	1,619,886	944,980	674,906	71%
Energy modeling review fee	14,000	27,000	(13,000)	(48%)
Financing income	600,000	640,000	(40,000)	(6%)
Financing expense	(2,016,113)	(1,899,002)	(117,111)	6%
	217,773	(287,022)	504,795	-
Net Income	\$1,306,536	\$214,741	\$1,091,795	-
Earnings before interest, taxes, depreciation and amortization (EBITDA)				
Net income per above	\$1,306,536	\$214,741	\$1,091,795	-
Net financing expense	1,416,113	1,259,002	157,111	-
Depreciation expense	3,225,255	2,253,789	971,466	-
EBITDA	\$5,947,904	\$3,727,532	\$2,220,372	60%

Revenues

The budgeted revenues are based on the projected building connection schedule and forecasted customer energy consumption. The metered billings for 2026 are expected to increase by \$1,898,584 to \$12,389,125 (2025 – \$10,490,541), primarily due to:

- An increase of \$1,486,002 from additional energy usage due to full-year servicing of developments that were connected in 2025 (Richmond Center Phase 1A, Luxe Townline Ventures Phase 2, and Pathways), alongside anticipated partial year connection of five new buildings in 2026 (Luxe Townline Ventures Phase 3, Park Residences Phase 1, Polygon Talistar A and Polygon Aurora, and Camden Square); and
- An increase of \$412,582 attributed to the annual utility rate adjustment as approved by City Council.

There is no requested increase in the LIEC annual service fee of \$981,486. The fee is for LIEC services to explore and advance district energy opportunities in Richmond, and results in numerous benefits to the City and the Richmond community. With or without LIEC, the City would need to fund these costs in order to successfully implement district energy initiatives for the City and position itself at the forefront of tackling local and global environmental challenges. The City identified district energy utilities (DEUs) as a leading strategy to achieve the City's greenhouse gas (GHG) reduction goals. To date, it is estimated that LIEC's district energy system has resulted in a reduction of over 25,398 tonnes of GHG emissions.

The overall budgeted revenue for 2026 is projected to increase by \$1,898,584, reaching \$13,370,611 (2025 – \$11,472,027).

Cost of Sales

The cost of sales is the accumulated total expenses associated with the metered billing revenue, which includes contracts, utilities (electricity and natural gas), and depreciation expenses.

The total contract expenses, which includes maintenance, operating labour, and asset management fee, are projected to increase by \$477,457 to \$3,516,702 (2025 - \$3,039,245). This increase is due to the additional operation and maintenance activities required to service additional buildings in the CCDEU service area and ADEU service areas, as well as the on-site low carbon energy plants (LCEP) in 2026. Utility expenses are projected to decrease by \$194,840 to \$2,886,362 (2025– \$3,081,202), primarily due to the elimination of the BC carbon tax. The decrease from eliminating the carbon tax offsets the increase in utility costs caused by additional energy usage from new building connections, resulting in an overall net reduction.

Depreciation expense is projected to increase as new assets are capitalized. Overall, the cost of sales is expected to increase by \$1,254,083 to \$9,628,319 (2025 – \$8,374,236).

The gross margin as a percentage of revenue is projected to improve to 28% (2025 – 27%), driven by a decrease in utility costs following the removal of carbon tax and enhanced efficiency in operations resulting from economies of scale associated with new connections.

General and Administration Expenses

The general and administration expenses represent expenditures incurred to support business operations, including salaries and benefits, administration expenses, professional fees, insurance, and other related costs. The budgeted general and administration expenses are projected to increase by \$57,501 to \$2,653,529 in 2026 (2025 – \$2,596,028), primarily due to the factors outlined below. The reduction in general and administration expenses as a percentage of revenue, as shown in Table 2 below, indicates early evidence of economies of scale benefits for LIEC's business as more customers connect to the utility.

Table 2: Percentage of Revenue

Percentage of Revenue	2026	2025
Gross margin	28%	27%
Salaries and benefits	10%	11%
Administration expenses	4%	4%
Insurance expense	3%	4%
Professional fees	3%	4%
Total general and administration expenses	20%	23%
Net income	10%	2%
EBITDA	45%	33%

Key Components:

- Salaries and benefits – Increased by \$129,171 to \$1,385,729 in 2026 (2025 - \$1,256,558), primarily due to the full year impact of the assistant controller position, which was budgeted for only four months in the prior year. The increase also reflects annual salary adjustments and post-employment benefit accruals in line with the actuarial valuation report. As a percentage of revenue, salaries and benefits in 2026 are 1% lower than in the 2025 budget year.
- Administration expense – Increased by \$16,495 to \$462,919 in 2026 (2025 – \$446,424), mainly due to adjustments to the City and Corix special purpose entity overhead payments as a result of general inflation and business growth. Administration expenses include LIEC's payment to the City for day-to-day support and coordination on district energy projects, estimated at \$85,763 in 2026 (2025 – \$77,068). As a percentage of revenue, administration expenses in 2026 are consistent with the 2025 budget year.
- Insurance – Decreased by \$36,895 to \$417,591 in 2026 (2025 - \$454,486), primarily due to the exclusion of appraisal service costs incurred in the prior year. Appraisal services are performed on a four-year cycle, with no appraisal required in the 2026 budget year. As a percentage of revenue, the insurance expenses are 1% lower than in the 2025 budget year.
- Professional Fees – Decreased by \$51,270 to \$387,290 in 2026 (2025 - \$438,560), primarily due to a reduction in professional and technical studies. As a percentage of revenue, professional fees in 2026 are 1% lower than in the 2025 budget year.

Overall, general and administration expenses as a percentage of revenues are projected at 20% in 2026, down from 23% in 2025 budget.

Contributions and Financing Costs

The contributions and financing costs section captures other sources of income, as well as the infrastructure financing costs, which include:

- Developer contributions – Represents the value of energy transfer stations and low-carbon energy plants within a development property, funded by developers. Because LIEC owns these capital assets, it recognizes contributions in accordance with International Financial Reporting Standards (IFRS). Developer contributions are projected to increase in 2026 due to additional on-site assets being placed into service.
- Energy modeling review fee - Estimated to be 2% of building permit fees, with seven additional permits expected to be reviewed in 2026.
- Financing income – Represents interest income earned on LIEC's cash balances held in secured term deposits. Financing income is projected to decrease in 2026 as result of lower prevailing interest rates.
- Financing expense – Represents financing costs associated with CCDEU Project Agreement liabilities, funded through a combination of low-interest debt from the Canada Infrastructure Bank (CIB) and Corix debt and equity. This funding supports the design, construction and commissioning CCDEU capital assets. Financing expenses are anticipated to increase by \$117,111 to \$2,016,113 in 2026 (2025 – \$1,899,002), driven by additional capital expenditures required to service both existing and new customers in the CCDEU service area. The increase reflects ongoing investment in capital infrastructure to support growth and increase service capacity.

Net Income and Earnings Before Interest, Taxes Depreciation and Amortization (EBITDA)

Net income is projected to increase to \$1,306,536 in 2026 (2025- \$214,741), primarily driven by improved variance between the revenues and expenses, which shows early evidence of economies of scale benefits for LIEC's business as more customers are connected to the utility. Higher recognized developer contributions contributed to the increase net income as well.

EBITDA, a key metric for evaluating LIEC's operating efficiency, is expected to increase by \$2,220,372 to \$5,947,904 (2025 - \$3,727,532). This growth is attributable to utility, contract, and general administration expenses increasing at a slower rate than revenue. EBITDA as a percentage of revenue is projected to be 45% in 2026 (2025 - 33%).

LIEC's financial sustainability and future growth must be taken into consideration when reviewing its EBITDA and net income. LIEC is operating as a financially self-sustaining subsidiary, with the goal to expand operations without impacting the City's finances. LIEC's success is dependent upon developing in-house expertise and ensuring adequate capital is maintained to deliver continuous service, which includes future asset replacements as existing infrastructure components reach their end of life and meeting long term liability obligations.

Other important factors are the planning of future projects, which includes exploratory reviews of future technologies and opportunities, and ensuring long term rate stability for rate payers. Consistent with these objectives, any net income will be retained in LIEC's equity to fund future capital projects and infrastructure replacements.

2026 Capital Budget

LIEC projects continue to face escalating costs due to multiple factors including high inflation, tariffs, supply constraints, and diminished availability of skilled labor. Staff are diligently collaborating with Corix and third-party cost consulting professionals to verify project budgets, assess tender prices, and monitor evolving market conditions to mitigate impacts on projects. Staff are also pursuing alternative funding opportunities and grants, such as Metro Vancouver funding for the Sewer Heat Recovery project.

Rising interest rates, high construction costs, and decreased pre-sale demand continue to slow down development activity. LIEC staff, in collaboration with the City, continue to monitor development activity, and in line with the established "just in time" approach to infrastructure build-out, are making sure that the new infrastructure is not built until the future customer connections are confirmed through the building permit process. This approach minimizes the risk of stranded infrastructure due to a development slowdown. Table 3 below represents the anticipated increase in serviced floor area for CCDEU and ADEU, over the next five years, based on the most recent development timings.

Table 3: Estimated DEU Service Area (2026 – 2030):

Current Service Areas	2026	2027	2028	2029	2030
Alexandra DEU (ft ²)	124,203	226,471	383,058	250,000	-
City Centre DEU (ft ²)	910,504	-	1,658,304	2,750,715	3,075,741
Total (ft²)	1,034,707	226,471	2,041,362	3,000,715	3,075,741
Cumulative, including existing service area (ft²)	9,651,165	9,877,636	11,918,998	14,919,713	17,995,454

By 2030, LIEC is projected to service approximately 18 million square feet of floor area with district energy services, more than double the area currently serviced in 2025.

While the rate of service area expansion has slowed, expansion of existing infrastructure and the implementation of new systems are still necessary to support a growing customer base, albeit at a slower pace than previously forecasted. Continuous investment in optimizing current assets and building new infrastructure is essential to maintain service levels and protect LIEC's assets.

To support long-term expansion, proactive planning, continuous improvement of new and existing district energy networks, and assessment of new technologies and practices are necessary to improve operational efficiencies and achieve further financial and environmental benefits. LIEC's capital budget ensures that appropriate funding is secured to deliver this work.

LIEC 2026 Capital Projects**Alexandra DEU**

There are currently 13 buildings connected to the Alexandra DEU system (Attachment 2). Some minor capital improvements included in the 2026 capital budget are to replace aging equipment and obsolete controllers.

New Connections

There is one new connection scheduled for 2026 on 9300 Cambie Road (“Camden Square”) which was captured in the 2023 approved capital budget. Staff continue to monitor development activity and work closely with developers in the service area to ensure a timely connection.

Minor Capital

Minor capital projects aimed at increasing the system’s efficiency and resiliency are planned for 2026. The work includes:

- Replacement of failed or aging equipment at the ADEU and Central at Garden City energy plants which has reached end of life.
- Replacement of energy meters at various Energy Transfer Stations to meet Measurement Canada requirements (Bulletin T-2 dated July 26, 2023) which have to be replaced by January 1, 2028.

The estimated cost for the capital upgrades is \$255,000, and the cost is inclusive of project management costs to oversee the execution of the work.

City Centre DEU

In accordance with the PA, Corix is required to submit an Annual Plan to LIEC detailing anticipated capital expenditures, operations, and maintenance work based on up-to-date development timelines within the CCDEU and OVDEU service areas (see Attachments 3 and 4) for the upcoming year. These capital projects are financed by low-interest debt funding from CIB and equity funding from Corix. Corix has submitted the 2026 Annual Plan to LIEC, which has been reviewed by staff. Board approval for the 2026 Annual Plan is being requested through a separate report.

Minor Capital

In addition to the approved capital projects identified in the annual planning process, staff will oversee project delivery and operations in line with the PA and coordinate with developers and design teams for future system connections. This scope consists of LIEC staff time for project management, oversight, and administration of CCDEU projects designated under the PA with Corix, as well as collaboration with developers to ensure timely and successful connections to the system.

The estimated cost of this work is \$425,000.

Advanced Design

Given the long-term growth in Richmond and advancements in DEU technology, advanced design activities are required in 2026 to ensure the continued successful implementation of DEU services in the City Centre area. This budget allocation will enable LIEC to maintain service reliability, optimize project planning, and proactively address the technical, financial, and regulatory complexities of providing DEU services, particularly with respect to the long-term delivery of cooling services throughout CCDEU.

The scope of work includes:

- Fees for Corix to complete CCDEU cooling scenario analysis and financial modeling; and
- Professional fees to obtain third party review of Corix cooling scenario analysis, financial modelling, and proposed cooling strategies throughout CCDEU.

The estimated cost of this work is \$306,000, and the cost is inclusive of project management costs to oversee the execution of this work.

Sewer Heat Recovery Central Energy Plant (SHR CEP)

As directed by the Board, detailed engineering for the Sewer Heat Recovery Central Energy Project (SHR CEP) project is continuing, and is scheduled for completion in Spring 2026. Staff will continue to monitor development activity and update the board before proceeding with the construction. Based on the current development activity, the procurement of long-lead items and partial above-grade construction will need to start shortly after the completion of the design. To be prepared for the construction phase, if we proceed with it next year, this capital project is required.

The scope of work covers staff time to deliver this project, including, but not limited to, the following activities:

- Overseeing Corix's delivery of detailed engineering for the facility, early procurement, and partial above-grade construction.
- Project management efforts to complete third party engineering peer reviews, quantity survey, and value engineering studies completed by consultants hired by LIEC;
- Negotiation and agreement execution with third-parties including Metro Vancouver and CleanBC;
- Coordination with Corix, City staff, and Metro Vancouver to finalize an operations and maintenance plan for the sewage conveyance infrastructure; and
- Major Capital Projects Oversight Committee presentations, attendance, and response.

The estimated cost of this work is \$232,000.

Table 4 represents a summary of the Alexandra and City Centre DEU funding requests for capital projects in 2026.

Table 4: 2026 Capital Projects and Funding Summary

Capital Projects	Total Capital Budget
Alexandra DEU	\$255,000
Minor Capital	\$255,000
City Centre DEU	\$963,000
Minor Capital	\$425,000
Advanced Design	\$306,000
Sewer Heat Recovery Central Energy Plant	\$232,000
Grand Total	\$1,218,000

The total 2026 capital budget of \$1,218,000 will be funded from LIEC's available cash balances allocated for future capital projects.

Conclusion

The 2026 Operating and Capital Budgets are based on staff's projections and assumptions available at the time of writing. The recommended capital budget for 2026 is \$1,218,000. Staff recommend that the 2026 Operating and Capital Budgets be approved.



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- Att. 1: District Energy Utility Services Overview
- Att. 2: Alexandra Neighbourhood and ADEU Service Area Informational Map
- Att. 3: Oval Village Neighbourhood and OVDEU Service Area Informational Map
- Att. 4: City Centre Area and CCDEU Service Area Informational Map

District Energy Utility Services Overview

The City of Richmond incorporated Lulu Island Energy Company Ltd. (LIEC) in 2013 for the purposes of carrying out the City's district energy initiatives. LIEC owns and operates the Alexandra District Energy (ADEU) and City Centre District Energy Utilities (CCDEU). Table 1 below provides a summary of the developments connected under the DEU service areas to-date.

Table 1: District Energy Utility Service Areas

	Buildings to Date	Residential Units to Date	Floor Area	
			To-date	Build-out
Alexandra District Energy Utility	13	2,200	2.4M ft ²	4.4M ft ²
City Centre District Energy Utility ⁽¹⁾	20	5,338	5.9M ft ²	54.4M ft ²
Total Connected Floor Area			8.3M ft²	58.8M ft²

(1) OVDEU service area has been incorporated into the CCDEU service area per the executed Project Agreement

Alexandra District Energy Utility (ADEU)

ADEU provides heating and cooling services to nine residential buildings in the ADEU service area, a large commercial development at "Central at Garden City", the Richmond Jamatkhana temple, and Fire Hall No. 3, for a total of 2,200 residential units and over 2.4 million square feet of floor area (see Attachment 2). While some electricity is consumed for pumping and equipment operations, most of this energy is currently produced locally from existing geo-exchange fields in the greenway corridor and West Cambie Park, and highly efficient air source heat pumps.

Table 2 represents anticipated development connection timelines in ADEU for the next four years.

Table 2: Development Timing in ADEU Service Area

Development	Anticipated Occupancy
9300/9320 Cambie Road – Camden Square	2026
9080 Odlin Road	2027
4008 Stolberg Street	2028
9291 Alexandra Road	2028
9151 Alexandra Road	2029

City Centre District Energy Utility (CCDEU)

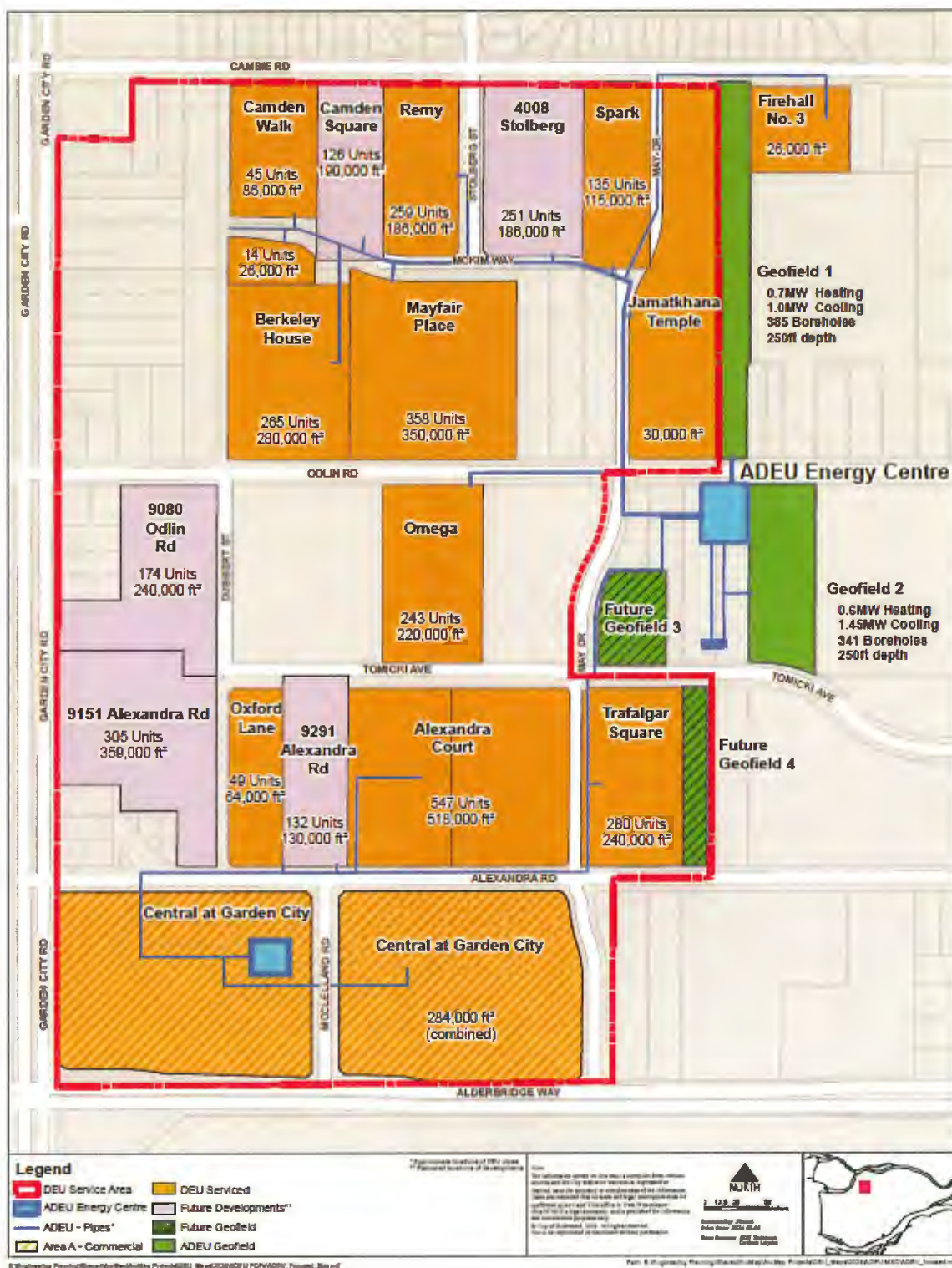
In September 2022, LIEC executed agreements with Corix Utilities Inc. and Canada Infrastructure Bank to design, build, finance, operate and maintain CCDEU infrastructure providing heating and cooling services to over 170 new residential, commercial, and mixed-use developments by 2050.

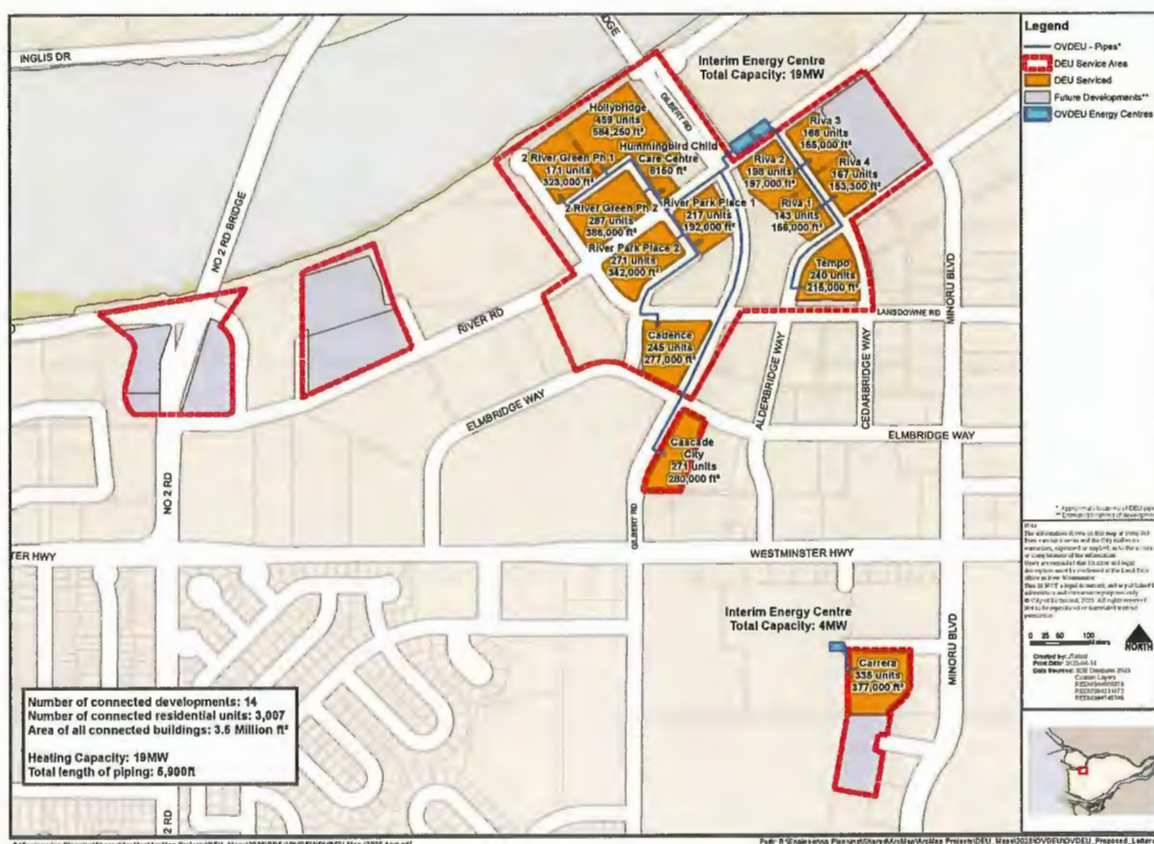
The project is expected to reduce GHG emissions by one million tonnes by 2050. To date, 20 developments are connected to the CCDEU with several new connections planned for the next year.

Table 3 represents anticipated development connection timelines in CCDEU for this last quarter and the next three years.

Table 3: Development Timing in CCDEU Service Area

Development	Customer Year
Richmond Centre Phase 1a (Towers A&B)– 6200 Minoru Boulevard	Q4 2025
Richmond Centre Phase 1a (Towers C&D) – 6200 Minoru Boulevard	Q4 2025
Luxe Townline Phase 2 – 5593 No. 3 Road	Q4 2025
Pathways – 5491 No. 2 Road	Q4 2025
Luxe Townline Phase 3 – 5593 No. 3 Road	2026
Park Residences Phase 1 (Towers D&E) – 6355 Mah Bing Street	2026
Polygon Talistar A – 3488 Ketcheson Court	2026
Polygon Aurora – 3588 Ketcheson Road	2026
Polygon Talistar B – 3420 Ketcheson Court	2028
Onni Riva 5 – 7811 Alderbridge Way	2028
Onni Riva 6 – 7028 River Parkway	2028
ASPAC River Green Phase 1 – 6011 River Road	2028
Park Residences Phase 2 (Tower C) – 6333 Mah Bing Street	2028

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City Centre Area and CCDEU Service Area Informational Map

