



**Finance Committee  
Electronic Meeting**

**Council Chambers, City Hall  
6911 No. 3 Road**

**Monday, December 4, 2023**

**Immediately following the General Purposes Committee meeting**

Pg. #      ITEM

**MINUTES**

**FIN-5**      *Motion to adopt the **minutes** of the meeting of the Finance Committee held on November 6, 2023.*



**RICHMOND PUBLIC LIBRARY**

**1. 2024 OPERATING AND CAPITAL BUDGETS FOR RICHMOND  
PUBLIC LIBRARY**

(File Ref. No. 03-0970-03-01) (REDMS No. 7434262)

**FIN-8**

**See Page FIN-8 for full report**

*Designated Speaker: Susan Walters*

**STAFF RECOMMENDATION**

*That the 2024 proposed Richmond Public Library budget with a municipal contribution of \$11,285,400 as presented in Attachment 1 from the Chief Librarian and the Secretary of the Board, be approved.*



FINANCE AND CORPORATE SERVICES DIVISION

2. **2024 PROPOSED OPERATING BUDGET**

(File Ref. No. 03-0970-03-01) (REDMS No. 7374856)

FIN-15

See Page **FIN-15** for full report

*Designated Speaker: Mike Ching and Melissa Shiau*

STAFF RECOMMENDATION

*That:*

- (1) *The 2024 Proposed Operating Budget as presented in Budget Option 2 for a total of 5.62% be approved as outlined below:*
  - (a) *A same level of service budget increase of \$8,900,427 after tax growth with a tax increase of 3.10% be approved; and*
  - (b) *Emerging organizational additional levels in the amount of \$1,501,828 as presented in Attachments 8, 9 and 10 of the staff report titled 2024 Proposed Operating Budget with a tax increase of 0.52% be approved; and*
  - (c) *Transfer to reserves for Investment in Community Facilities as per Council's Long Term Financial Management Strategy in the amount of \$2,870,523 with a tax increase of 1.00% be approved; and*
  - (d) *Senior level government and other government agency increase of \$3,491,599 with a tax increase of 1.22% be approved; and*
  - (e) *Use of reserves for program expenditures for Affordable Housing, Child Care and Public Art programs of \$1,581,197 as presented in Attachment 7 be approved; and*
  - (f) *Operating budget impacts totalling \$971,855 with a tax increase of 0.34% be approved; and*
  - (g) *The Rate Stabilization Account be used to reduce the overall impact of additional operating costs for a total of \$1,612,500 resulting in a tax decrease of 0.56% be approved; and*
- (2) *The 2024 Operating Budget as approved be included in the Consolidated 5 Year Financial Plan (2024-2028).*



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ITEM

3. **2024 ONE-TIME EXPENDITURES**

(File Ref. No. 03-0970-01) (REDMS No. 7402021)

**FIN-80**

[See Page FIN-80 for full report](#)

*Designated Speaker: Mike Ching and Melissa Shiau*

**STAFF RECOMMENDATION**

*That the one-time expenditures totaling \$2,977,311 as outlined in Attachment 1 of the 2024 One-Time Expenditures staff report, be approved with funding from the Rate Stabilization Account and included in the Consolidated 5 Year Financial Plan (2024-2028).*



4. **2024 PROPOSED CAPITAL BUDGET**

(File Ref. No. 03-0985-01) (REDMS No. 7375551)

**FIN-86**

[See Page FIN-86 for full report](#)

*Designated Speaker: Mike Ching and Jenny Ho*

**STAFF RECOMMENDATION**

- (1) *That the 2024 Proposed Capital Budget as presented in Appendix 3 totaling \$208,564,335 be approved; and*
- (2) *That the 2024 Proposed Capital Budget as approved be included in the Consolidated 5 Year Financial Plan (2024-2028).*



## LULU ISLAND ENERGY COMPANY

5. **LULU ISLAND ENERGY COMPANY – 2024 OPERATING AND CAPITAL BUDGETS**

(File Ref. No. 01-0060-20-LIEC1) (REDMS No. 7459792)

**FIN-240**

[See Page FIN-240 for full report](#)

*Designated Speaker: Alen Postolka*

## Finance Committee Agenda – Monday, December 4, 2023

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ITEM

### STAFF RECOMMENDATION

*That the Lulu Island Energy Company report titled "Lulu Island Energy Company – 2024 Operating and Capital Budgets", dated November 20, 2023 from the Chief Executive Officer and Chief Financial Officer, Lulu Island Energy Company be received for information.*

☐

### ADJOURNMENT

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## Finance Committee

Date: Monday, November 6, 2023

Place: Council Chambers  
Richmond City Hall

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

Call to Order: The Chair called the meeting to order at 6:30 p.m.

### MINUTES

It was moved and seconded

*That the minutes of the meeting of the Finance Committee held on October 3, 2023, be adopted as circulated.*

**CARRIED**

### FINANCE AND CORPORATE SERVICES DIVISION

1. **2024 DISTRICT ENERGY UTILITY RATES**

(File Ref. No. 01-0060-20-LIEC1) (REDMS No. 7325221)

It was moved and seconded

*(1) That the Alexandra District Energy Utility Bylaw No. 8641, Amendment Bylaw No. 10487 be introduced and given first, second and third readings;*

**Finance Committee**  
**Monday, November 6, 2023**

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- (2) *That the Oval Village District Energy Utility Bylaw No. 9134, Amendment Bylaw No. 10488 be introduced and given first, second and third readings; and*
- (3) *That the City Centre District Energy Utility Bylaw No. 9895, Amendment Bylaw No. 10489 be introduced and given first, second and third readings.*

**CARRIED**

2. **2024 UTILITY BUDGETS AND RATES**  
(File Ref. No. 10-6000-01) (REDMS No. 7368994)

In response to queries from Committee, staff noted that (i) a memorandum outlining the new positions to support the accelerated flood protection program will be provided, (ii) City staff are able to address potential issues with the Collec'Thor trash skimmer device and Ocean Wise is conducting waste characterization audits of the material retrieved from the Collec'Thor, (iii) they can look into the possibility of using recycled content bags to reduce costs at the direction of Committee, (iv) individuals are given a time frame to collect their items, and materials removed from encampments are not stored on site, (v) the City of Richmond continues to offer a high level of service and maintain competitive fees for utility services, and (vi) the City is continuing with the Multi-Family Water Metering Program, with the goal of obtaining 100% compliance.

It was moved and seconded

*That the 2024 utility budgets, as presented in Option 3 for Water (page 7), Option 3 for Sewer (page 14), Option 3 for Flood Protection (page 25), and Option 2 for Solid Waste and Recycling (page 27), as outlined in the staff report titled, "2024 Utility Budgets and Rates", dated October 4, 2023, from the General Manager, Engineering and Public Works and the General Manager, Finance and Corporate Services, be approved as the basis for establishing the 2024 utility rates and included in the Consolidated 5 Year Financial Plan (2024-2028).*

**CARRIED**

**ADJOURNMENT**

It was moved and seconded

*That the meeting adjourn (6:41 p.m.).*

**CARRIED**

**Finance Committee**  
**Monday, November 6, 2023**

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Certified a true and correct copy of the Minutes of the meeting of the Finance Committee of the Council of the City of Richmond held on Monday, November 6, 2023.

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Mayor Malcolm D. Brodie  
Chair

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Shannon Unrau  
Legislative Services Associate



# City of Richmond

## Report to Committee

**To:** Finance Committee  
**From:** Elizabeth Ayers  
General Manager, Community Services  
**Date:** November 17, 2023  
**File:** 03-0970-03-01/2023-  
Vol 01  
**Re:** 2024 Operating and Capital Budgets for Richmond Public Library

### Staff Recommendation

That the 2024 proposed Richmond Public Library budget with a municipal contribution of \$11,285,400 as presented in Attachment 1 from the Chief Librarian and the Secretary of the Board, be approved.

Elizabeth Ayers  
General Manager, Community Services  
(604-247-4669)

Att. 1

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

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**To:** City of Richmond Finance Committee **Date:** November 17, 2023

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

**Re:** **2024 Operating and Capital Budgets for Richmond Public Library**

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**Staff Recommendation**

1. That the 2024 Richmond Public Library budget including a municipal contribution of \$11,285,400 as presented in Attachment 1 from the Chief Librarian and the Secretary to the Board, be approved.



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

Att. 1

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## 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, 2024. Council must approve the draft budget with or without amendment. This library staff report details the 2024 Operating and Capital Budgets, which were approved for submission to the City by the Library Board at its July 26, 2023 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.*

### Analysis

#### 2024 Same Level of Service Operating Budget

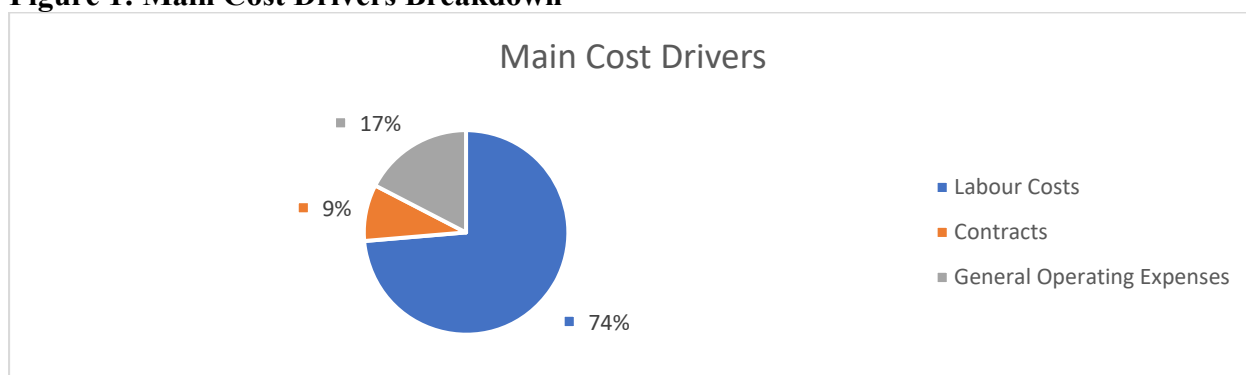
Recognizing the unprecedented growth in Canada's population, and facing similar economic challenges as the City of Richmond, it is imperative for the library to establish a sustainable budget that anticipates and accommodates the impact of fast population growth and current inflationary pressures on our services. By adopting a proactive approach, which involves preparing for increased demand for our resources, services, and space, the library can maintain its resilience and effectively serve and support a growing population.

The 2024 operating budget presents the same level of service base budget resulting in a 3.6% municipal contribution increase for non-discretionary items. Including the increase in leases for Ironwood and Cambie libraries and the continued gradual elimination of the transfer from Budget Stabilization from the previous year, the total municipal contribution increase is 4.1%.

Main cost drivers to provide the same level of service are summarized in Table 1 and Figure 1.

**Table 1 – Main Cost Drivers**

Same Level of Service Increase	Amount	Municipal Contribution Increase
Labour costs	\$ 288,200	2.66%
Contracts	34,900	0.32%
Supplies	18,900	0.18%
Vehicle	14,200	0.13%
Professional development & training	11,000	0.10%
Others	24,000	0.22%
<b>Same Level of Service Budget Increase</b>	<b>\$ 391,200</b>	<b>3.61%</b>
Leases for Ironwood and Cambie libraries	26,600	0.25%
Gradual elimination of one-time transfer from Budget Stabilization	22,000	0.20%
<b>Proposed 2024 Operating Budget Increase</b>	<b>\$ 439,800</b>	<b>4.06%</b>

**Figure 1: Main Cost Drivers Breakdown**

Labour expenses account for 74% of the main cost drivers, aligning with the fact that labour constitutes the most significant component of the operating budget.

#### Revenues:

The total overall revenues have increased by \$22,400 mainly due to a 5.6% increase in provincial grant funding. Investment income and other revenues remain at similar levels.

#### Expenditures:

Total labour costs are anticipated to increase by \$288,200. This includes an allowance for step increases, as well as provision for base wage increases as the library anticipates to enter contract negotiations in the coming year, as the current collective agreement expires December 31, 2023. Contractual obligations are subject to annual increases totalling \$34,900 to provide the same level of service, and supplies will increase by \$18,900. Vehicle expense will increase by \$14,200 due to the introduction of the new RPL To Go Van, and an increased investment of \$11,000 will be made in staff professional development and training.

### Provincial Enhancement Grant and Surplus Funded Initiatives

Through the continued efforts of the BC Library Partners in advocating for BC public libraries and bringing to the government's attention the need for increased funding to support local libraries, the library has received two one-time Enhancement Grants totalling \$628,813. This grant may be used over three years (2023-2025) to support local library service enhancement, including helping address shifting demands on services, collections, programs and spaces. The library will use approximately half of this grant in 2024 to support two new temporary staffing positions: one position to plan and develop the delivery of regular and ongoing outreach services to support seniors, children and teens, and newcomers, and another position dedicated to support newcomers in settling and thriving in their new community, fulfilling Richmond's commitment to diversity and inclusion. Funding will also be used to optimize space utilization in the Ironwood and Cambie libraries so they can be modernized into dynamic, inclusive and welcoming environments to meet the changing needs of our communities.

The strategic use of this enhancement grant eliminates the need for one-time additional funding requests of City Council. The library will continue to support the work of the BC Library Partners and actively advocate for increased and ongoing Provincial funding for BC Public libraries. Table 2 below summarizes the library's plan for the Enhancement Grant.

**Table 2: Enhancement Grant**

	2023	2024	2025	Total
<b>Staffing</b>	\$35,000	\$200,000	\$200,000	<b>\$435,000</b>
<b>Peer-to-Peer Navigation</b>	15,000	-	-	<b>15,000</b>
<b>Space Optimization</b>	-	100,000	-	<b>100,000</b>
<b>Strategic Planning Initiatives</b>	-	-	78,813	<b>78,813</b>
<b>Total</b>	<b>\$50,000</b>	<b>\$300,000</b>	<b>\$278,813</b>	<b>\$628,813</b>

*\*2023 amount represents the projected spending in 2023.*

A surplus initiative of \$75,000 from 2023 operating budget dedicated to rebranding the library is also included in the 2024 operating budget, as the project is expected to take place after the library's strategic plan is completed in 2024.

### 2024 Capital Budget

The total collections budget is \$1,220,100. Approximately \$610,000 continues to be allocated for eBooks and digital collections, and the remaining \$610,100 supports print collections.

A 2024 Proposed Operating Budget is detailed in Attachment 1.

### **Financial Impact**

In 2023 the approved municipal contribution was \$10,845,600. The proposed 2024 budget to maintain the same level of service and including the increase in leases and gradual elimination of the transfer from Budget Stabilization from the previous year requests a municipal contribution of \$11,285,400, which is a 4.06% increase over 2023's base contribution.



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## **Conclusion**

This report recommends a same level of service budget with a municipal contribution of \$11,285,400 be approved.



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

Att. 1: Richmond Public Library 2024 Proposed Operating Budget

**Richmond Public Library  
2024 Proposed Operating Budget**

Description	2023 Budget	2024 Proposed Budget	Budget Variance	%
<b>Revenues</b>				
Provincial Grants	376,500	397,700	21,200	5.6%
Other Revenue	56,200	57,000	800	1.4%
Investment Income	18,400	18,800	400	2.2%
<b>Total Revenues</b>	<b>451,100</b>	<b>473,500</b>	<b>22,400</b>	<b>5.0%</b>
<b>Expenses</b>				
Salaries and Benefits*	8,685,900	9,174,100	488,200	5.6%
Library subscriptions and databases	787,500	787,500	-	0.0%
Supplies and equipment services*	1,342,250	511,400	(830,850)	(61.9%)
General and administration	501,100	463,200	(37,900)	(7.6%)
Building, leases and maintenance*	435,850	495,600	59,750	13.7%
Utilities	156,000	158,000	2,000	1.3%
<b>Total Operating Expenses</b>	<b>11,908,600</b>	<b>11,589,800</b>	<b>(318,800)</b>	<b>(2.7%)</b>
<b>Transfer to Capital - Collections</b>	<b>610,100</b>	<b>610,100</b>	<b>-</b>	<b>0.0%</b>
<b>Transfer from Surplus/Provisions</b>	<b>(1,134,000)</b>	<b>(375,000)</b>	<b>759,000</b>	<b>(66.9%)</b>
<b>One-time transfer from Budget Stabilization</b>	<b>(88,000)</b>	<b>(66,000)</b>	<b>22,000</b>	<b>(25.0%)</b>
<b>Total Expenses and Transfers</b>	<b>11,296,700</b>	<b>11,758,900</b>	<b>462,200</b>	<b>4.1%</b>
<b>Municipal Contribution</b>	<b>10,845,600</b>	<b>11,285,400</b>	<b>439,800</b>	<b>4.1%</b>

*\*Includes expenses funded from Enhancement Grant: \$200,000 for Salaries and benefits, \$75,000 for Supplies and equipment services, and \$25,000 for Building, leases and maintenance.*



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<b>To:</b>	Finance Committee	<b>Date:</b>	November 08, 2023
<b>From:</b>	Mike Ching, CPA, CMA Director, Finance	<b>File:</b>	03-0970-03-01/2023- Vol 01
<b>Re:</b>	<b>2024 Proposed Operating Budget</b>		

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### Staff Recommendations:

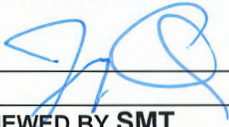


That:

1. The 2024 Proposed Operating Budget as presented in Budget Option 2 for a total of 5.62% be approved as outlined below:
  - a. A same level of service budget increase of \$8,900,427 after tax growth with a tax increase of 3.10% be approved; and
  - b. Emerging organizational additional levels in the amount of \$1,501,828 as presented in Attachments 8, 9 and 10 of the staff report titled 2024 Proposed Operating Budget with a tax increase of 0.52% be approved; and
  - c. Transfer to reserves for Investment in Community Facilities as per Council's Long Term Financial Management Strategy in the amount of \$2,870,523 with a tax increase of 1.00% be approved; and
  - d. Senior level government and other government agency increase of \$3,491,599 with a tax increase of 1.22% be approved; and
  - e. Use of reserves for program expenditures for Affordable Housing, Child Care and Public Art programs of \$1,581,197 as presented in Attachment 7 be approved; and
  - f. Operating budget impacts totalling \$971,855 with a tax increase of 0.34% be approved; and
  - g. The Rate Stabilization Account be used to reduce the overall impact of additional operating costs for a total of \$1,612,500 resulting in a tax decrease of 0.56% be approved; and

2. The 2024 Operating Budget as approved be included in the Consolidated 5 Year Financial Plan (2024-2028).



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

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

## Executive Summary

Globally and locally, economies are starting to slow, with low growth expected in the short and medium-term. This is good news for central banks looking to rein in high inflation, though the inflation trajectory has not been linear in all cases. A number of global and national shocks are impacting economic forecasts. Globally, the Russia-Ukraine war continues to weigh on the outlook, and the potential global impact of the most recent violence in Israel and Gaza is not yet clear.

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% 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.

The City continues to keep property taxes below the average amongst other Metro Vancouver municipalities. Figure 1 shows that within the comparator group of Vancouver, Coquitlam, Burnaby and Surrey, Richmond has the second lowest average tax per dwelling.

*Figure 1: Comparison of 2023 Average Tax per Dwelling - Comparator Group*



The storm drainage operations and maintenance cost has been included in the City's operating budget since its inception in 2001. It is appropriate for the Flood Protection Utility to fund both capital and operating expenditures, consistent with the Water Utility and Sewer Utility. Since

2021, drainage operations and maintenance costs have been gradually re-allocated from the operating budget to the Flood Protection Utility as part of a multi-year phased approach.

At its meeting on November 14, 2023, Council approved the re-allocation of \$1.8 million from the Operating Budget to the Flood Protection Utility. Therefore, starting with the 2024 budget, Drainage operations is fully funded in the Flood Protection Utility. As shown in Table 5 on page 24, the Operating Budget has been reduced by \$1.8 million.

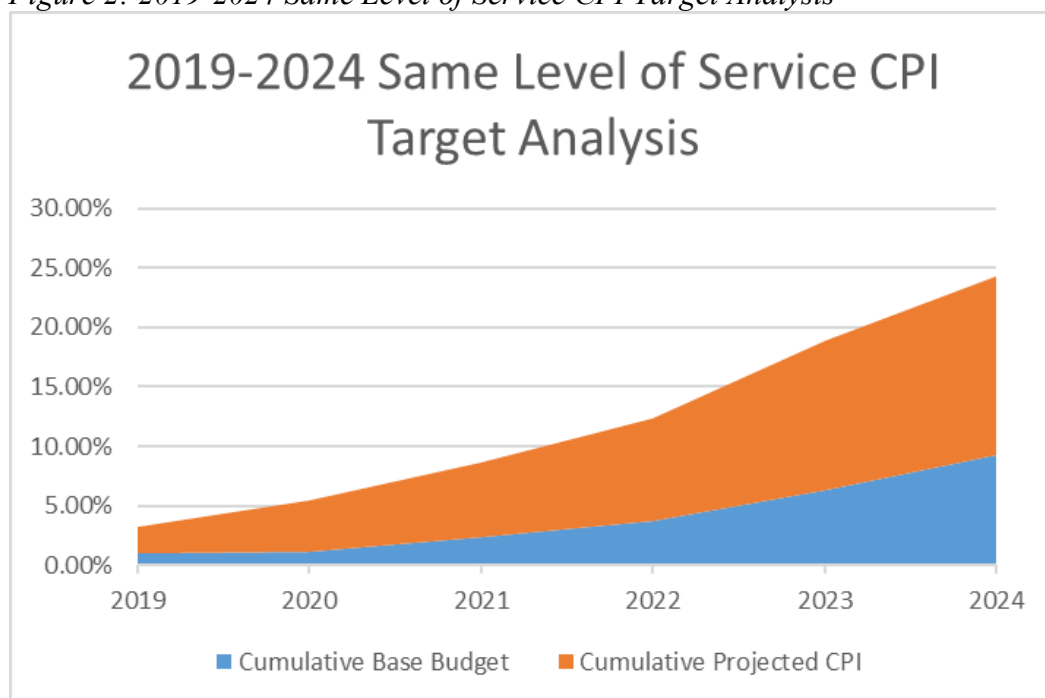
At its meeting on May 9, 2022, Council approved the final step in the process to borrow \$96.0 million with an interest rate of 4.09% in order to provide funding for the Steveston Community Centre and Library replacement project, with payments amortized over 20 years. The loan proceeds were received in September 2022 and annual debt payments of \$7.3 million commenced in 2023.

The City previously borrowed \$50.0 million at an interest rate of 3.30%, amortized over a 10 year term, which was utilized to partially fund the Minoru Centre for Active Living. The final debt payment on this loan will be in 2024.

Starting in 2025, the funding that is currently allocated to service the Minoru debt payments will be reallocated to fund the Steveston debt payments. For 2024, since payments are required on both loans, funding from surplus will be utilized in order to avoid any additional tax impact related to servicing the annual payments of \$7.3 million.

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 Consumer Price Index (CPI) rate. The 2023 budget was prepared with a target of 3.98% based on forecasts published at that time. The actual 12 month average CPI data published by Statistics Canada is 5.10% as of September 2023, therefore the actual CPI exceeded the projection by 1.12%. Projected 2024 CPI forecasts for British Columbia are estimated at 2.50% by Scotia Bank. This preliminary CPI forecast of 2.50%, together with the 1.12% shortfall from the 2023 projection brings the CPI target for the 2024 budget to 3.62% in order to provide funding to maintain the existing service level. In comparison, the Municipal Price Index, which is more representative of the City's basket of goods and services paid for, is estimated at 4.43%. The same level of service increase for 2024 is 3.10%, which is below the CPI target, in compliance with Council's LTFMS target. Attachment 4 (page 43) summarizes the breakdown of a municipal tax dollar to provide the same level of service (without proposed additional levels and OBI).

Figure 2 shows that the cumulative base budget increase approved since 2019, including the 2024 proposed same level of service budget totals 9.20%. The cumulative actual CPI for the same period is 19.95%. This is based on the most recent 2023 CPI projections for Vancouver released in October 2023 by Statistics Canada of 5.10% and it assumes the CPI projection for 2024 of 2.50% will be accurate. Council's LTFMS allows for the tax increase to maintain current programs to be at Vancouver's CPI rate; however the rate has been consistently below this target.

*Figure 2: 2019-2024 Same Level of Service CPI Target Analysis*

The City is subject to various contractual increases to deliver the same level of service. The majority of the contractual increases for 2024 are greater than the projected Consumer Price Index (CPI) of 2.50%, such as the RCMP Contract, natural gas and collective agreements.

Labour and fringe benefit impacts and contract services, including RCMP, represent approximately 77% of the City's operating expense budget in order to maintain the same level of service. The current union agreement expires at the end of 2023 and the new agreement is yet to be negotiated.

Staff have prepared three budget options and recommend Council approve Budget Option 2, which is summarized in Table 1. This option proposes to continue phasing-in the New Facility Operating Budget impacts over 4 years, providing resources to ensure a carefully planned transition to the new Steveston Community Centre and Library replacement while maintaining modest tax increases, and proposes to utilize rate stabilization funding to reduce the tax impact.

For discussion of alternative budget options, refer to pages 24-26.

The components of the 2024 Proposed Operating Budget are summarized in Table 1. For discussion on the budget components, refer to the corresponding reference number in the 2024 Proposed Operating Budget section on pages 15-24. The 2024 Proposed Operating Budget will result in a tax increase of 5.62%. This is equivalent to approximately \$116 in municipal taxes for an average residential property with an assessment value of \$1,270,000 (increase based on 2023 assessment value and tax rates).

Table 1 – 2024 Proposed Operating Budget

	Budget Component	Total 2024 Operating Budget Increase (in '000s)	Tax Impact	Equivalent for Average Residential Property
1	Same Level of Service Increase <b>(Below LTFMS target of 3.62%) (see page 18)</b>	\$8,900	3.10%	\$64
2	Emerging Organizational Additional Level Increases - Externally Funded Items (see Attachment 8, page 58) - No Tax Impact Positions (see Attachment 9, page 61) - Recommended Emerging Organizational Additional Levels (see Attachment 10, page 63)	1,502	0.52%	11
3	Investment in Community Facilities (Transfer to Reserves) (see page 20)	2,871	1.00%	21
<b>LTFMS Policy: Same Level of Service, Additional Levels, and 1% Infrastructure Replacement Needs</b>		<b>13,273</b>	<b>4.62%</b>	<b>96</b>
4	External Senior Government Increases (see page 22): - Community Safety Cost-Sharing Obligations - WorkSafeBC Rate Increases - Canada Pension Plan Enhancements	3,492	1.22%	25
5	Operating Budget Impacts (see page 22) - Steveston Community Centre and Library Replacement OBI Phase-in (Year 2 of 4) - OBI from 2024 Capital Budget - OBI from 2024 One-Time Expenditure	972	0.34%	7
6	- Proposed Rate Stabilization (see page 23)	(1,613)	(0.56%)	(12)
<b>Subtotal of External Senior Government, Operating Budget impacts and Rate Stabilization</b>		<b>\$2,851</b>	<b>1.00%</b>	<b>20</b>
<b>2024 Proposed Operating Budget Increase</b>		<b>\$16,124</b>	<b>5.62%</b>	
<b>Annual equivalent tax increase for average residential property</b>				<b>\$116</b>



## Staff Report

### Origin

Subsection 165(1) of the *Community Charter* requires the City to adopt a 5 Year Financial Plan (5YFP) Bylaw. The 2024 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. Under section 165 of the *Community Charter*, 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, 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 2024 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% towards infrastructure replacement needs."*

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

*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*

Globally and locally, economies are starting to slow, with low growth expected in the short and medium-term. This is good news for central banks looking to rein in high inflation, though the inflation trajectory has not been linear in all cases. While a year ago it seemed the global

economy would be unable to avoid a recession, a sharp contraction is not expected, and an extended period of low growth is more likely. The Russia-Ukraine war continues to weigh on the outlook, and the potential global impact of the most recent violence in Israel and Gaza is not yet clear. Other factors impacting global forecasts include increasing geoeconomic fragmentation after decades of global integration, effects of monetary policy tightening required to reduce inflation, withdrawal of fiscal supports, and extreme weather events.

Global economic growth is now expected to slow from 3.5% in 2022 to 3.0% in 2023, and to 2.9% in 2024. This is a slightly stronger growth profile than was anticipated a year ago, though well below historical averages. Globally, there is also increasing divergence between lower, constrained growth in advanced economies and emerging markets that are proving stronger and more resilient at higher levels of growth. The exception is China, which continues to face significant challenges in its real estate sector.

In the context of the global forecast, Canada is aligned with the slowing growth observed and predicted to continue across advanced economies. While an anticipated recession has not yet materialized, as of September 2023, Canadian GDP had declined for four straight quarters on a per-person basis. Economic growth in Canada is expected to be 1.2% in 2023, followed by 0.7% in 2024, before increasing to 2.2% in 2025. Record-high population growth is aiding this continued, if slow, economic growth, as Canada's population grew by 2.7% in 2022, reaching 40 million people as of June 16, 2023.

In Canada, inflation continues to be a key concern, with recent increases and the stickiness of core inflation both paramount issues. While Scotiabank is predicting an average 3.9% inflation increase year-over-year for 2023 and 2.6% for 2024, recent monthly fluctuations indicate that efforts to contain inflation are not resulting in a linear trajectory. Statistics Canada reported a year-over-year increase in the Consumer Price Index (CPI) in 3.4% in May 2023, a smaller increase of 2.8% in June 2023, and subsequent higher increases of 3.3% in July and 4.0% in August.<sup>1</sup>

While the Canadian unemployment rate has recently edged upward to 5.5% and remained steady in July, August and September, it is forecasted to be 5.3% in 2023, with some softening to 6.1% in 2024. Consistent with an anticipated "soft landing" for the economy, unemployment increases are likely due to slower hiring rather than faster firing, and broad mass lay-offs are not anticipated.

British Columbia, like Canada, is facing slowing growth, though similar strong population growth has mediated the impacts by supporting consumer spending and reducing job vacancies. Aligned with trends at the national level, economic growth in B.C. is forecasted at 1.2% for 2023, slowing to 0.8% in 2024 before increasing to an expected 2.4% in 2025. Inflation in B.C. is also following the national pattern, with the Consumer Price Index expected to increase by 3.9% year-over-year in 2023, 2.5% in 2024, and decelerate to 2.2% in 2025. B.C.'s economy has been more resilient to the impacts of higher interest rates than expected, though as interest rates and inflation continue to be higher for longer, both domestic and global demand are softening.

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<sup>1</sup> Statistics Canada, The Daily, Consumer Price Index ([August 2023](#), [July 2023](#), [June 2023](#), [May 2023](#)).

In Richmond, the city benefits from a well-diversified economy and key strengths across its multiple sectors that are helping to mediate the current challenges. Businesses across sectors are facing the ongoing challenges of labour shortages, high cost of capital, and elevated input costs for both goods and services. That said, economic activity in Richmond continues to be relatively healthy, and its diversified economy is serving the city well. For example, while industrial and office vacancy rates are trending higher in some regions of Metro Vancouver, industrial vacancy in Richmond remains near record lows, and office vacancy remains relatively steady despite quarter-to-quarter fluctuations. Slow economic growth should be expected in 2023 and 2024, aligned with global, national, and regional conditions.

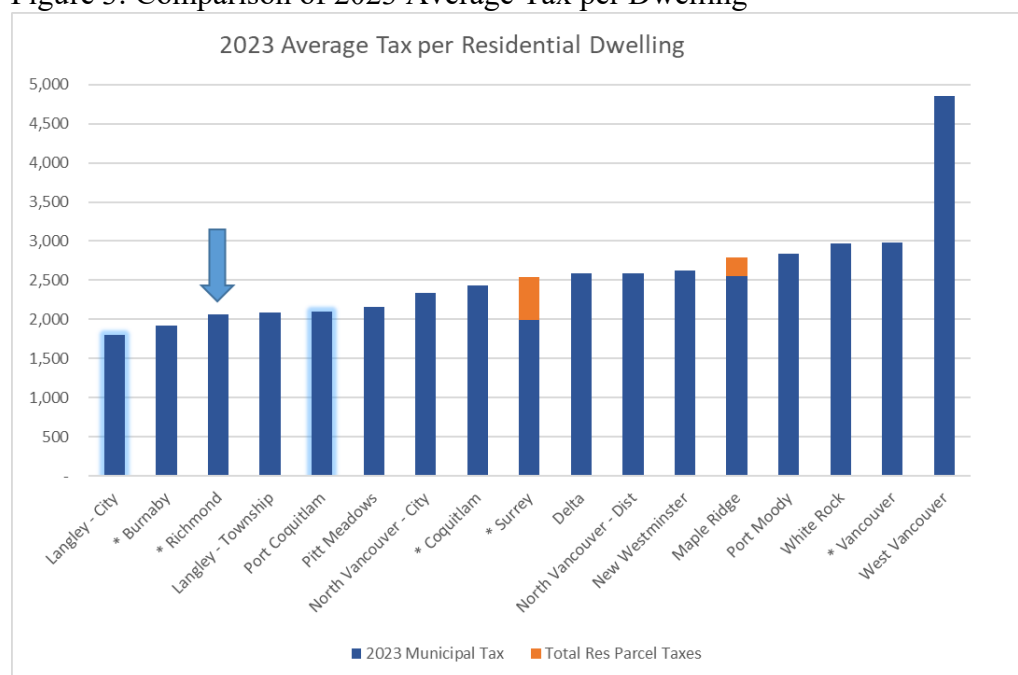
These external economic conditions influence the City's operations and financial situation. For example, the organization is facing higher costs for services and materials due to inflationary pressures. Competition for labour remains challenging amidst still low unemployment and attractive private sector compensation packages. 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 2024 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 2023 average taxes per dwelling in Richmond ranks as the third lowest at \$2,066 annually. Within the comparator group of Vancouver, Coquitlam, Burnaby and Surrey, Richmond has the second lowest average tax per dwelling. Figure 3 shows the comparison of all Metro Vancouver municipalities.

Figure 3: Comparison of 2023 Average Tax per Dwelling

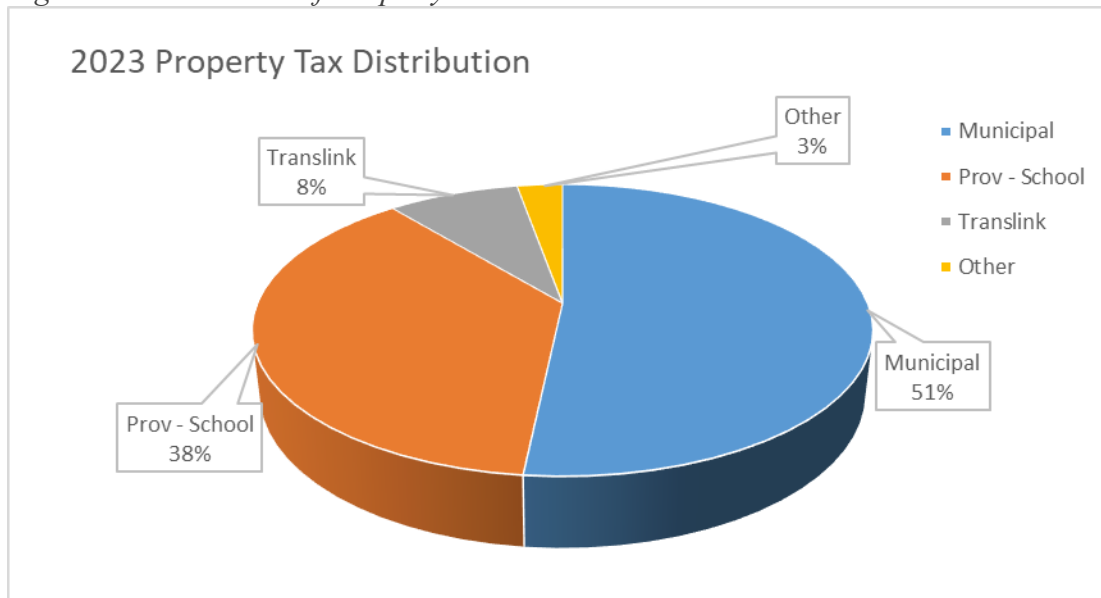


\* Denotes Comparator group

### *Taxes Collected for Other Government Agencies*

Figure 4 shows that in 2023, 49% 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. Council has no control over these levies; the City is obligated to collect these and remit directly to the taxing authorities.

*Figure 4: Distribution of Property Taxes*



### *City Property Tax*

In 2023, 51% of the residential tax bill was for municipal costs. Attachment 4 provides a breakdown of the 2024 municipal tax dollar – same level of service (without 2024 proposed OBIs and additional levels, which are subject to Council approval). Over 39 cents of each dollar collected goes toward the provision of policing and fire rescue services to keep the community safe. Over 13 cents is allocated toward Project Development and Facility Management in order to ensure facilities are adequately maintained, including community facility infrastructure replacement needs (refer to Investment in Community Facilities Infrastructure on page 20). All services are fundamental to the residents' quality of life and to support the local economy and vibrancy within the community.

### *Storm Drainage Phased Reallocation to Utility Budget*

The storm drainage operations and maintenance cost has been included in the City's operating budget since its inception in 2001. It is appropriate for the Flood Protection Utility to fund both capital and operating expenditures, consistent with the Water Utility and Sewer Utility. Since 2021, drainage operations and maintenance costs have been gradually re-allocated from the operating budget to the Flood Protection Utility as part of a multi-year phased approach.

At its meeting on November 14, 2023, Council approved the re-allocation of \$1.8 million from the Operating Budget to the Flood Protection Utility. Therefore, starting with the 2024 budget,

Drainage operations is fully funded in the Flood Protection Utility. As shown in Table 5 on page 24, the Operating Budget has been reduced by \$1.8 million.

### 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. The loan proceeds were received in September 2022 and annual debt payments of \$7.3 million commenced in 2023.

The City previously borrowed \$50.0 million at an interest rate of 3.30%, amortized over a 10 year term, which was utilized to partially fund the Minoru Centre for Active Living. The final debt payment on this loan will be in 2024.

Starting in 2025, the funding that is currently allocated to service the Minoru debt payments will be reallocated to fund the Steveston debt payments. For 2024, since payments are required on both loans, funding from surplus will be utilized in order to avoid any additional tax impact related to servicing the annual payments of \$7.3 million.

#### *Gaming Revenue*

As a host local government to the River Rock Casino, the City receives ten per cent 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. Prior to the onset of the COVID-19 pandemic, the gaming revenue budget for 2020 was estimated at \$14.5 million. With the abrupt closure of all casinos as mandated by Provincial Health Order, no gaming revenue was received for the quarterly periods between April 2020 and June 2021. During this time of uncertainty, the budget estimate remained at \$14.5 million pending further information. The casino reopened in July 2021 and following a gradual return to normal operations, the revenue trend has stabilized and is now proposed to be changed to \$12.5 million. Table 2 summarizes the proposed allocation of gaming revenue in comparison to 2023, which continues to comply with Council's LTFMS.

*Table 2 – Casino Funding Allocation (in \$000s)*

Casino Funding	Allocation	2024 Proposed Budget	2023 Budget	Change
Debt Servicing	Fixed	\$6,400	\$6,400	-
Grants	25%	3,125	2,900	225
Operating (RCMP)	4 Officers	914	855	59
Council Community Initiatives Account	2%	250	290	(40)
Capital Reserve	Remainder	1,811	4,055	(2,244)
<b>Total</b>		<b>\$12,500</b>	<b>\$14,500</b>	<b>(2,000)</b>

### Grants

Since the 2024 Proposed Gaming Revenue budget is decreasing from \$14.5 million to \$12.5 million, it is proposed to increase the allocation toward grants from 20% to 25% as the majority of grants are indexed to inflation. The 2024 grants total \$2.8 million and the proposed allocation of \$3.1 million would result in an additional \$344K available to be transferred to the Grants Provision to be used toward future distributions. Based on current CPI projections, this allocation amount would provide funding for the grants program through 2030; thereafter the Grants Provision would be drawn upon to supplement this funding source until 2043. The Grants Provision has a balance of \$5.3 million as of September 30, 2023. Due to the uncertainty in the amount of casino revenue that will be received each year, the grants may need to be funded by taxation sources in the future. Table 3 summarizes the contributions and grants funded by Gaming Revenue.

*Table 3 – Grants Funded by Gaming Revenue (in \$000s)*

<b>Grants Funded by Gaming Revenue</b>	<b>Amount</b>
<b>Approved Contributions:</b>	
Gateway Theatre contribution	\$1,483
Richmond Centre for Disability contribution	200
Richmond Therapeutic Equestrian Society contribution	68
<b>Approved Contributions</b>	<b>\$1,751</b>
<b>City Grants Program:</b>	
Health, Social and Safety grants	684
Arts, Culture and Heritage grants	127
Parks and Recreation grants	123
Various Youth Grants	59
Community Environmental Enhancement	37
<b>City Grants Program</b>	<b>\$1,030</b>
<b>Grants Provision for Future Grants</b>	<b>344</b>
<b>Total</b>	<b>\$3,125</b>

### RCMP

Since 2007, casino revenue has been allocated to fund the cost of 4 officers. At that time Council approved directing a portion of this new source of revenue toward the cost of policing within the City in order to reduce the tax impact. This allocation has remained fixed at funding the cost of 4 officers as originally approved, with the amount rising each year in accordance with the RCMP contract. There is no change to this portion of the allocation model; however, due to the uncertainty in the amount of casino revenue that will be received combined with rising RCMP contract costs, this may need to be funded by taxation sources in the future.

### *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 \$1.4 million as of September 30, 2023.

### *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 Capital Reserve will be adjusted accordingly.

### Budget Challenges

Senior governments from time to time provide funding to address social equity issues such as homelessness, affordability, poverty and addiction however sustainable funding is needed to support a longer term strategy. While the temporary funding is helpful to reduce the immediate tax impact, the City is faced with the decision of either ending the program or funding the ongoing initiative when the senior government funding ends. The drop-in centre shower program is an example that was initially supported through external funding and the City is proposing to continue funding the program through property taxation.

There are a number of known non-discretionary cost pressures affecting the 2024 proposed operating budget including:

- Estimated wage and fringe benefit impacts to be negotiated for collective bargaining agreements
- Contractual cost increases
- External Senior Government agency increases
- Operating Budget Impacts (OBI) from the Capital Budget
- Funding for investment in Community Facilities, including ageing facilities, recently acquired facilities, and new facilities

Costs are rising due to current inflation rates both for expenses directly incurred by the City and indirectly through senior governments and agencies (RCMP, E-Comm, etc.) which are also experiencing these same impacts on their own budgets. Expenses impacted by inflation include petroleum, asphalt, vehicle costs, supplies and delivery charges.

Council Policy 3707 states that the tax increase for maintaining current programs and existing infrastructure at the same level of service will be at Vancouver's Consumer Price Index (CPI) rate. In 2023, the projected CPI increase was 3.98% but the actual CPI for 2023 is trending towards 5.1% (a 28% difference). Recent forecast projections for 2024 CPI are 2.50%. Together with the under projection of CPI from 2023 CPI of 1.12%, the 2024 Operating Budget is prepared based on the 3.62% target. However, staff have not adjusted the base budget for the

difference between the actual CPI and the under projection of the forecasted CPI from 2023, non-discretionary increases are budgeted only as specified in agreements.

### Budget Process

The 2024 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 2024 Budget Cycle.

The City undergoes a continuous review of its programs and services in order to identify service improvements and cost reductions. Staff continue to look for efficiencies and innovative ways to deliver services that streamline business processes, contain costs and leverage the increased use of technology.

### Budget Assumptions

Table 4 summarizes the key financial indicators of the 2024 Operating Budget gathered as of October 2023. 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 2024 are greater than the projected Consumer Price Index (CPI) of 2.50%, such as the RCMP Contract, natural gas and collective agreements.



*Table 4 – Key Financial Drivers / Indicators*

Key Financial Drivers / Indicators	2024	2025	2026	2027	2028
Vancouver Consumer Price Index (CPI) <sup>1</sup>	2.50%	2.06%	2.00%	2.02%	2.02%
Richmond Municipal Price Index (MPI) <sup>2</sup>	4.43%	3.37%	3.10%	3.06%	2.95%
User Fees <sup>3</sup>	2.41%	1.90%	2.00%	2.02%	2.02%
Salaries	TBD	TBD	TBD	TBD	TBD
RCMP Contract Increase <sup>4</sup>	7.12%	4.89%	3.71%	3.37%	3.44%
Electricity <sup>5</sup>	1.90%	4.23%	1.30%	1.00%	0.40%
Natural Gas <sup>5</sup>	3.50%	3.00%	3.00%	3.00%	3.00%
Growth (Tax Base) <sup>2</sup>	1.23%	1.17%	1.09%	1.16%	1.18%

Sources:

<sup>1</sup> Scotia Bank 2024 Forecast as of October 2023; The Conference Board of Canada Major City Insights May 2023; 2028 is projected based on 2027 forecasts;<sup>2</sup> Finance Department, City of Richmond;<sup>3</sup> The Conference Board of Canada Major City Insights May 2023; 2028 is projected based on 2027 forecasts;<sup>4</sup> Preliminary estimates from RCMP E Division;<sup>5</sup> Sustainability & District Energy Department, City of Richmond;

The current Collective Agreement for CUPE 718 and 394 includes rates for 2020-2023. The City's most recent collective agreement with the Richmond Firefighters' Association, Local 1286 covered the years 2020-2021. The Richmond Public Library's CUPE Local 3966 has merged with CUPE 718. Table 5 provides a summary of the negotiated rate increases.

*Table 5 – Summary of Collective Agreements*

Collective Agreements	2020	2021	2022	2023	2024
CUPE 718 (Inside Workers)	2.00%	2.25%	2.50%	2.50%	TBD
CUPE 394 (Outside Workers)	2.00%	2.25%	2.50%	2.50%	TBD
CUPE 718-05 (Library)	2.00%	2.25%	2.50%	2.50%	TBD
Firefighters (IAFF) 1286	2.50%	2.50%	TBD	TBD	TBD

The 2024 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.

### 2024 Proposed Operating Budget

This section of the report discusses each component of the 2024 Proposed Operating Budget.

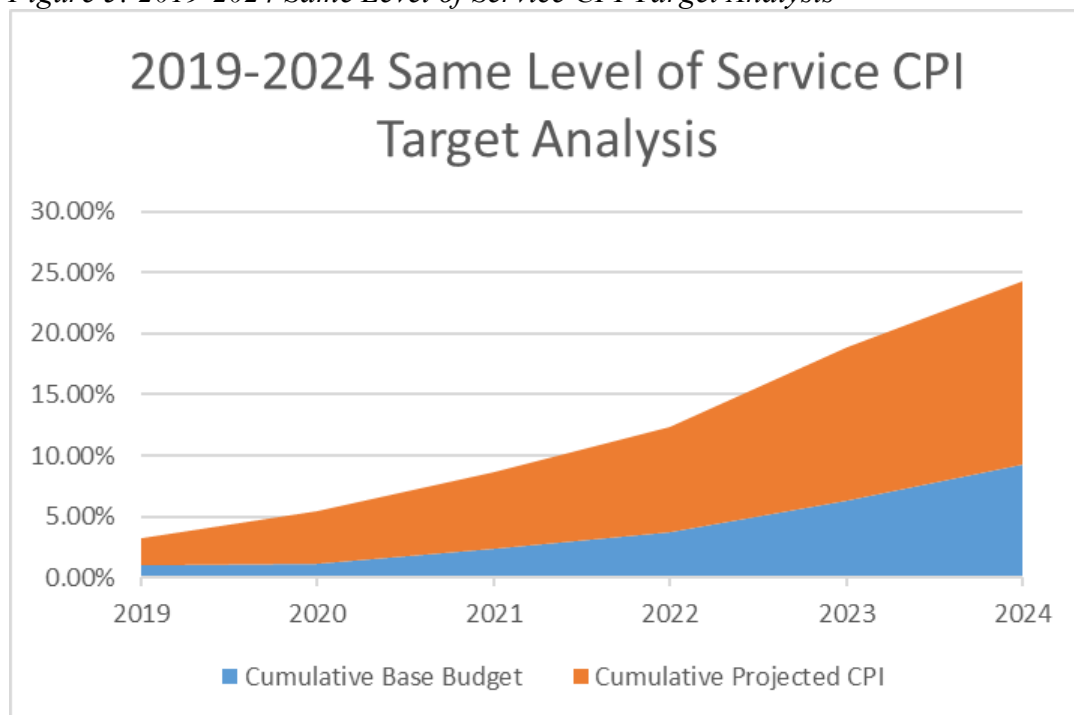
#### **1. Same Level of Service Increase**

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 Consumer Price Index (CPI) rate. The 2023 budget was prepared with a target of 3.98% based on forecasts published at that time. The actual 12 month average CPI data published by Statistics Canada is 5.10% as of September 2023, therefore the actual CPI exceeded

the projection by 1.12%. Projected 2024 CPI forecasts for British Columbia are estimated at 2.50% by Scotia Bank. This preliminary CPI forecast of 2.50%, together with the 1.12% shortfall from the 2023 projection brings the CPI target for the 2024 budget to 3.62% in order to provide funding to maintain the existing service level. In comparison, the Municipal Price Index, which is more representative of the City's basket of goods and services paid for, is estimated at 4.43%. The same level of service increase for 2024 is 3.10%, which is below the CPI target, in compliance with Council's LTFMS target.

Figure 5 shows that the cumulative base budget increase approved since 2019, including the 2024 proposed same level of service budget totals 9.20%. The cumulative actual CPI for the same period is 19.95%. This is based on the most recent 2023 CPI projections for Vancouver released in October 2023 by Statistics Canada of 5.10% and it assumes the CPI projection for 2024 of 2.50% will be accurate. Council's LTFMS allows for the tax increase to maintain current programs to be at Vancouver's CPI rate; however the rate has been consistently below this target.

*Figure 5: 2019-2024 Same Level of Service CPI Target Analysis*



For 2024, the policy target allows for the same level of service increase to be at 2.50% plus the under projection from 2023 of 1.12%, for a total of 3.62%, however staff worked diligently to keep the same level of service lower. The same level of service increase for 2024 is 3.10% which is further explained below.

### *Organizational Profile*

The City's seven corporate divisions include:

- Community Safety

- Community Services
- Engineering and Public Works
- Finance and Corporate Services
- Corporate Administration
- Planning and Development
- Law and Legislative Services

Attachment 5 presents the net budget by Division. Storm Drainage is gradually being reallocated to the Utility Budget. The \$1.8 million reallocated from the Operating Budget to the Utility Budget as approved by Council on November 14, 2023 is utilized to offset the increase in the overall budget.

The All Divisions summary included in Attachment 6 shows the City's base operating budget to deliver the same level of service as last year, which totals \$428.9 million. Attachment 6 presents the net base budget by Division to deliver the same levels of service in 2024, before external senior government related increases. This includes programs funded by reserves to deliver the Affordable Housing, Child Care and Public Art programs, which are summarized in Attachment 7.

Labour and fringe benefit impacts and contract services, including RCMP, represent approximately 77% of the City's operating expense budget in order to maintain the same level of service. The current union agreement expires at the end of 2023 and the new agreement is yet to be negotiated.

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

The proposed increase of \$440K in the municipal contribution to the Richmond Public Library has been included in the City's same level of service budget. The annual contribution to the Richmond Olympic Oval Corporation has been increased by 2.5% based on projected CPI. 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 as shown in Table 6 is 3.10%, which is below CPI target, in compliance with Council's LTFMS.

*Table 6 – Same Level of Service Increase*

Items	Amount (in '000s)	% of total increase
Labour and fringe benefit impacts associated with collective agreements	\$9,022	53.58%
RCMP contract	3,882	23.06%
Amounts deferred from the 2023 Operating Budget through utilization of Rate Stabilization Account	1,742	10.35%
Municipal Contribution Increases	537	3.19%
Contract maintenance	484	2.88%
Materials and equipment	327	1.94%
Credit card and bank charges	227	1.35%
IT contracts	201	1.20%
Utilities increase (natural gas, electricity)	176	1.04%
Leases and associated operating costs	79	0.47%
Others	336	1.99%
Property insurance decrease	(177)	(1.05%)
<b>Total Expense Increase</b>	<b>\$16,836</b>	<b>100.00%</b>
CPI increase for revenues	(681)	(15.35%)
Increased revenue (tax penalty, ride hailing revenue, school tax commission, etc.)	(689)	(15.53%)
Increase in investment income	(1,250)	(28.18%)
Storm Drainage operations transfer to Utility	(1,816)	(40.94%)
<b>Total Revenue Increase</b>	<b>(\$4,436)</b>	<b>100.00%</b>
<b>Same Level of Service Increase</b>	<b>\$12,400</b>	
Tax growth	(\$3,500)	
<b>Same Level of Service Increase after tax growth</b>	<b>\$8,900</b>	<b>3.10% tax impact</b>

*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, new tax growth for 2024 is estimated at \$3.5 million.

## 2. Emerging Organizational Additional Level of Service Requests

For 2024, 26 requests to meet growing demands for new services were considered totaling \$4.5 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 19 additional level submissions are recommended for funding by the CAO and SMT, of which 6 have a tax impact and 13 are funded through reallocation of existing budgets, or through incremental revenue sources. Please refer to Attachments 9-10 for a description of the recommended emerging organization additional levels, and Attachment 11 for the description of those that could not be recommended for funding in 2024 due to budget constraints. The recommended totals are also summarized in Table 7.

*Table 7 – Emerging Organizational Additional Levels – Recommended for Funding in 2024*

Emerging Organizational Additional Levels	Amount (in '000s)	Tax Impact
Attachment 8: Externally Funded Programs - Includes Investment in Homelessness Response	Per Funding Agreements	0.00%
Attachment 9: No Tax Impact Positions (12 RFT + 2 TFT) - Amounts are funded by revenue, capital or reallocation of existing budgets	1,862	0.00%
Attachment 10: Emerging Organizational Additional Levels (includes 6 RFT positions) - Includes Investment in Homelessness Response	1,502	0.52%
<b>Total Emerging Organizational Additional Levels</b>	<b>\$3,364</b>	<b>0.52%</b>

Included in the Emerging Organizational Additional Levels recommended for funding in 2024 are amounts to respond to the immediate needs of individuals experiencing homelessness as well as prevention measures which were identified as specific focus areas in the homelessness strategy adopted by Council.

The City is committed to working in partnership with senior levels of government and the private and non-profit sectors to help meet the needs of individuals experiencing homelessness in Richmond. Recognizing that senior levels of government have the primary responsibility of providing funding for homeless prevention programs, services and affordable housing, the City is committed to remaining a local leader that works with community organizations to ensure that homelessness in Richmond is rare, brief and non-recurring.

The proposed 2024 Operating Budget presented in Budget Option 2 includes recommended additional level requests totaling \$1,501,828 a 0.52% tax impact. Staff limited the additional level funding to this amount as the tax impact (0.52%) in combination with the same level of service increase of 3.10% (3.62%) will meet Council's LTFMS policy CPI rate (adjusted). The Finance Committee has the discretion to change the recommendation for funding any of the emerging organizational additional level requests, with resulting tax impacts.

### 3. Investment in Community Facilities (Transfer to Reserves)

The portfolio of civic buildings continues to grow as additional buildings are acquired as part of Council's initiatives. The City took ownership of the Richmond Curling Club in 2021 and the Richmond Ice Centre in 2019. These two buildings require significant repairs as part of the acquisition strategy that was presented to Council. As of October 20, 2023, the City owns over 168 civic buildings, including recreation facilities, fire halls, community centres and other public amenities.

Based on the 2024-2028 Capital Plan (refer to Appendix 7, 12 and 13 of the 2024 Proposed Capital Budget), over \$340.7 million of repairs, renewals, reconstruction or replacements will be required, including but not limited to Works Yard, Garden City Lands - Community Hub, Hugh Boyd Community Facility and Fieldhouse, Phoenix Net Loft Program Implementation and First Nations Bunkhouse. These projects are to be funded from the Capital Building and Infrastructure (CBI) Reserve to ensure community buildings remain safe and to enhance the cultural and heritage value to the community.

Council's LTFMS policy is to transfer an additional 1% to reserves to fund community infrastructure replacement needs to ensure the safety and well-being of the community. In particular the Works Yard funding strategy is predicated on the continued implementation of this strategy. It is recommended to continue with Council's LTFMS and transfer an additional 1% into the CBI reserve to fund the City's ageing building infrastructure program and future major building replacements.

The proposed 2024 Operating Budget includes \$2,870,523 in accordance with this Council policy, a 1.00% tax impact.

### 4. 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 7 summarizes the items included in the 2024 budget increase that are mandated by the following senior government legislation:

- *Emergency Communications Corporations Act (Provincial)*
- *Police Act (Federal)*
- *Workers Compensation Act (Provincial)*
- *Canada Pension Plan 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. Significant increases were expected for 2024 relating to the implementation costs for the Next Generation 9-1-1 system. However, on March 1, 2023 the Government of BC announced \$150.0 million in funding for E-Comm including \$90.0 million towards technological updates and \$60.0 million to UBCM for operational costs. Therefore, Richmond's estimated portion of the 2024 E-Comm increase is \$1.2 million to fund these essential operations, which is a 21% increase over the 2023 estimated budget. The primary driver of the 2024 increase relates to increases associated with the collective agreement for CUPE 8911 which was ratified in May 2023 and additional staffing required to address increasing call volumes. Further drivers of the preliminary cost increase relates to E-Comm's multi-year Transformation Plan which was approved by E-Comm's Board of Directors in November 2022 to strengthen and renew the business, which includes initiatives to enhance cyber security, data and analytics. These transformation costs are projected to continue through at least 2028. E-Comm's budget is scheduled to be reviewed by their Board on November 23, 2023.

#### *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 8.

### *External Senior Government Impacts on Fringe Benefits*

Associated with labour, there are mandatory costs paid to external government agencies which the City has no control over. The City is obligated to pay WorkSafeBC rates, and take on higher costs associated with enhancements to the Canada Pension Plan as outlined by the Federal Government.

WorkSafeBC rates have increased due to the collective industry classification for local government as there has been an upward trend in claims for this sector.

CPP continues to increase based on the enhancements made by the Federal Government which has introduced additional tiers that will provide higher benefits and greater financial stability to pensioners.

The estimated impacts of these changes are also summarized in Table 8. The total impact of all external senior government increases is \$3,491,599 a tax impact of 1.22%.

*Table 8 – External Senior Government Related Increases*

<b>External Senior Government Increases</b>	<b>Amount (in '000s)</b>	<b>Tax Impact</b>
E-Comm Enhancements	\$1,156	0.40%
Integrated Teams and Real Time Intelligence Centre	439	0.16%
Provincial Integrated Homicide Investigative Team RCMP	89	0.03%
<b>Community Safety Cost-Sharing Obligations</b>	<b>1,684</b>	<b>0.59%</b>
WorkSafeBC Rate Increases	1,308	0.46%
Canada Pension Plan (CPP) Enhancement	500	0.17%
<b>Total External Senior Government Increases</b>	<b>\$3,492</b>	<b>1.22%</b>

## 5. 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.

All 2024 OBI submissions exclude associated costs for staffing. The CAO and SMT have requested that any labour requirement due to new assets be submitted separately as an additional level request in order to allow for further review and assessment. Any labour requests that are recommended for funding which are directly related to a capital submission are cross-referenced between the Emerging Organizational Additional Level request and the Capital Budget submission.

OBIs resulting from approved capital projects and developer contributed assets will be added to the Operating Budget in the same year that Council approves the capital projects. Funding will be distributed to the respective divisions based on the completion of the capital projects.

Table 9 summarizes the OBI recommended for the 2024 Proposed Operating Budget including Major Facilities Replacement Projects, OBIs from the Proposed Capital Budget and Recommended One-Time Expenditures.

*Table 9 – Operating Budget Impact*

<b>OBI</b>	<b>OBI Amount (in '000s)</b>	<b>Tax Impact</b>
OBI from 2024 Capital Budget	500	0.17%
Estimated OBI from Major Facilities Replacement Projects – Steveston Community Centre and Library (Year 2 of 4)	275	0.10%
OBI from 2024 One-Time Expenditures	197	0.07%
<b>Total Operating Budget Impact</b>	<b>\$972</b>	<b>0.34%</b>



### *OBI from 2024 Capital Budget*

The OBI impact from the 2024 Capital Budget recommended by staff results in an increase of \$500K, or an estimated tax impact of 0.17%.

### *Steveston Community Centre and Library OBI*

At the Council meeting held on December 15, 2020, Council approved the site selection for the Steveston Community Centre and Library Replacement. At that time, it was estimated that there would be an OBI for the facility and related programming of \$1.1 million. A detailed business plan, including service levels and refinement of the OBI, will be submitted to Council for consideration in a future report.

On October 4, 2022 a ground breaking ceremony was held, officially marking the start of construction for the new building, which is anticipated to be complete by 2026. Among the features of the new three-storey 5,607 square metre (60,350 square feet) facility will be:

- A community centre with a double gymnasium, fitness centre, active studio, and multipurpose and meeting rooms;
- Gathering spaces and a shared community living room; and
- A library with enhanced collections, children's and youth spaces, educational program rooms and space for silent study.

Starting with the 2023 Operating Budget, staff recommended phasing-in funds for the new facility and this will continue over the years 2024-2026, resulting in an increase of \$275K, or an estimated tax impact of 0.10% per year.

### *OBI from 2024 One-Time Expenditures*

The OBI impact from the 2024 One-Time Expenditures includes funding for fuel, insurance, vehicle maintenance and future replacement of the Public Safety Mobile Command and Communication Centre Vehicle recommended by staff results in an increase of \$197K, or an estimated tax impact of 0.07%.

## **6. 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.

When taxpayers do not pay for what they receive and costs are deferred to the future, then it creates intergenerational inequity since today's taxpayers pay less than the full cost of the services they use today, and a future taxpayer will pay instead.

In the 2023 Operating Budget, the Rate Stabilization Account was utilized to reduce the tax impact by \$1.7 million. This amount was deferred to 2024 resulting in a tax impact of 0.61%. This has been incorporated into the Same Level of Service budget as shown in Table 6 on page 18.

Staff recommends using rate stabilization funding of \$1.6 million in the 2024 budget. This will reduce the 2024 tax impact by 0.56% and will gradually be phased into the budget within the five year financial plan.

Utilizing more rate stabilization would decrease the 2024 tax increase, but will also result in a higher tax increase for the following years. Table 10 summarizes how the RSA balance is proposed to be utilized as a result of the 2024 Budget Process.

*Table 10 – Proposed RSA Utilization*

<b>RSA Balance as of October 31, 2023</b>		<b>\$18,521,271</b>
2024 One-Time Expenditures*	(2,977,311)	
Proposed Rate Stabilization of the 2024 Operating Budget	(1,612,500)	
2024 Initial Capital Costs from Emerging Organizational Ongoing Additional Levels (Attachment 10)	(250,424)	
2024 Initial Capital Costs from No Tax Impact Positions (Attachment 9)	(61,300)	
<b>Total 2024 Proposed RSA Utilization</b>		<b>(4,901,535)</b>
<b>Balance After Proposed 2024 Utilization</b>		<b>\$13,619,736</b>

\* To be considered in companion report "2024 One-Time Expenditures" dated November 22, 2023.

### 2024 Budget Options

Staff have prepared three budget options which includes varying amounts of rate stabilization.

All options include:

- Funding for the new Steveston debt without any additional tax impact, achieved through utilization of surplus
- Continued phase-in of estimated OBI related to the new Steveston Community Centre and Library which is under construction
- Non-discretionary increase to maintain the same level of service
- Investment in community facility infrastructure replacement needs, in accordance with Council's LTFMS
- Mandatory Senior Government Increases
- Recommended Emerging Operational Additional Levels
- Operating Budget Impacts from the Proposed Capital Budget and recommended One-Time Expenditures

*Option 1 – Additional Rate Stabilization*

Option 1 proposes to include \$3.2 million of Rate Stabilization funding to reduce the 2024 tax impact by 1.12%. This option reduces the same level of service increase and additional levels (3.62%) to the forecasted 2024 CPI of 2.50%.

*Option 2 – Optimal Rate Stabilization (Recommended)*

Option 2 proposes to include \$1.6 million of Rate Stabilization funding to reduce the 2024 tax impact. This option uses an optimal amount of rate stabilization which does not place too much pressure on future budgets and preserves a sufficient amount of rate stabilization funding for unknown future impacts. This option is recommended by staff.

*Option 3 – Preserve Rate Stabilization*

Option 3 does not include any rate stabilization funding, which recognizes the full impact of 2024 increases without deferral to future years. This allows preservation of the rate stabilization balance to offset future increases which are not fully known at this time.

Table 11 summarizes all three options, with the varying amounts of rate stabilization highlighted in yellow.

Table 11: Proposed Budget Options (in \$000s)

Budget Components	Option 1	Option 2	Option 3
	Additional Rate Stabilization	<i>Recommended</i> Optimal Rate Stabilization	Preserve Rate Stabilization
Same Level of Service	4.32%	4.32%	4.32%
Less: 2024 Tax Growth	(1.22%)	(1.22%)	(1.22%)
<b>Same Level of Service after tax growth (below CPI target of 3.62%)*</b>	<b>3.10%</b>	<b>3.10%</b>	<b>3.10%</b>
Emerging Organizational Additional Level Increases	0.52%	0.52%	0.52%
Investment in Infrastructure Replacement Needs (Transfer to Reserves)	1.00%	1.00%	1.00%
<b>LTFMS Policy: Same Level of Service + Emerging Organizational Additional Levels + 1% for Infrastructure Replacement Needs</b>	<b>4.62%</b>	<b>4.62%</b>	<b>4.62%</b>
Community Safety Cost-Sharing Obligations	0.59%	0.59%	0.59%
WorkSafeBC Rate Increases	0.46%	0.46%	0.46%
Canada Pension Plan Enhancements	0.17%	0.17%	0.17%
<b>Senior Government Increases</b>	<b>1.22%</b>	<b>1.22%</b>	<b>1.22%</b>
<i>Estimated OBI from 2024 Capital Budget</i>	0.17%	0.17%	0.17%
<i>Estimated OBI from Major Facilities Replacement Projects - Steveston Community Centre and Library (Year 2 of 4)</i>	0.10%	0.10%	0.10%
<i>Estimated OBI from 2024 One-Time Expenditures</i>	0.07%	0.07%	0.07%
<b>Operating Budget Impacts</b>	<b>0.34%</b>	<b>0.34%</b>	<b>0.34%</b>
<b>Rate Stabilization</b>	<b>(1.12%)</b>	<b>(0.56%)</b>	<b>-%</b>
<b>Subtotal of Senior Government Increases, Operating Budget Impacts and Rate Stabilization</b>	<b>0.44%</b>	<b>1.00%</b>	<b>1.56%</b>
<b>Preliminary 2024 Operating Budget Increase</b>	<b>5.06%</b>	<b>5.62%</b>	<b>6.18%</b>
<b>Annual equivalent tax increase for average residential property</b>	<b>\$104</b>	<b>\$116</b>	<b>\$128</b>

\* Average actual Vancouver CPI for the 12 month period ending September 2023 is currently reported to be 5.1 per cent increase by Statistics Canada as of October 17, 2023. The 2024 budget was prepared based on the CPI projection for 2024 estimated at 2.50 per cent. Together with the under projection of CPI from 2023 CPI of 1.12%, the 2024 Operating Budget is prepared based on the 3.62% target. However, staff have not adjusted the base budget for the difference between the actual CPI and the under projection of the forecasted CPI from 2023, non-discretionary increases are budgeted only as specified in agreements.

### Financial Impact

The CAO and SMT have done considerable work including conducting significant reviews to achieve a combined same level of service budget of 3.10% which is below the CPI target of 3.62%. The Proposed Operating Budget Option 2 of 5.62% is recommended as presented in Table 12.

Table 12 – 2024 Proposed Operating Budget Increase

Items	Total 2024 Operating Budget Increase (in \$000s)	Tax Impact	Equivalent for Average Residential Property
Same Level of Service before tax growth	\$12,400	4.32%	\$89
Less: 2024 Estimated Tax Growth	(3,500)	(1.22%)	(25)
<b>Same Level of Service after tax growth (below CPI target of 3.62%)</b>	<b>8,900</b>	<b>3.10%</b>	<b>64</b>
Emerging Organizational Additional Level Increases	1,502	0.52%	11
Investment in Infrastructure Replacement Needs (Transfer to Reserves)	2,871	1.00%	21
<b>LTFMS Policy: Same Level of Service + Emerging Organizational Additional Levels + 1% for Infrastructure Replacement Needs</b>	<b>13,273</b>	<b>4.62%</b>	<b>96</b>
Community Safety Cost-Sharing Obligations	1,684	0.59%	12
WorkSafeBC Rate Increases	1,308	0.46%	9
Canada Pension Plan Enhancements	500	0.17%	4
External Senior Government Increases	<b>3,492</b>	<b>1.22%</b>	<b>25</b>
Operating Budget Impacts	972	0.34%	7
Less Proposed Rate Stabilization	(1,613)	(0.56%)	(12)
<b>Subtotal of Senior Government Increases, Operating Budget Impacts and Rate Stabilization</b>	<b>2,851</b>	<b>1.00%</b>	<b>20</b>
<b>Proposed 2024 Operating Budget Increase</b>	<b>\$16,124</b>	<b>5.62%</b>	
<b>Annual equivalent tax increase for average residential property</b>			<b>\$116</b>

## Conclusion

In keeping with Council's mandate as stipulated in the Long Term Financial Management Strategy policy, the 2024 recommended operating budget increase is 5.62%. The increase maintains the same level of service below CPI target and includes funding for emerging organizational additional levels, 1% 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 2024 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 13 provides estimated increases for the years 2025-2028. The Plan estimates for 2025-2028 are based on information currently available and will be revised with each respective budget year.

*Table 13 – Proposed 5 Year Financial Plan (2024-2028)*

Proposed 5 Year Financial Plan	2024 Budget	2025 Plan	2026 Plan	2027 Plan	2028 Plan
Same Level of Service Increase Before Storm Reallocation to Utility Budget	3.12%	3.42%	2.82%	2.10%	2.38%
Less: Storm Reallocation to Utility Budget	(0.63%)	0.00%	0.00%	0.00%	0.00%
Rate Stabilization - Prior Year	0.61%	0.53%	0.37%	0.23%	0.11%
<b>Same Level of Service Increase</b>	<b>3.10%</b>	<b>3.95%</b>	<b>3.19%</b>	<b>2.33%</b>	<b>2.49%</b>
Investment in Community Infrastructure	1.00%	1.00%	1.00%	1.00%	1.00%
External Senior Government Related Increases	1.22%	0.77%	0.73%	0.65%	0.62%
Emerging Organizational Additional Levels	0.52%	0.33%	0.30%	0.29%	0.27%
Operating Budget Impact from Capital Budget	0.34%	0.39%	0.37%	0.17%	0.17%
Rate Stabilization	(0.56%)	(0.39%)	(0.25%)	(0.12%)	0.00%
<b>Proposed Operating Budget Increase</b>	<b>5.62%</b>	<b>6.05%</b>	<b>5.34%</b>	<b>4.32%</b>	<b>4.55%</b>



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**2024 Proposed Operating Budget**

**Index of Attachments**

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## 1. Council Strategic Plan (2022-2026)





## 2. Economic Outlook

Richmond is a major employment center for the region, with a strong and diverse economic base that positions the City well to weather economic challenges. Local businesses contribute over 40%<sup>2</sup> of the City's property tax revenues, resulting in the ability to provide residents exceptional levels of municipal services 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

Globally and locally, economies are starting to slow, with low growth expected in the short and medium-term. This is good news for central banks looking to rein in high inflation, though the inflation trajectory has not been linear in all cases. While a year ago it seemed the global economy would be unable to avoid a recession, a sharp contraction is not expected, and an extended period of lower growth is more likely.

A number of global and national shocks are impacting economic forecasts. Globally, the Russia-Ukraine war continues to weigh on the outlook, and the potential global impact of the most recent violence in Israel and Gaza is not yet clear. Other factors impacting the global forecasts include increasing geoeconomic fragmentation after decades of global integration, effects of monetary policy tightening required to reduce inflation, withdrawal of fiscal supports, and extreme weather events.

Canada has also experienced a number of events recently that have contributed to slower growth, and separating these impacts from the broader slowing economy is difficult, making the overall forecast less clear. For example, weather-related events included wildfires that affected most provinces over the summer months and major flooding in some areas, in addition to strikes by federal workers in April and at the Port of Vancouver in the summer.

It seems likely that with fluctuations in inflation and no sharp contraction in the labour market, interest rates will remain higher for a longer duration. The short and medium term forecasts predict widespread economic slowdowns, with stabilization and growth slowly returning in the longer term.

### 1. Global Forecast<sup>3</sup>

The global economy continues to slow. While the International Monetary Fund characterizes it as "limping along," this is positive insofar as forecasts are consistent with a "soft landing" scenario, in which inflation decelerates without a sharp economic downturn. Global economic growth is now expected to slow from 3.5% in 2022 to 3.0% in 2023, and to 2.9% in 2024. This is a slightly stronger growth profile than was anticipated a year ago, though well below historical averages. Globally, there is also increasing divergence between lower, constrained growth in

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<sup>2</sup> [City of Richmond, 2022 Annual Report](#), p. 56

<sup>3</sup> [International Monetary Fund, World Economic Outlook \(October, 2023\)](#)

advanced economies and emerging markets that are proving stronger and more resilient at higher levels of growth. The exception is China, which continues to face significant challenges in its real estate sector.

Inflation continues to decelerate, though core inflation, which does not include food and energy costs, is proving more stubborn. While inflation is not expected to return to its target rate until 2025 in most countries, global inflation is anticipated to decline steadily from 8.7% in 2022 to 6.9% in 2023 and 5.8% in 2024. Both the 2023 and 2024 inflation rates are higher than was predicted a year ago, reflecting the continuing challenges of reining in inflation.

The above forecasts for economic growth and inflation reflect the continuing slow recovery from the COVID-19 pandemic, Russia's invasion of Ukraine, and the cost-of-living crisis. Factors impacting the forecasts include increasing geoeconomic fragmentation after decades of global integration, effects of monetary policy tightening required to reduce inflation, withdrawal of fiscal supports, and extreme weather events. The potential global impact of the most recent violence in Israel and Gaza is not yet clear and will likely depend on a number of factors, including duration, continued severity, regional stability, and the broader geopolitical context.

Risks to the global growth outlook remain, though these are more balanced following actions by Swiss and U.S. authorities earlier this year to limit turbulence in the financial markets. Continuing risks include uncertainty related to China's real estate sector and potential spillovers for commodity exporters, persistent core inflation pressures amid tight labour markets, and potential climate and geopolitical shocks. Monetary policy decisions continue to be key to establishing price stability.

## **2. Canadian Forecast<sup>4</sup>**

In the context of the global forecast, Canada is aligned with the slowing growth observed and predicted to continue across advanced economies. While an anticipated recession has not yet materialized, as of September 2023, Canadian GDP had declined for four straight quarters on a per-person basis. Economic growth in Canada is expected to be 1.2% in 2023, followed by 0.7% in 2024, before increasing to 2.2% in 2025. Record-high population growth is aiding this continued, if slow, economic growth, as Canada's population grew by 2.7% in 2022, reaching 40 million people as of June 16, 2023.

Inflation continues to be a key concern, with recent increases and the stickiness of core inflation both paramount issues. While Scotiabank is predicting an average 3.9% inflation increase year-over-year for 2023 and 2.6% for 2024, recent monthly fluctuations indicate that efforts to contain inflation are not resulting in a linear trajectory. Statistics Canada reported a year-over-year increase in the Consumer Price Index (CPI) in 3.4% in May 2023, a smaller increase of 2.8% in June 2023, and subsequent higher increases of 3.3% in July and 4.0% in August.<sup>5</sup> Recent increases have primarily been driven by higher year-over-year prices for gasoline, with mortgage and rent costs also accelerating.

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<sup>4</sup> [Scotiabank Global Economics \(October 23, 2023\)](#); RBC Economics, [Canada's Economic Engine is Gearing Down](#), September 13, 2023.

<sup>5</sup> Statistics Canada, The Daily, Consumer Price Index ([August 2023](#), [July 2023](#), [June 2023](#), [May 2023](#)).

While the unemployment rate has recently edged upward to 5.5% and remained steady in July, August and September, it is forecasted to be 5.3% in 2023, with some softening to 6.1% in 2024. Consistent with an anticipated “soft landing” for the economy, unemployment increases are likely due to slower hiring rather than faster firing, and broad mass lay-offs are not anticipated. At the same time, the employment rate has continued to grow, supported in part by increasing population, and average wage growth is currently trending above inflation on a year-over-year basis. Employment and wage growth may portend interest rates that remain higher for longer, as both indicate continued demand in the economy – which the Bank of Canada is trying to slow down with its monetary policy measures.

Canada has experienced a number of temporary events over the past months that have contributed to slower growth, and separating these impacts from the broader slowing economy is difficult, making the overall forecast less clear. For example, weather-related events included wildfires that affected most provinces over the summer months and major flooding in some areas, in addition to strikes by federal workers in April and at the Port of Vancouver in the summer. Assessing the impact of these temporary events vis-à-vis the broader trajectory of the complex factors affecting both growth and inflation will be key to the Bank of Canada’s continuing decisions on interest rates. No cuts to interest rates are anticipated until well into 2024, if not beyond, as inflation is expected to track above the target rate through 2024.

<b>Canadian Economic Indicators</b>	<b>2021</b>	<b>2022</b>	<b>2023f</b>	<b>2024f</b>	<b>2025f</b>
Real GDP (% change)	5.0	3.5	1.2	0.7	2.2
Consumer Price Index (% change)	3.4	6.8	3.9	2.6	2.0
Residential Investment (% change)	14.9	-11.1	-13.5	2.5	6.6
Business Investment (% change)	4.2	6.5	1.0	3.4	15.3
Unemployment Rate (%)	7.5	5.3	5.3	6.1	6.2
Housing Starts (000s)	271	262	238	235	245

[Source: Scotiabank Global Economics \(October 23, 2023\)](#)

### 3. British Columbia Forecast<sup>6</sup>

British Columbia, like Canada, is facing slowing growth, though strong population growth has mediated the impacts by supporting consumer spending and reducing job vacancies. Aligned with trends at the national level, economic growth in B.C. is forecasted at 1.2% for 2023, slowing to 0.8% in 2024 before increasing to an expected 2.4% in 2025. Inflation in B.C. is also following the national pattern, with the Consumer Price Index expected to increase by 3.9% year-over-year in 2023, 2.5% in 2024<sup>7</sup>, and decelerate to 2.2% in 2025.

B.C.’s economy has been more resilient to the impacts of higher interest rates than expected, though as interest rates and inflation continue to be higher for longer, both domestic and global demand are softening. Merchandise exports have fallen in 2023 due to weaker global demand and lower prices for key commodities. While some easing to goods movement is expected given the end of Port of Vancouver strikes, a slowing U.S. economy and ongoing issues in China will

<sup>6</sup> [Government of BC. Stronger Together, First Quarterly Report, September 2023](#) (data); [Central 1 Credit Union, Economic Analysis of British Columbia, Vol. 43, Issue 2](#) also consulted.

<sup>7</sup> [Scotia Bank Global Economics, Scotia Bank’s Forecast Tables, October 23, 2023](#)

continue to challenge the province, especially as 15% of B.C. exports are sent to China, well above the national average.<sup>8</sup>

In the housing sector, both sales and prices have decreased in many B.C. markets, though as the population continues to grow, demand for housing will as well. The sector has remained remarkably resilient in the face of high interest rates, especially as B.C. households carry the highest average debt burdens in the country. Strong home construction activity has continued to date though may start to moderate, putting further pressure on supply and prices in the medium term. Housing affordability will continue to be a key concern.

The outlook for B.C.'s labour market also mirrors national trends. Modest employment gains are expected, bolstered by strong population growth that has led to a 1.6% increase in B.C.'s labour force in 2023. At the same time, the unemployment rate is expected to increase from the historically low levels seen in 2022 to 5.4% in 2023 and 5.9% in 2024, before starting to trend down to 5.6% in 2025. Wages in B.C. are growing faster than inflation, as employee compensation (aggregate wages, salaries, and employers' social contributions) increased by 5.8% year-to-date to March 2023 as compared to the same period in 2022, whereas inflation increased by 4.4% over the same period. While the labour market outlook remains stable, the province will face headwinds next year amid slower domestic and global economic activity.

<b>British Columbia Indicators</b>	<b>2021</b>	<b>2022</b>	<b>2023f</b>	<b>2024f</b>	<b>2025f</b>
Real GDP (% change)	5.8	3.3	1.2	0.8	2.4
Consumer Price Index (% change)	2.8	6.9	3.9	2.5	2.2
Population (% Change)	0.9	2.2	3.2	2.9	1.7
Retail Sales (% Change)	12.6	3.1	2.4	2.5	3.4
Unemployment Rate (%)	6.6	4.6	5.4	5.9	5.6
Housing Starts (000s)	47.6	46.7	46.7	42.1	40.0

[Source: Government of BC. Stronger Together, First Quarterly Report, September 2023.](#)

## Local Trends

### 1. Metro Vancouver<sup>9</sup>

Metro Vancouver's GDP is anticipated to grow by just 0.5% in 2023, before increasing to 2.8% in 2024 and 3.2% in 2025. This means that the local economy is expected to slow sooner and to a slightly greater extent than that of B.C. and of Canada, where lower periods of growth are forecast for 2024. Inflation growth in Metro Vancouver is expected to closely track the national and provincial trends. The Consumer Price Index (CPI) is expected to be 3.8% in 2023, and then decelerate to 2.5% in 2024 and 2.0% in 2025.

The region will continue to be challenged by inflation and high interest rates that are reducing consumer purchasing power and increasing borrowing costs for individuals and businesses. In addition to this dampening effect on domestic demand, Metro Vancouver faces the same headwinds as the province more broadly in terms of weaker global demand, particularly from the

<sup>8</sup> [TD Economics, Provincial Economic Forecast, September 20, 2023](#)

<sup>9</sup> [Conference Board of Canada Major City Insights, Vancouver \(May 2023\)](#)

United States. Lower growth in export-oriented manufacturing is anticipated until inflation and interest rates come down and demand recovers.

Metro Vancouver housing starts are expected to drop sharply by 15.1% in 2023, though a recovery is expected as inflation and interest rates come down in the next several years. This downturn in the real estate sector will also mean a decline in construction sector output, though overall growth in the associated finance, insurance and leasing industries will remain positive due to other components of these sectors.

Gains in employment are expected to slow in 2023 as compared to 2022, though will start to slowly climb again in 2024. That said, Metro Vancouver's unemployment rates are forecasted to be lower than those of B.C. and Canada, reflecting a still tight local labour market that looks unlikely to ease. Unemployment is anticipated to hold steady at 4.8% in both 2023 and 2024, before dipping slightly to 4.7% in 2025.

Closely related to both consumer demand and labour market strength, Metro Vancouver's population grew by 2.6% in 2022, and this is expected to continue at strong rates of 2.4% in 2023 and 2.1% in 2024 – all of which are higher than was estimated a year ago, though slightly lower than province-wide rates.

<b>Metro Vancouver Economic Indicators</b>	<b>2021</b>	<b>2022</b>	<b>2023f</b>	<b>2024f</b>	<b>2025f</b>
Real GDP (% Change)	6.1	2.4	0.5	2.8	3.2
Consumer Price Index (% Change)	2.7	6.8	3.8	2.4	2
Population (% Change)	1.1	2.6	2.4	2.1	1.9
Retail Sales (% Change)	17.7	4.8	1.4	5.2	4.5
Unemployment Rate (%)	6.9	4.7	4.8	4.8	4.7
Housing Starts (000s)	26	26	22.1	26	26.4

[Source: Conference Board of Canada Major City Insights, Vancouver \(May 2023\)](#)

## 2. Richmond<sup>10</sup>

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% 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.

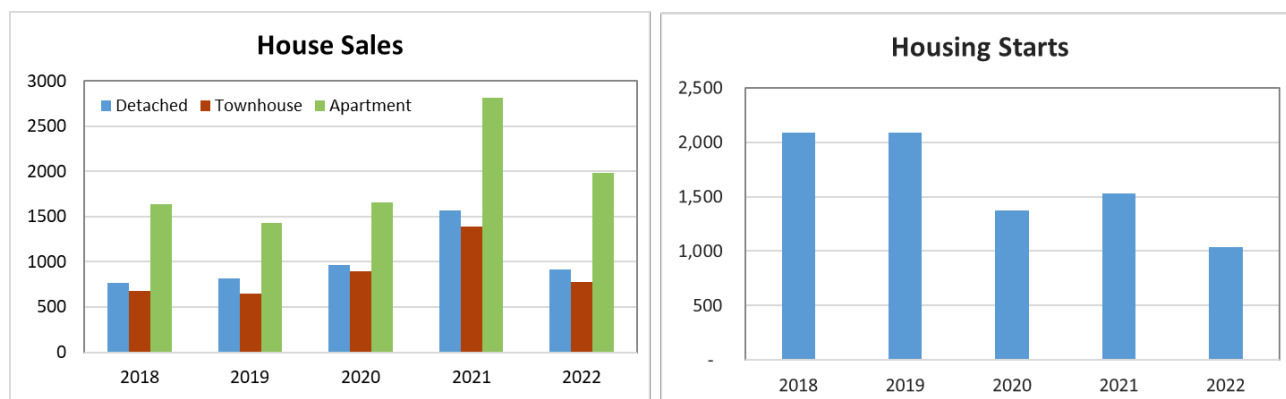
Today's economic challenges layer over the impacts of COVID-19, which varied among Richmond's key sectors. Some sectors, such as aviation and tourism, experienced business closures and job losses during the pandemic, while sectors such logistics, e-commerce, technology and film production experienced growth. Businesses across sectors are now facing

<sup>10</sup> City of Richmond Interactive Data, <http://www.businessinrichmond.ca/data-centre/> (unless stated otherwise).

the ongoing challenges of labour shortages, high cost of capital, and elevated input costs for both goods and services.

That said, economic activity in Richmond continues to be relatively healthy, and its diversified economy is serving the city well. For example, while industrial and office vacancy rates are trending higher in some regions of Metro Vancouver, industrial vacancy in Richmond remains near record lows, and office vacancy remains relatively steady despite quarter-to-quarter fluctuations. Slow economic growth should be expected in 2023 and 2024, aligned with global, national, and regional conditions.

### 3. Housing Market



In 2022, sales of all types of housing decreased in Richmond, reversing the trend since 2019. This is aligned with the beginning of interest rate increases by the Bank of Canada from March 2022 in their efforts to curb inflation. Between 2021 and 2022, sales of detached homes and townhomes decreased by more than 40%, with apartment sales declining by almost 30%. The greater decrease in detached homes and townhomes is likely consistent with the higher prices of these types of housing.

To note, declines in sales across all housing types at the same time as record population growth may increase pressure on the rental market and lead to greater future demand once high interest rates start to ease. That said, increases in home sales between 2020 and 2021 were significant, over 55% across all types, which means that decreases in the last year are coming from a strong foundation.

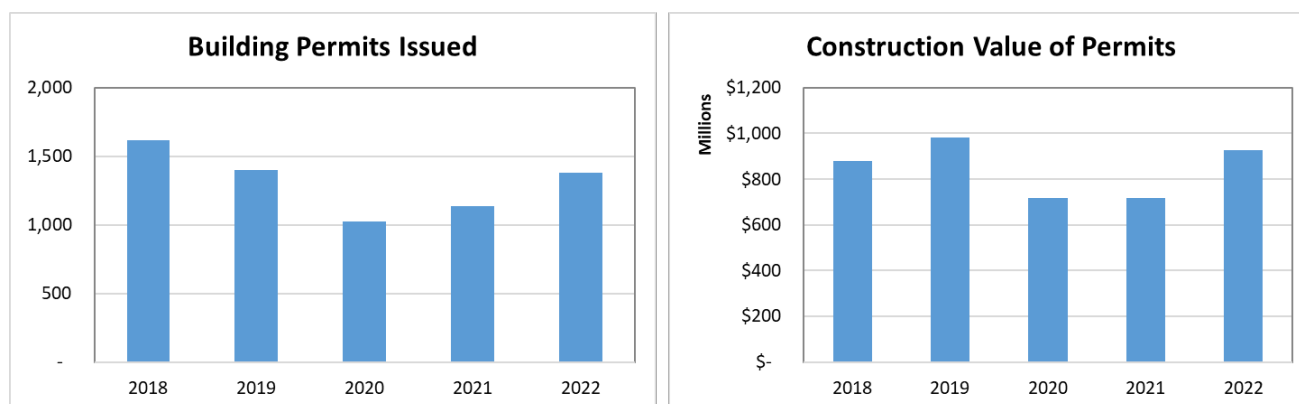
Sales made during the first two quarters of 2023 reflect the same declining trend across all three types of housing, though it is less pronounced to date, with a decrease of 21% for detached home sales, 25% for townhomes, and 28% for apartments.

Housing starts in Richmond also declined by 32.07% between 2021 and 2022, though have increased by 25% during the first two quarters of 2023 as compared to the same period in 2022. This most recent trend in Richmond is a departure from the Metro Vancouver 2023 contraction in housing starts, though the net direction may be clearer over a longer time period. Multiple and complex dynamics are affecting housing starts, including population expansion leading to

increased future demand, while at the same time the high cost of capital and materials as well as labour shortages may be constraining factors.

Housing Indicators	2023 to Q2	2022 to Q2	% Change
Total Sales - Detached	475	602	-21%
Total Sales - Townhouse	372	496	-25%
Total Sales - Apartment	937	1,294	-28%
Housing Starts	860	690	25%

#### 4. Construction Activity



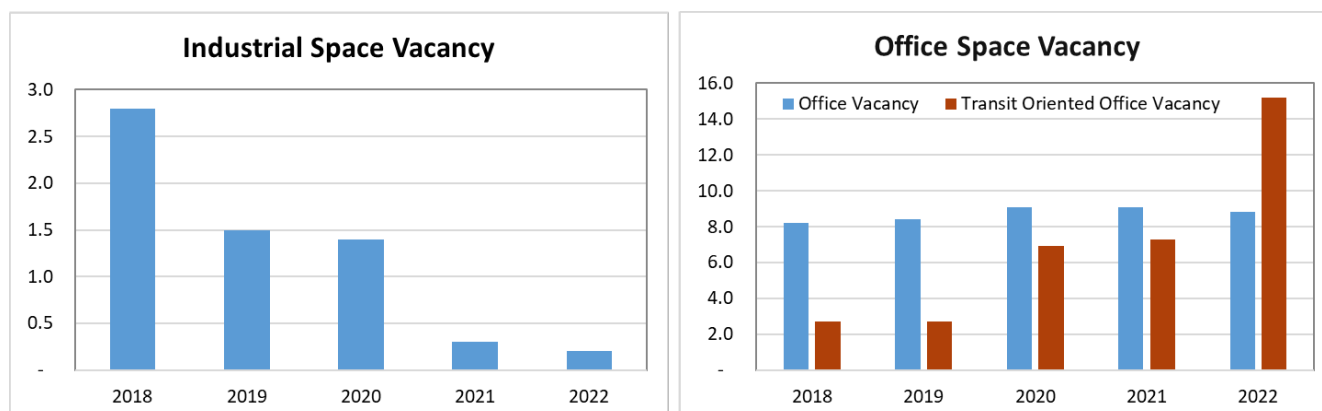
Between 2021 and 2022, both the number of building permits issued in Richmond and the construction value of those permits increased by more than 20%. This is a positive indicator of continuing economic activity in the city during a challenging time of slowing growth and high interest rates.

At the end of the second quarter of 2023, the construction value of building permits issued in Richmond had reached over \$419 million, 4% higher than during the same period in 2022. At the same time, the number of building permits issued during the first six months of 2023 declined by 12% as compared to the same period in 2022. An increase in construction value while a decrease in number of building permits issued is consistent with the trend of fewer but larger and more complex developments, including those multi-family developments occurring in the City Centre.

Construction Indicators	2023 to Q2	2022 to Q2	% Change
Building Permits Issued	633	718	-12%
Construction Value (\$ millions)	419	404	4%



## 5. Commercial Space<sup>11</sup>



Richmond has over 45 million square feet of industrial space, which is the largest share of Metro Vancouver’s regional industrial inventory (by any one municipality/ jurisdiction). Richmond’s industrial space vacancy has continued to decline in recent years, dropping from 0.3% in 2021 to 0.2% in 2022. While it edged up to 0.5% during the first two quarters of 2022, this is still well below a healthy market rate. Richmond’s industrial vacancy rate at the end of Q2 2023 was lower than the 1.2% vacancy rate in Metro Vancouver, which is indicative of constraints across the region. Average net asking rent prices for industrial space in Richmond (\$21.31/sq ft) were also slightly above the Metro Vancouver average (\$21.08/ sq ft).

Policy and bylaw changes adopted by Council in early 2021 as part of the City of Richmond Industrial Land Intensification Initiative are intended to encourage the more intensified and productive use of this limited land that is essential for economic development in Richmond, and the region more broadly.

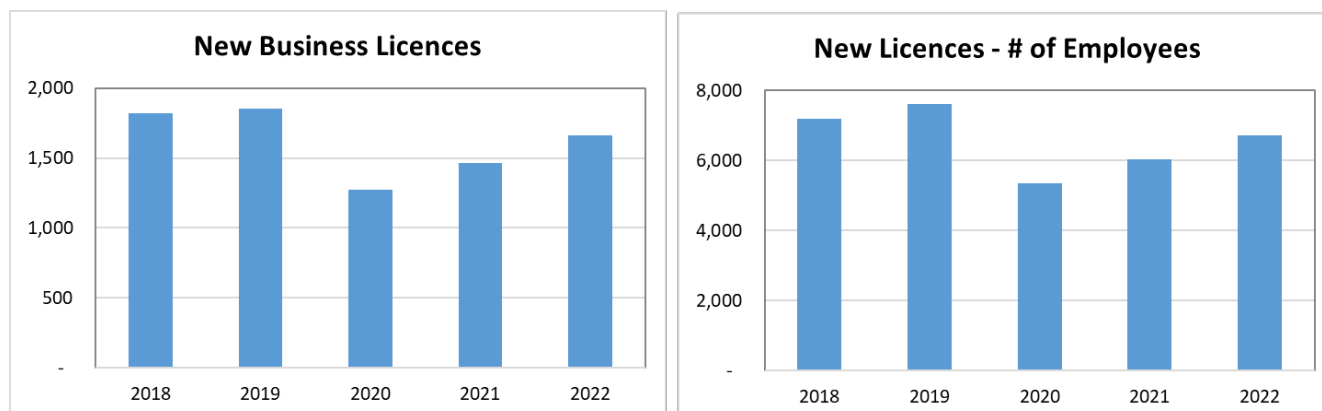
Office space vacancy has increased slightly in Richmond, though has remained relatively steady over the past several years. In both 2020 and 2021, the office vacancy rate was 9.1%, edging down to 8.8% in 2022. By the end of the second quarter in 2023, it had edged up to 9.0%, though it remained lower than the Metro Vancouver average of 9.7% or the downtown Vancouver office vacancy rate of 13.7% over the same time period. While the office market has been more resilient than anticipated as tenants re-evaluate their office footprints to accommodate a hybrid work environment, there is some continuing uncertainty as economic growth slows.

Commercial Space Indicators	2023 to Q2	2022 to Q2	% Change
Industrial Inventory (million sf)	45.43	45.39	0.1%
Industrial Vacancy Rate (%)	0.5	0.2	150%
Office Inventory (million sf)	5.04	4.90	3%
Office Vacancy Rate (%)	9.0	8.3	8%

<sup>11</sup> [Cushman & Wakefield Vancouver Office and Industrial Market Beat Reports \(Q2 2023\)](#). 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.



## 6. Business Growth

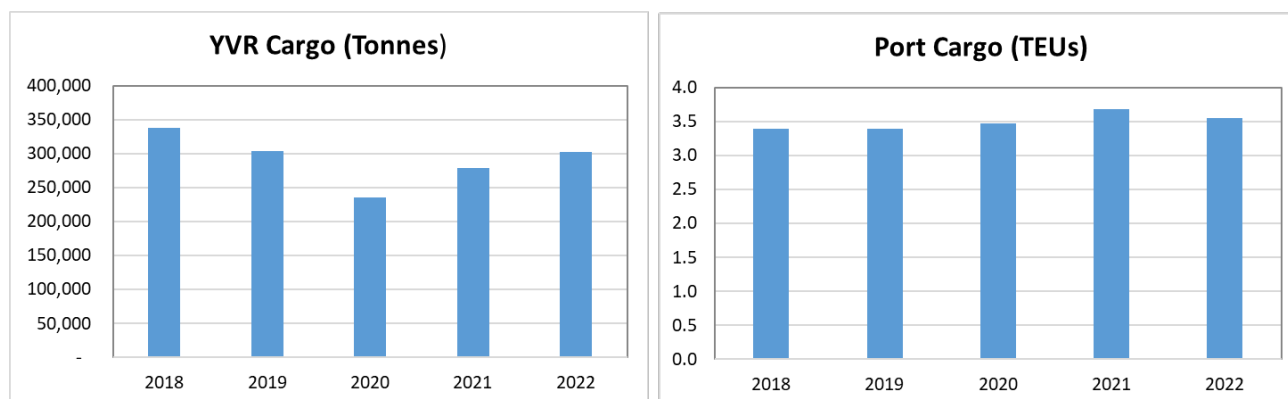


The upward trend in new business licences and the number of employees associated with those new licences has continued since 2020, reflecting continued positive economic activity in Richmond. During the first two quarters of 2023, there were 13% more new business licences as compared to the same period in 2022, and 20% more employees associated with those licences.

At the end of the second quarter of 2023, the number of valid licenced businesses had decreased by 6% as compared to the second quarter of 2022. Some fluctuations are expected as businesses undertake their annual renewals. 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 business growth in Richmond, as new businesses arrive and existing businesses expand, displacing those that have closed or relocated.

Local Business Activity	2023 to Q2	2022 to Q2	% Change
Valid Business Licences	13,212	13,848	-5%
New Business Licences	912	806	13%
New Licences - # of Employees	3,405	2,841	20%

## 7. Trade



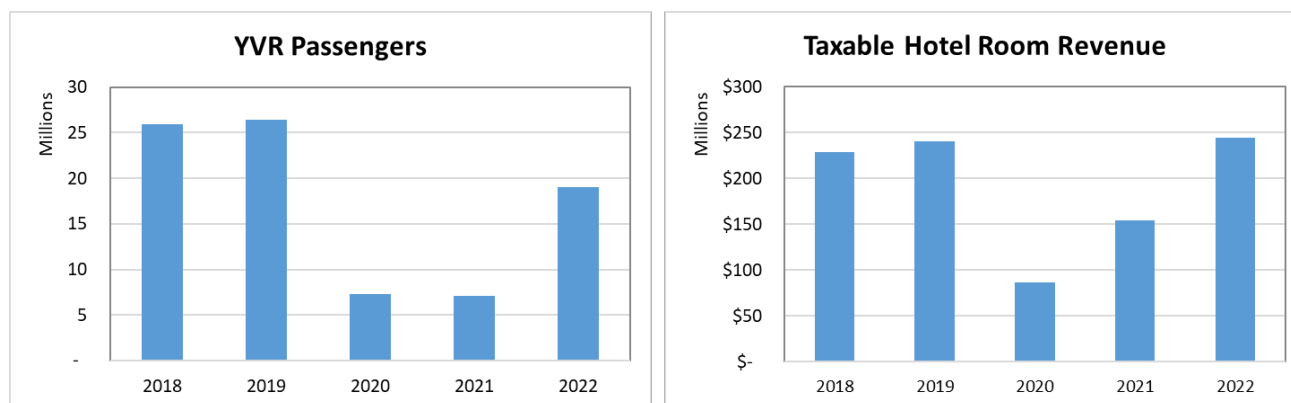
Over the past several years, YVR has seen a recovery in cargo volumes from the decline experienced during 2020 related to the COVID-19 pandemic. Most recently, there was an

increase of 8.5% between 2021 and 2022, bringing 2022 cargo volumes very close to those seen in 2019. The increase continued during the first two quarters of 2023, as a 6% increase was observed as compared to the same period in 2022. This continued recovery in volumes is positive, as some supply chain constraints have eased, though the longer term outlook remains uncertain as growth and consumer demand continue to slow.

While cargo volumes moved through the Port of Vancouver have grown steadily in recent years, a slight decline of 3.35% was observed between 2021 and 2022, which continued into the first two quarters of 2023. Volumes declined 14% between the first half of 2023 as compared with the same period in 2022. As these declines occurred prior to the Port of Vancouver strike action in July 2023, they may be related to the slowing economy and weakening demand from trading partners.

Trade Indicators	2023 to Q2	2022 to Q2	% Change
YVR Cargo (tonnes)	146,662	138,553	6%
PMV Cargo (TEUs)	1,554,904	1,803,479	-14%

## 8. Tourism



Following severe declines in the tourism sector due to the COVID-19 pandemic, there has been significant positive growth in the last several years. Between 2021 and 2022, the number of passengers moving through YVR increased by 169.93%, which is especially strong considering that the Canadian government ended all COVID-19 border and travel measures only on October 1, 2022. This growth trajectory has continued in 2023, as passenger volumes increased by 52% during the first two quarters of 2023 as compared to the same period in 2022.

Similarly, hotel room revenues have also recovered strongly, with a 58.93% increase between 2021 and 2022, and a 40% increase between the first two quarters of 2023 as compared to the same period in 2022. That said, recent modelling from Destination Vancouver indicates a lack of hotel capacity in Metro Vancouver, with demand anticipated to exceed supply by 2026.<sup>12</sup> Labour shortages also continue to challenge the sector, with shortages in housekeeping staff meaning that some hotels are not able to book their full capacity.

<sup>12</sup> [Destination Vancouver, March 6, 2023.](#)

The extent to which slowing global and domestic economies will impact the significant rebound in tourism sector is not yet clear. Growth of the sector in Metro Vancouver is expected to be positive again in 2023.<sup>13</sup> High levels of immigration are supporting travel, and the outlook is positive for continued demand for domestic travel to B.C. via YVR.<sup>14</sup> Demand from many international markets, especially China, has been slower to recover. As China has not included Canada in its Approved Destination Status list, group bookings from China are severely limited, which reduces the forecasted recovery from this market. That said, YVR is anticipating increased passenger growth in 2024, albeit at a more moderate pace.<sup>15</sup>

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 2023 was 40% higher than the first half of 2022, and the near-term forecast anticipates continued strong revenues.

<b>Tourism Indicators</b>	<b>2023 to Q2</b>	<b>2022 to Q2</b>	<b>% Change</b>
YVR Passengers (millions)	11.7	7.7	52%
Hotel Room Revenue (\$ millions)	135.3	96.4	40%

<sup>13</sup> [Conference Board of Canada Major City Insights, Vancouver \(May 2023\)](#)

<sup>14</sup> [Destination Vancouver, 2024 Economic and Tourism Outlook Forum \(October 11, 2023\)](#); insights from YVR.

<sup>15</sup> [Destination Vancouver, 2024 Economic and Tourism Outlook Forum \(October 11, 2023\)](#); insights from YVR.

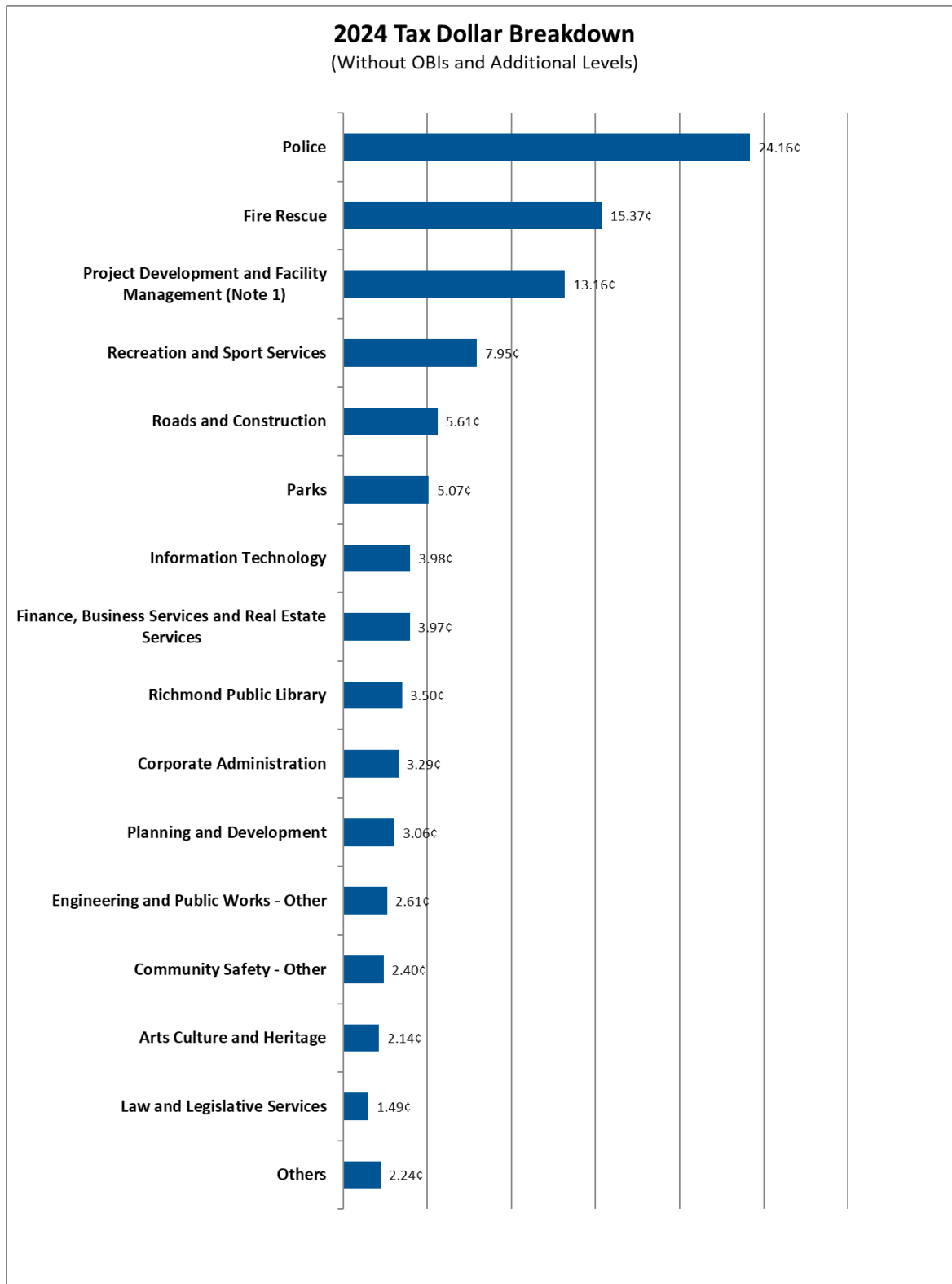
### 3. 2024 Budget Cycle

## 2024 Budget Cycle



\* Council Involvement

#### 4. 2024 Tax Dollar Breakdown



Note 1: Includes Investment in Community Facilities Infrastructure Replacement needs.

**5. 2024 Same Level of Service Net Base Budget**

Department/Division	2023 Adjusted Base Budget (in '000s) (Restated for Comparison)	2024 Proposed Net Base Budget (in '000s)	Amount Change (in '000s)	Percent Change	Tax Impact
Policing	\$72,252	\$76,214	\$3,962	5.48%	1.38%
Fire Rescue	\$47,005	\$48,836	\$1,831	3.90%	0.64%
Community Safety - Other	\$987	\$3,074	\$2,087	211.45%	0.73%
<b>Community Safety - Total</b>	<b>\$120,244</b>	<b>\$128,124</b>	<b>\$7,880</b>	<b>6.55%</b>	<b>2.75%</b>
Community Services	\$47,388	\$48,428	\$1,040	2.19%	0.36%
Library	\$10,846	\$11,286	\$440	4.06%	0.15%
<b>Community Services including Library</b>	<b>\$58,234</b>	<b>\$59,714</b>	<b>\$1,480</b>	<b>2.54%</b>	<b>0.51%</b>
<b>Engineering and Public Works</b>	<b>\$42,364</b>	<b>\$44,199</b>	<b>\$1,835</b>	<b>4.33%</b>	<b>0.64%</b>
<b>Finance and Corporate Services</b>	<b>\$24,652</b>	<b>\$25,428</b>	<b>\$776</b>	<b>3.15%</b>	<b>0.27%</b>
<b>Corporate Administration</b>	<b>\$10,200</b>	<b>\$10,508</b>	<b>\$308</b>	<b>3.02%</b>	<b>0.11%</b>
<b>Planning and Development</b>	<b>\$9,323</b>	<b>\$9,679</b>	<b>\$356</b>	<b>3.82%</b>	<b>0.12%</b>
<b>Law and Legislative Services</b>	<b>\$4,508</b>	<b>\$4,765</b>	<b>\$257</b>	<b>5.69%</b>	<b>0.09%</b>
<b>Fiscal</b>	<b>(\$269,525)</b>	<b>(\$269,943)</b>	<b>(\$418)</b>	<b>0.16%</b>	<b>(0.15%)</b>
<b>Same Level of Service Increase</b>	<b>\$0</b>	<b>\$12,474</b>	<b>\$12,474</b>		<b>4.34%</b>
Storm Drainage - \$1.8 Million Reallocation to Utility Budget		(\$1,816)	(\$1,816)		(0.63%)
<b>Same Level of Service Increase after Storm Drainage Reallocation to Utility Budget</b>	<b>\$0</b>	<b>\$10,658</b>	<b>\$10,658</b>		<b>3.71%</b>
Amounts Deferred from the 2023 Operating Budget through utilization of Rate Stabilization Account		1,742	1,742		0.61%
<b>Same Level of Service Increase after Storm Drainage Reallocation and Amounts Deferred from 2023 Operating Budget</b>	<b>\$0</b>	<b>\$12,400</b>	<b>\$12,400</b>		<b>4.32%</b>
Less: Estimated 2024 New Tax Growth		(\$3,500)	(\$3,500)		(1.22%)
<b>Same Level of Service Increase After Storm Drainage Reallocation, Amount Deferred from 2023 Operating Budget and Tax Growth</b>	<b>\$0</b>	<b>\$8,900</b>	<b>\$8,900</b>		<b>3.10%</b>

## 6. 2024 Same Level of Service Base Budget Details

### All Divisions

All Divisions includes Community Safety, Community Services (including Library), Engineering and Public Works (excluding Utilities), Finance and Corporate Services, Corporate Administration, Planning and Development, Law and Legislative Services, and Fiscal.

	2023 Adjusted Base Budget (Restated for Comparison)	2024 Proposed Base Budget	Change 2024 \$	Change 2024 %
<b>Revenues</b>	<b>(391,400,850)</b>	<b>(418,120,300)</b>	<b>(26,719,450)</b>	<b>6.83%</b>
<b>Expenditures</b>				
Labour	185,417,400	191,606,800	6,189,400	3.34%
Contract Services	99,634,300	106,427,900	6,793,600	6.82%
Operating Expenses	42,656,350	52,118,400	9,462,050	22.18%
<b>Total Operating Expenses</b>	<b>327,708,050</b>	<b>350,153,100</b>	<b>22,445,050</b>	<b>6.85%</b>
<b>Fiscal Expenses</b>	<b>79,379,400</b>	<b>74,065,100</b>	<b>(5,314,300)</b>	<b>(6.69%)</b>
<b>Transfers</b>	<b>(15,686,600)</b>	<b>4,559,600</b>	<b>20,246,200</b>	<b>(129.07%)</b>
<b>Grand Total<sup>1</sup></b>	<b>-</b>	<b>10,657,500</b>	<b>10,657,500</b>	<b>-</b>

<sup>1</sup> 2024 Proposed Base Budget increase represents the same level of service after Storm Drainage Reallocation and before Tax Growth.

### FTE Change

	2023 FTE <sup>2</sup>	2024 FTE	Change 2024
<b>Total</b>	<b>1,464</b>	<b>1,464</b>	<b>-</b>

<sup>2</sup> Full-Time Equivalent (FTE) for 2023 is restated to include positions approved by Council in the 2023 budget process (additional levels, budget amendments, etc.) and is also restated to reflect the currently approved organizational structure.

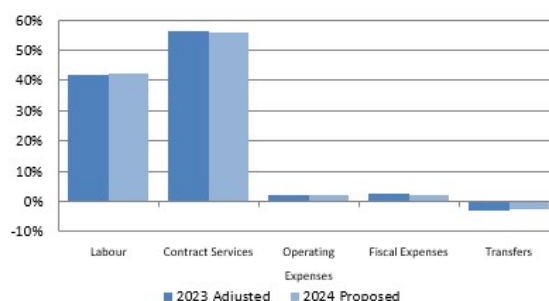
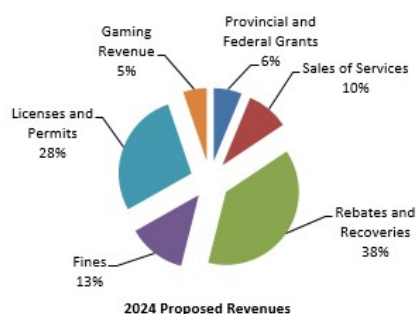
### FTE Change – Library

	2023 FTE	2024 FTE	Change 2024
<b>Total</b>	<b>95.3</b>	<b>95.3</b>	<b>-</b>

## Community Safety

The City's primary community safety providers are Police (RCMP), Fire-Rescue, Emergency Programs, Business Licences, and Community Bylaws. 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.

	2023 Adjusted Base Budget (Restated for Comparison)	2024 Proposed Base Budget	Change 2024 \$	Change 2024 %
<b>Revenues</b>	<b>(15,587,400)</b>	<b>(17,687,400)</b>	<b>(2,100,000)</b>	<b>13.47%</b>
<b>Expenditures</b>				
Labour	56,963,600	61,261,600	4,298,000	7.55%
Contract Services	76,287,600	81,856,700	5,569,100	7.30%
Operating Expenses	2,933,900	3,046,500	112,600	3.84%
<b>Total Expenditures</b>	<b>136,185,100</b>	<b>146,164,800</b>	<b>9,979,700</b>	<b>7.33%</b>
<b>Fiscal Expenses</b>	<b>3,597,900</b>	<b>3,244,500</b>	<b>(353,400)</b>	<b>(9.82%)</b>
<b>Transfers</b>	<b>(3,951,200)</b>	<b>(3,597,600)</b>	<b>353,600</b>	<b>(8.95%)</b>
<b>Grand Total</b>	<b>\$120,244,400</b>	<b>\$128,124,300</b>	<b>\$7,879,900</b>	<b>6.55%</b>



## FTE Change

	2023 FTE	2024 FTE	Change 2024
<b>Total</b>	<b>423.6</b>	<b>423.6</b>	<b>-</b>

## RCMP Contract Complement (Funded)

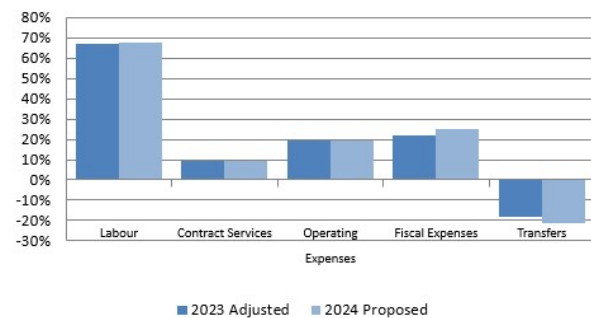
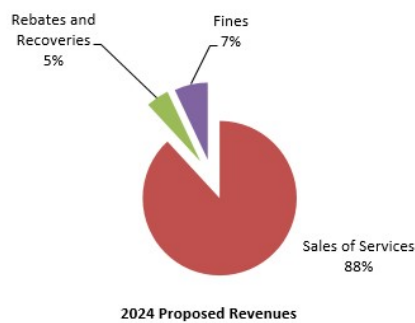
	2023 FTE	2024 FTE	Change 2024
Officers	276.0	276.0	-
Less: Non-Budgeted	(11.0)	(11.0)	-
<b>Municipal Policing</b>	<b>265.0</b>	<b>265.0</b>	<b>-</b>
Specialized Police Operations and Integrated Homicide Investigation Team	14.5	14.5	-
<b>Total</b>	<b>279.5</b>	<b>279.5</b>	<b>-</b>



## Community Services

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.

	2023 Adjusted Base Budget (Restated for Comparison)	2024 Proposed Base Budget	Change 2024 \$	Change 2024 %
<b>Revenues</b>	<b>(12,899,350)</b>	<b>(13,095,200)</b>	<b>(195,850)</b>	<b>1.52%</b>
<b>Expenditures</b>				
Labour	48,804,100	50,041,200	1,237,100	2.53%
Contract Services	6,519,900	6,659,000	139,100	2.13%
Operating Expenses	13,045,700	13,238,800	193,100	1.48%
<b>Total Expenditures</b>	<b>68,369,700</b>	<b>69,939,000</b>	<b>1,569,300</b>	<b>2.30%</b>
<b>Fiscal Expenses</b>	<b>13,771,100</b>	<b>16,202,500</b>	<b>2,431,400</b>	<b>17.66%</b>
<b>Transfers</b>	<b>(11,007,750)</b>	<b>(13,332,800)</b>	<b>(2,325,050)</b>	<b>21.12%</b>
<b>Grand Total</b>	<b>\$58,233,700</b>	<b>\$59,713,500</b>	<b>\$1,479,800</b>	<b>2.54%</b>



## FTE Change

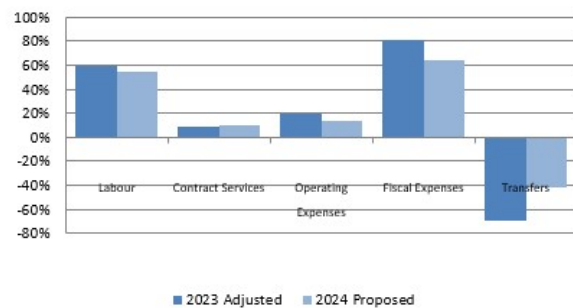
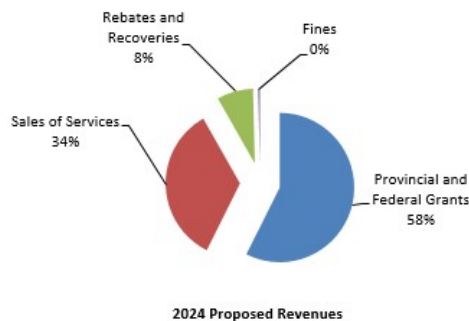
	2023 FTE	2024 FTE	Change 2024
Community Services	430.9	430.9	-
Library	95.3	95.3	-
<b>Total</b>	<b>526.2</b>	<b>526.2</b>	<b>-</b>

### Engineering and Public Works (excluding Utilities)

Comprises engineering planning, design, construction and maintenance services for all utilities and City building infrastructure. Responsible for dikes and irrigation system, roads and construction services, street lighting, corporate sustainability, corporate and community energy programs.

	2023 Adjusted Base Budget (Restated for Comparison)	2024 Proposed Base Budget	Change 2024 \$	Change 2024 %
<b>Revenues</b>	<b>(7,514,800)</b>	<b>(7,153,500)</b>	<b>361,300</b>	<b>(4.81%)</b>
<b>Expenditures</b>				
Labour	29,700,400	26,725,500	(2,974,900)	(10.02%)
Contract Services	4,543,200	4,810,300	267,100	5.88%
Operating Expenses	9,566,300	6,928,900	(2,637,400)	(27.57%)
<b>Total Expenditures</b>	<b>43,809,900</b>	<b>38,464,700</b>	<b>(5,345,200)</b>	<b>(12.20%)</b>
<b>Fiscal Expenses</b>	<b>40,605,500</b>	<b>31,904,600</b>	<b>(8,700,900)</b>	<b>(21.43%)</b>
<b>Transfers</b>	<b>(34,536,900)</b>	<b>(20,833,400)</b>	<b>13,703,500</b>	<b>(39.68%)</b>
<b>Grand Total</b>	<b>\$42,363,700</b>	<b>\$42,382,400</b>	<b>\$18,700</b>	<b>0.04%</b>

Note: Engineering and Public Works increase of \$1.8 million as shown on Attachment 5 is before the reallocation of Storm Drainage to the Utility Budget. This table reflects the net increase after removing the Storm Drainage operations from the operating budget.



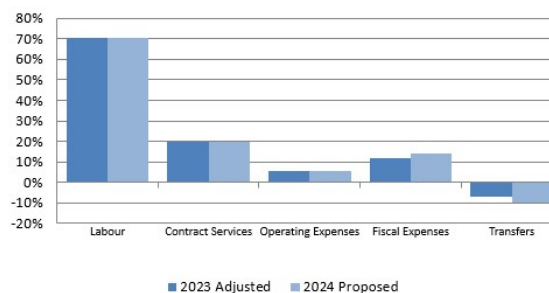
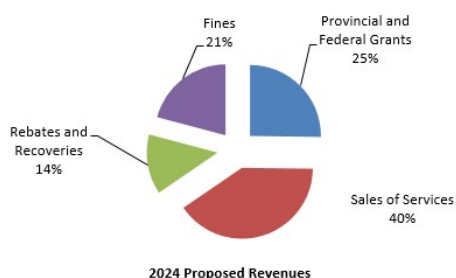
### FTE Change

	2023 FTE	2024 FTE	Change 2024
<b>Total</b>	<b>246.3</b>	<b>246.3</b>	<b>-</b>

## 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 customer service, information technology, finance, economic development, real estate services, and business services.

	2023 Adjusted Base Budget (Restated for Comparison)	2024 Proposed Base Budget	Change 2024 \$	Change 2024 %
<b>Revenues</b>	<b>(713,300)</b>	<b>(765,600)</b>	<b>(52,300)</b>	<b>7.33%</b>
<b>Expenditures</b>				
Labour	17,789,200	18,396,800	607,600	3.42%
Contract Services	4,978,200	5,186,300	208,100	4.18%
Operating Expenses	1,477,700	1,490,500	12,800	0.87%
<b>Total Expenditures</b>	<b>24,245,100</b>	<b>25,073,600</b>	<b>828,500</b>	<b>3.42%</b>
<b>Fiscal Expenses</b>	<b>2,930,000</b>	<b>3,722,800</b>	<b>792,800</b>	<b>27.06%</b>
<b>Transfers</b>	<b>(1,809,800)</b>	<b>(2,602,600)</b>	<b>(792,800)</b>	<b>43.81%</b>
<b>Grand Total</b>	<b>\$24,652,000</b>	<b>\$25,428,200</b>	<b>\$776,200</b>	<b>3.15%</b>



## FTE Change

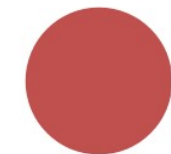
	2023 FTE	2024 FTE	Change 2024
<b>Total</b>	<b>148.3</b>	<b>148.3</b>	<b>-</b>

### Corporate Administration

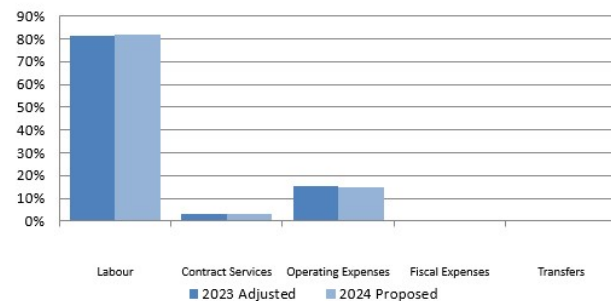
The CAO's Office oversees the overall administration of the corporate body (business units/operations) of the City and employees. Other departments and functions include, Deputy CAO Administration, human resources, corporate communications, production centre, intergovernmental relations, special projects 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.

	2023 Adjusted Base Budget (Restated for Comparison)	2024 Proposed Base Budget	Change 2024 \$	Change 2024 %
<b>Revenues</b>	<b>(5,000)</b>	<b>(5,000)</b>	<b>-</b>	<b>-%</b>
<b>Expenditures</b>				
Labour	8,235,200	8,543,600	308,400	3.74%
Contract Services	340,200	340,200	-	-%
Operating Expenses	1,622,600	1,622,600	-	-%
<b>Total Expenditures</b>	<b>10,198,000</b>	<b>10,506,400</b>	<b>308,400</b>	<b>3.02%</b>
<b>Fiscal</b>	<b>300</b>	<b>300</b>	<b>-</b>	<b>-</b>
<b>Transfers</b>	<b>6,200</b>	<b>5,800</b>	<b>(400)</b>	<b>(6.45%)</b>
<b>Grand Total</b>	<b>\$10,199,500</b>	<b>\$10,507,500</b>	<b>\$308,000</b>	<b>3.02%</b>

Sales of Services  
100%



2024 Proposed Revenues



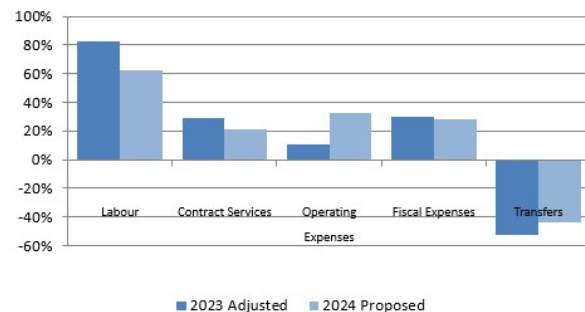
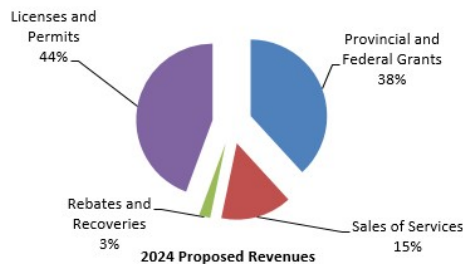
### FTE Change

	2023 FTE	2024 FTE	Change 2024
<b>Total</b>	<b>58.6</b>	<b>58.6</b>	<b>-</b>

## Planning and Development

Incorporates policy planning, transportation planning, development applications, building approvals, and community social development, which includes social planning, affordable housing, diversity, youth, childcare 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.

	2023 Adjusted Base Budget (Restated for Comparison)	2024 Proposed Base Budget	Change 2024 \$	Change 2024 %
<b>Revenues</b>	<b>(10,596,600)</b>	<b>(17,511,900)</b>	<b>(6,915,300)</b>	<b>65.26%</b>
<b>Expenditures</b>				
Labour	16,367,200	17,004,100	636,900	3.89%
Contract Services	5,800,500	5,800,500	-	-%
Operating Expenses	2,130,300	8,762,400	6,632,100	311.32%
<b>Total Expenditures</b>	<b>24,298,000</b>	<b>31,567,000</b>	<b>7,269,000</b>	<b>29.92%</b>
<b>Fiscal Expenses</b>	<b>6,038,900</b>	<b>7,597,400</b>	<b>1,558,500</b>	<b>25.81%</b>
<b>Transfers</b>	<b>(10,417,500)</b>	<b>(11,973,600)</b>	<b>(1,556,100)</b>	<b>14.94%</b>
<b>Grand Total</b>	<b>\$9,322,800</b>	<b>\$9,678,900</b>	<b>\$356,100</b>	<b>3.82%</b>



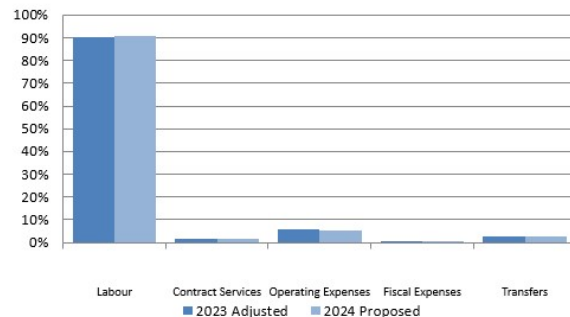
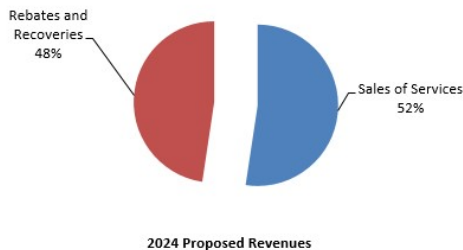
## FTE Change

	2023 FTE	2024 FTE	Change 2024
<b>Total</b>	<b>129.7</b>	<b>129.7</b>	<b>-</b>

## Law and Legislative Services

Law and Legislative Services division is responsible for providing advice to City Council and staff regarding the City's legal rights and obligations. This division oversees the City Clerk's Office which serves as a secretariat for Council and its Committees performing functions including agenda preparation, recording of minutes, processing and certifying bylaws, and record management.

	2023 Adjusted Base Budget (Restated for Comparison)	2024 Proposed Base Budget	Change 2024 \$	Change 2024 %
<b>Revenues</b>	<b>(2,100)</b>	<b>(2,100)</b>	<b>-</b>	<b>0.00%</b>
<b>Expenditures</b>				
Labour	4,067,200	4,323,300	256,100	6.30%
Contract Services	71,600	71,600	-	-%
Operating Expenses	249,600	249,600	-	-%
<b>Total Expenditures</b>	<b>4,388,400</b>	<b>4,644,500</b>	<b>256,100</b>	<b>5.84%</b>
<b>Fiscal Expenses</b>	<b>10,200</b>	<b>7,200</b>	<b>(3,000)</b>	<b>(29.41%)</b>
<b>Transfers</b>	<b>111,900</b>	<b>115,600</b>	<b>3,700</b>	<b>3.12%</b>
<b>Grand Total</b>	<b>\$4,508,400</b>	<b>\$4,765,200</b>	<b>\$256,800</b>	<b>5.69%</b>

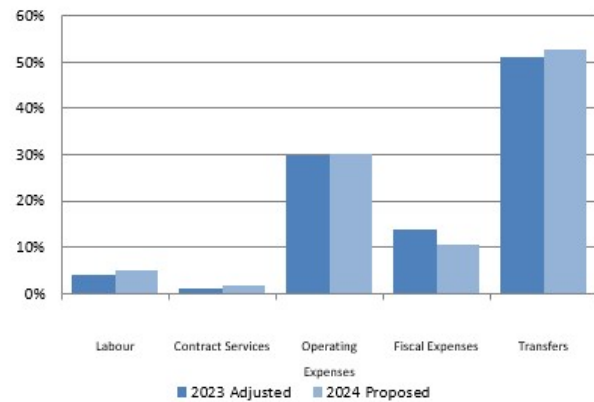
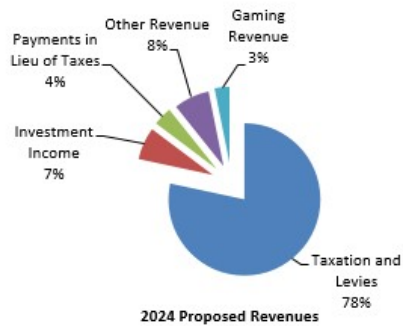


## FTE Change

	2023 FTE	2024 FTE	Change 2024
<b>Total</b>	<b>26.6</b>	<b>26.6</b>	<b>-</b>

## Fiscal

	2023 Adjusted Base Budget (Restated for Comparison)	2024 Proposed Base Budget	Change 2024 \$	Change 2024 %
<b>Revenues</b>	<b>(344,082,300)</b>	<b>(361,899,600)</b>	<b>(17,817,300)</b>	<b>5.18%</b>
<b>Expenditures</b>				
Labour	3,490,500	5,310,700	1,820,200	52.15%
Contract Services	1,093,100	1,703,300	610,200	55.82%
Operating Expenses	11,630,250	16,779,100	5,148,850	44.27%
<b>Total Expenditures</b>	<b>16,213,850</b>	<b>23,793,100</b>	<b>7,579,250</b>	<b>46.75%</b>
<b>Fiscal Expenses</b>	<b>12,425,500</b>	<b>11,385,800</b>	<b>(1,039,700)</b>	<b>(8.37%)</b>
<b>Transfers</b>	<b>45,918,450</b>	<b>56,778,200</b>	<b>10,859,750</b>	<b>23.65%</b>
<b>Grand Total</b>	<b>(269,524,500)</b>	<b>(269,942,500)</b>	<b>(418,000)</b>	<b>0.16%</b>



## 7. 2024 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. These programs were previously presented within the Capital Budget, but starting with the 2023 budget are presented within the City's base Operating Budget. 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	2024
Affordable Housing Operating Initiatives	Affordable Housing Operating	\$400,000
12040 Horseshoe Way Repayment	Affordable Housing - City Wide	525,000
<b>Affordable Housing Total</b>		<b>925,000</b>
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
<b>Child Care Total</b>		<b>260,000</b>
Public Art Program	Public Art Program	396,197
<b>Public Art Total</b>		<b>396,197</b>
		<b>\$1,581,197</b>

The proposed expenditures for 2024 and the planned expenditures for 2025-2028 are summarized in this attachment for each program.

### **Affordable Housing Program 2024**

The City recognizes that a diverse range of housing choices for individuals and families of varying incomes is essential in creating a liveable community. 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 1,500 affordable housing units since the City's first Affordable Housing Strategy was adopted in 2007, including the following highlighted developments:

- 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 (Bridgeport) Supportive Housing, which provides 40 units for residents experiencing homelessness; and
- The upcoming Pathways development, which will provide 80 affordable rental units for low and moderate income single people, families and seniors.



<b>Affordable Housing Program (in '000s)</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Affordable Housing Operating Initiatives	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
12040 Horseshoe Way (Shelter) Repayment	\$ 525	\$ 525	\$ 525	\$ 525	\$ 525
<b>Total Affordable Housing Program</b>	<b>\$ 925</b>	<b>\$ 925</b>	<b>\$ 925</b>	<b>\$ 925</b>	<b>\$ 925</b>
<b>Affordable Housing Funding Sources (in '000s)</b>					
Affordable Housing Operating Reserve	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
Affordable Housing City-Wide Reserve	\$ 525	\$ 525	\$ 525	\$ 525	\$ 525
<b>Total Affordable Housing Funding Sources</b>	<b>\$ 925</b>	<b>\$ 925</b>	<b>\$ 925</b>	<b>\$ 925</b>	<b>\$ 925</b>

### Affordable Housing Operating Initiatives

The City's 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 program provides staff with the necessary resources to advance the implementation of these strategies. Examples include administration costs, and consulting services related to research, public engagement and economic analysis.

### Internal Debt Payment

On December 21, 2016, Council approved a transfer of \$7 million from the Capital Reserve – Industrial Use Fund to the Affordable Housing Reserve to purchase land at 12040 Horseshoe Way in order to partner with BC Housing to build a new emergency shelter. Under the *Community Charter*, these funds must be repaid to the source reserve fund with interest. Internal repayments from the Affordable Housing Reserve are being made over 15 years (payments commenced in 2018 and will end in 2032) in installments of \$525,000.

### Child Care Program 2024

Child care is an important service for Richmond residents and an essential need for many parents. The 2017–2022 Richmond Child Care Needs Assessment and Strategy, adopted by City Council on July 24, 2017, 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. A new 10-year child care strategy is also in development. The identified priorities include the establishment and maintenance of a comprehensive child care system to help children and families thrive and address the need for quality, affordable and accessible child care spaces in Richmond.

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. The City manages and maintains 13 existing City-owned child care facilities including two Early Childhood Development 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.

<b>Child Care Program (in '000s)</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Child Care - Administration	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Child Care - City-Wide (Capital Grants)	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Child Care - City-Wide (Non-Capital Grants)	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
<b>Total Child Care Program</b>	<b>\$ 260</b>	<b>\$ 260</b>	<b>\$ 260</b>	<b>\$ 260</b>	<b>\$ 260</b>
<b>Child Care Funding Sources (in '000s)</b>					
Child Care Operating Reserve	\$ 210	\$ 210	\$ 210	\$ 210	\$ 210
Child Care City-Wide Reserve	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
<b>Total Child Care Funding Sources</b>	<b>\$ 260</b>	<b>\$ 260</b>	<b>\$ 260</b>	<b>\$ 260</b>	<b>\$ 260</b>

### 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 adopted 2017–2022 Richmond Child Care Needs Assessment and Strategy and the 2021–2031 Richmond Child Care Action Plan. Development of the new 10-year child care strategy is underway and is anticipated to be completed in 2024 with implementation to begin immediately following its adoption by Council.

The Child Care Planner 2 position 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 Early Childhood Development (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. In addition, these funds will be used to pay for administrative costs including: 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. There is currently sufficient funding in the Child Care Operating Reserve to fund this request for 2024. Additional funds are secured on an ongoing basis through the development process and additional funds are anticipated to be received on an ongoing basis.

### Child Care - City-Wide (Capital Grants)

Sufficient funding is required to administer the City's 2024 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). The Child Care City-Wide Reserve is an appropriate source of funding for this expense. There is currently sufficient funding in the Child Care City-Wide Reserve to fund this request for 2024. Additional funds are secured on an ongoing basis through the development process and additional funds are anticipated to be received on an ongoing basis.

### Child Care - City-Wide (Non-Capital Grants)

Funding is required to enable the provision of the 2024 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. The Child Care Operating Reserve is an appropriate source of funding for such expenses. There is currently sufficient funding in the Child Care Operating Reserve to fund this request for 2024. Additional funds are secured on an ongoing basis through the development process and additional funds are anticipated to be received on an ongoing basis.

### **Public Art Program 2024**

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 2019 - 2024, approved by Council in July 2019.

Public Art Program (in \$'000s)	2024	2025	2026	2027	2028
<b>Public Art Program</b>	<b>396</b>	<b>158</b>	<b>158</b>	<b>158</b>	<b>158</b>
<b>Total Public Art Program</b>	<b>\$396</b>	<b>\$158</b>	<b>\$158</b>	<b>\$158</b>	<b>\$158</b>
<b>Funding Source:</b>					
<b>Public Art Program Reserve</b>	<b>\$396</b>	<b>\$158</b>	<b>\$158</b>	<b>\$158</b>	<b>\$158</b>
<b>Total Public Art Funding Source</b>	<b>\$396</b>	<b>\$158</b>	<b>\$158</b>	<b>\$158</b>	<b>\$158</b>

The scope of work consists of \$396,197 of developer-funded public art projects as detailed below.

Proposed Public Arts Projects 2024	Estimated Costs
Annual Community Public Art Programs - Urban Infrastructure Art Wrap Program, Engaging Artists in Community Program, Community Mural Program	\$88,000
Community Public Art Projects - No. 3 Road Art Columns	\$30,000
Community Education, Artists Professional Development and Mentorship, Youth Mentorship Program, Public Art Bus Tours, Art at Work Workshop Series	\$20,000
Collaboration with other City Partners - Capture Photography Festival, Children's Art Festival, Culture Days	\$20,000
VOLO Public Art Project (RZ 2004-286496) 6333 Mah Bing Street	\$238,197
<b>Total</b>	<b>\$396,197</b>

## 8. Externally Funded Programs

This attachment highlights initiatives funded by external grants for inclusion in the Consolidated Five Year Plan (2024-2028). There is no additional tax impact of including these amounts in the operating budget however it is required to include these programs and staffing resources in the financial plan for expenditure authorization.

### **Rapid Housing Initiative**

The City of Richmond received \$9.1 million in funding from the Government of Canada's Rapid Housing Initiative's (RHI) city stream in 2023.

The City of Richmond has partnered with BC Housing and Turning Point Housing Society on a new 25-unit affordable rental housing development located at 4831 Steveston Highway for residents in need of safe and secure housing.

The project is currently in the rezoning process and targeted for completion in late 2024. To date, \$2.5 million has been disbursed and another \$1.2 million is projected to be disbursed by end of 2023. The balance of \$5.4 million is planned to be disbursed in 2024.

Rapid Housing Initiative (in \$000's)	2023	2024	2025	2026	2027	2028	Total
Contribution Disbursement	\$3,750	\$5,367	\$0	\$0	\$0	\$0	\$9,117
Total Rapid Housing Initiative (RHI)	\$3,750	\$5,367	\$0	\$0	\$0	\$0	\$9,117
Funding Sources:							
Grant from Federal Government	\$3,750	\$5,367	\$0	\$0	\$0	\$0	\$9,117
Total RHI Funding Sources	\$3,750	\$5,367	\$0	\$0	\$0	\$0	\$9,117

### **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 amongst young people. The City will implement BSCF programs and initiatives, which have been approved by Council at the closed meeting on July 24, 2023 and by Public Safety Canada (PSC), that target at-risk youth. The City will use the BSCF funds for managing contracts, securing End Gang Life licensing, staffing a temporary full-time BSCF Project Coordinator, establishing a youth situation table, creating two youth micro hubs, and enhancing the City's Media Lab.

Building Safer Communities Fund (in \$000's)	2023	2024	2025	2026	2027	2028	Total
Program implementation	\$916	\$995	\$637	\$134	\$0	\$0	\$2,682
Total Building Safer Communities Fund	\$916	\$995	\$637	\$134	\$0	\$0	\$2,682
Funding Sources:							
Grant from Federal Government	\$916	\$995	\$637	\$134	\$0	\$0	\$2,682
Total BSCF Funding Sources	\$916	\$995	\$637	\$134	\$0	\$0	\$2,682

### **Richmond Food Hub**

In early 2023, the Government of B.C. announced an overarching investment of \$200.0 million in food security, noting that the Ministry of Agriculture and Food would be investing in new and enhanced programs to strengthen B.C.'s food supply chain and expand local food production. Subsequently, the Ministry indicated a commitment to provide a \$1 million grant to the City of Richmond toward establishing a commercially-focused Richmond Food Hub, which would be the 14<sup>th</sup> hub in the B.C. Food Hub Network.

Richmond is home to many existing strengths in the agri-food and seafood processing ecosystem, and this grant funding provides the opportunity to build on that strong foundation. This initiative can also explore how to bolster the innovation ecosystem in this specific sector, providing a platform for newer entrepreneurs and growing businesses to access key resources, information, equipment, tools and space.

As presented in the Richmond Food Hub Implementation Plan on October 10, 2023, there are three key phases planned for this project. First, this funding provides the opportunity to conduct 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 economy of the local community (Phase 1). It is expected that significant public and stakeholder engagement will be a key part of this process.

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 issuing a Request for Proposals or similar competitive procurement approach to seek an entity (or partnering entities) to provide the location and/or facility to establish a Food Hub. This would include a business plan for its operations and governance structure. Phase 2, during which an appropriate site and operating structure would be established, is anticipated to take place during spring 2025. Phase 3, the construction and/or redevelopment of the potential site with partners would follow, with a potential launch date in fall 2026.

Depending on Council direction, it is anticipated that the City's role in this initiative may include assessing needs, supporting start-up activities, and governance oversight, while the Hub would be self-sustaining in the future.

Funds from the Government of B.C. will be used to support staff resourcing for a temporary full-time Project Lead-Economic Initiatives position, consultant costs, and Hub implementation costs related to advancing an identified site/facility toward launch.

Richmond Food Hub (in \$000's)	2024	2025	2026	2027	2028	Total
<b>Feasibility and implementation</b>	<b>\$250</b>	<b>\$ 401</b>	<b>\$ 349</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,000</b>
<b>Total Richmond Food Hub</b>	<b>\$ 250</b>	<b>\$ 401</b>	<b>\$ 349</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,000</b>
<b>Funding Sources:</b>						
<b>Grant from Government of B.C.</b>	<b>\$ 250</b>	<b>\$ 401</b>	<b>\$ 349</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,000</b>
<b>Total Richmond Food Hub Funding Sources</b>	<b>\$ 250</b>	<b>\$ 401</b>	<b>\$ 349</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,000</b>

### Contingent Grants

An estimate of \$7.0 million has been included in the budget for operating grants the City has applied for or will apply for in the future as funding programs are announced. Spending will only be incurred against this estimated budget in accordance with the approved funding agreement for the specific initiative. Approved funding will be transferred to the appropriate division's budget through the financial plan amendment which is typically presented to Council in the fall each year.

The City has submitted an application to the Federal Housing Accelerator Fund. At the time of writing this report, no funding decision has been announced. Subject to the grant application being successful, the positions listed below are proposed to be funded from this grant. These positions would only be filled if grant funding is secured.

<b>Proposed Regular Full Time Positions Subject to Securing External Funding from the Federal Housing Accelerator Fund</b>	
<b>Item</b>	<b>Position Name</b>
1	Development Applications, Program Manager
2	Development Applications, Planner 3
3	Development Applications, Planner 2
4	Affordable Housing, Planner 2 (Housing Priorities Grant Program)
5	Affordable Housing, Program Manager (Non-Profit Partnership Program)
6	Affordable Housing, Planner 2 (Non-Profit Partnership Program)
7	Affordable Housing, Departmental Associate 2 (Non-Profit Partnership Program)

## 9. No Tax Impact Positions

2024 No Tax Impact Positions Requested			Funding Source
Ref	By	Description	
1	Planning and Development	<b>Building Approvals - Special Projects Coordinator/Senior Building Official (RFT)</b> This is a new supervisory-level role envisioned to encompass and facilitate all Building Approvals' technical and business process functions. It aims to facilitate large-scale and complex projects, from development permitting to building permit applications, permit review and verification of construction. This position will be funded by permit revenue.	Revenue Funded
2	Planning and Development	<b>Transportation Department Engineer-in-Training (TFT)</b> Additional funding to convert a regular part-time Senior Advisor position (retired incumbent previously involved in development reviews) to a temporary fulltime Engineer-in-Training position to assist with review of permits, applications and transportation plans to support growth in the City. This position will be funded by rental and lease revenue.	Revenue Funded
3	Engineering and Public Works	<b>Senior Climate Action Specialist (Existing Buildings) (TFT)</b> The City is receiving \$566,000/year (2023-2025) in provincial Local Government Climate Action Program (LGCAP) funding for Community Energy and Emissions Plan (CEEP) 2050 actions. Two TFT positions, one to support transition to zero emission vehicles and another to low-carbon retrofit to existing buildings were approved in 2023. Due to the scale of work for low-carbon retrofits on existing buildings, a second TFT position is required for that particular program. This position will be funded by Provincial revenue.	Revenue Funded
4	Community Safety	<b>Bylaw II Officer for Unpermitted Construction (RFT)</b> One Bylaw II Property Use Inspector with specialized experience in the BC Building Code that will focus on Building and Zoning related bylaws violations in relation to unpermitted construction. This submission requires \$61,300 initial capital cost for a vehicle. This position will be funded by enforcement revenue.	Revenue Funded
5	Community Safety	<b>Bylaw II Officer for Illegal Suites (RFT)</b> One Bylaw II Property Use Inspector with specialized experience in the BC Building Code that will focus on Building and Zoning related bylaws violations in relations to illegal suites. This position will be funded by enforcement revenue and building permit revenue.	Revenue Funded
6	Engineering and Public Works	<b>Fleet Administration Project Manager (RFT)</b> The City's Electric Vehicle charging network has expanded significantly since 2013 (from 36 to 129 charging ports). Charging station usage has increased since 2016 (from 433 to 41,894). A project manager is required to manage contractors/staff for maintaining/expanding this growing service level as well as GPS/fuel/Green Fleet planning. This position will be funded by Electric Vehicle charging revenue.	Revenue Funded
7	Engineering and Public Works	<b>Facility Management Program Manager (RFT)</b> To coordinate multiple Facility Maintenance programs and projects such as the preventative maintenance program, capital program and submissions, condition audits, asset management, sustainability initiatives, major repairs and assist with the new Works Yard project. This position will be funded by various capital projects.	Capital Funded



2024 No Tax Impact Positions			Funding Source
Ref	Requested By	Description	
8	Community Services	<b>Park Planner (RFT)</b> More than 47 acres of new parks have been approved by Council either as new Capital Projects or related to developments, e.g. Lulu Island Park, Lansdowne, etc. They will be developed long term (15 years plus) and requires an additional Park Planner to manage, provide design expertise and leadership. This position will be funded by various capital budgets.	Capital Funded
9	Community Services	<b>Recreation - Program Manager (RFT)</b> The recreation management team has not kept pace with recent and planned growth in community recreation centres, programs and services. Additional management staff are needed to support these services and further the actions identified in the Recreation & Sport and Community Wellness strategies. This position will be funded by previously approved amounts for developer contributed amenities.	Reallocation of Existing Budgets
10	Corporate Administration	<b>Human Resources Clerk (RFT)</b> The position is responsible for high volume PeopleSoft entries primarily from employee movement (hires, terminations, transfers, acting). Centralizing this work into this new HR Clerk position will increase the efficiency and productivity of HR services and ensure consistency and integrity of the data. This work has previously been completed by HR Advisors impacting the amount of time they can allocate to servicing the high volume recruitment needs in the organization. This position will be funded by previously approved impacts from new infrastructure and growth.	Reallocation of Existing Budgets
11	Finance and Corporate Services	<b>Technical Support Person for Council Audio\Visual Equipment (RFT)</b> In 2023, there was complete refresh of all Council camera\recording equipment, eliminating the need for a dedicated manual camera operator. Hiring a full time staff to maintain the audio\video equipment is critical to produce quality presentation and preservation of Council meeting content. This position will be funded by previously approved impacts from new infrastructure and growth.	Reallocation of Existing Budgets
12	Engineering and Public Works	<b>Trades 2 Electrician (2 RFTs)</b> The modernization of buildings has resulted in an increase in the number of related electrical assets as well as in the number of electric vehicle charging stations. Two additional electricians are needed to meet the increasing preventative maintenance and demand service requirements. These positions will be funded by reallocation of existing budgets.	Reallocation of Existing Budgets
13	Engineering and Public Works	<b>Public Works Data Transition &amp; Process Improvement Project Manager (RFT)</b> A project manager is necessary to convert paper based systems to digital alternatives embedded in operational processes. Increased accountability measures through accurate and time stamped data entries. A project manager is required to establish the governance model and manage staff involved in process improvement initiatives. This position will be funded by reallocation of existing budgets.	Reallocation of Existing Budgets
2024 No Tax Impact Positions			Total
Initial Capital Cost associated with No Tax Impact Position #4 recommended to be Funded by Rate Stabilization Account			\$1,862,167
			\$61,300



## 10. Emerging Organizational Additional Levels – Recommended for Funding in 2024

Emerging Organizational Additional Levels - Recommended for Funding in 2024				
Ref	Requested By	Description	Amount	Tax Impact
1	Community Services	<b>City Wide Public Access Automatic External Defibrillator (AED) Program</b> The City has a five year contract for the supply, support and maintenance of AEDs which require ongoing funding. This request also covers the replacement of broken or stolen AEDs.	\$25,950	0.01%
2	Community Safety	<b>Bylaw I Officers (2 RFTs)</b> Bylaw I Officers whose primary mandate would be to identify, monitor and enforce bylaw violations under the Traffic Bylaw and Parking Bylaws that have a nexus to social disorder issues. This submission requires \$62,100 initial capital cost.	\$192,304	0.07%
3	Community Safety	<b>Property Use Bylaw II Officers (2 RFTs)</b> Richmond has increased calls involving people experiencing homelessness, they are complex and resource consuming, complicated by mental, physical health and addiction related issues. Additional staff is necessary to deal with this issue. This submission requires \$61,300 initial capital cost.	\$234,157	0.08%
4	Planning and Development	<b>Outreach Workers (2 RFTs)</b> Two RFT Outreach Workers are required to enhance and provide proactive and timely outreach to people experiencing unsheltered homelessness in Richmond. These will supplement the existing community, community safety and emergency responses. This submission requires \$60,000 initial capital cost.	\$226,102	0.08%
5	Planning and Development	<b>Drop-in Centre and Shower Program</b> Since 2021, with funds from Union of British Columbia Municipalities (UBCM), a Drop-in Centre and Shower Program for those experiencing homelessness has been operated by Turning Point Recovery Society in the Brighthouse Pavilion. The UBCM funding ends in 2023. An ongoing source of funding is required for this important program.	\$270,000	0.09%
6	Finance and Corporate Services	<b>Cybersecurity Proactive Network Monitoring</b> Cybersecurity enhancements will further reduce the City's risk of targeted attacks or security breaches, ensuring the operational continuity and system monitoring. The original request was \$716,315 (tax impact 0.25%) however due to budget constraints the scope will be reduced. This submission requires \$67,024 initial capital cost.	\$553,315	0.19%
<b>2024 Total Emerging Organizational Additional Levels - Recommended</b>			<b>\$1,501,828</b>	<b>0.52%</b>
<b>Initial Capital Cost associated with Recommended Emerging Organizational Additional levels #2, 3, 4, and 6 recommended to be Funded by Rate Stabilization Account</b>			<b>\$250,424</b>	

## 11. Emerging Organizational Additional Levels – Not Recommended for Funding in 2024

Emerging Organizational Additional Levels – Not Recommended for Funding in 2024				
Ref	Requested By	Description	Amount	Tax Impact
1	Community Safety	<b>Fire Prevention Officers (2 RFTs)</b> The City of Richmond continues to grow in population and densification. Single family residential properties (non inspectable) are developed and expanded into developments that include multi family residential units/buildings, day cares, shops, parking garages and common areas (one inspectable property). This submission requires \$20,000 initial capital cost.	\$344,082	0.12%
2	Planning and Development	<b>Community Social Development - Planner 1 (2 RFTs)</b> These positions are required to support senior planners in response to increasingly complex social issues that require research, policy work and advancing strategic priorities, particularly in the areas of housing, homelessness, poverty, accessibility and seniors.	\$238,830	0.08%
3	Planning and Development	<b>Social Development Leader (RFT)</b> This position is required to support senior planners in response to increasingly complex social issues and will enhance Community Social Development's ability to advance strategic directions and respond to growing community need in the areas of housing, homelessness, poverty, accessibility and seniors.	\$93,161	0.03%
4	Community Safety	<b>Fire-Department Associate Staff Increase (1 RFT)</b> One additional Department Associate in Richmond Fire-Rescue be approved to maintain the workload demands of the public and internal service delivery. This added resource will ensure that the City can continue to provide a safe community and timely responses to the public and stakeholders. This submission requires \$10,000 initial capital cost.	\$87,133	0.03%
5	Community Safety	<b>Fire-Emergency Vehicle Technician (EVT) Staff Increase (RFT)</b> Richmond Fire-Rescue Emergency Vehicle Technician staff increase of one be approved to maintain the workload demands of the public and internal service delivery. This added resource will ensure that the City can continue to provide a safe community and timely responses to the public and stakeholders. This submission requires \$10,000 initial capital cost.	\$168,441	0.06%
6	Engineering and Public Works	<b>City Hall Security Added Shift</b> Current approved funding allows for one security guard at City Hall, 24 hours per day, 365 days per year. The addition of City Hall Annex, plus an increase in security related incidents, such as break-ins, requires increased security presence.	\$100,000	0.03%

Emerging Organizational Additional Levels – Not Recommended for Funding in 2024				
Ref	Requested By	Description	Amount	Tax Impact
7	Community Services	<b>Public Art Planner Position (RFT)</b> The Public Art Planner is currently funded from developer contributions to public art. This request is to have the position as part of the base operating budget in order to maintain service delivery of ongoing public programs and manage a growing collection of valuable artworks in the public realm.	\$137,380	0.05%
<b>Total Emerging Organizational Additional Levels – Not Recommended for Funding in 2024</b>			<b>\$1,169,027</b>	<b>0.40%</b>



# City of Richmond

## Report to Committee

**To:** Finance Committee  
**From:** Mike Ching, CPA, CMA  
Director, Finance  
**Re:** **2024 One-Time Expenditures**

**Date:** November 22, 2023  
**File:** 03-0970-01/2023-Vol  
01

### Staff Recommendation

That the one-time expenditures totaling \$2,977,311 as outlined in Attachment 1 of the 2024 One-Time Expenditures staff report, be approved with funding from the Rate Stabilization Account and included in the Consolidated 5 Year Financial Plan (2024-2028).

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 2024-2028 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 2024, there are nine one-time expenditure requests totalling \$3,141,811. 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 has an unaudited balance of \$18,521,271 as of October 31, 2023. 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 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.

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 2024 are included in Attachment 1 and those not recommended for funding in 2024 are included in Attachment 2.

Council may change any of the staff recommendations. The Consolidated 5 Year Financial Plan (2024-2028) 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**

<b># of One-Time Expenditures Requested</b>	<b>Recommended Amount (In \$000s)</b>	<b>Not Recommended for Funding in 2024 Amount (In \$000s)</b>	<b>Total (In \$000s)</b>
<b>9</b>	<b>\$2,977</b>	<b>\$165</b>	<b>\$3,142</b>

Table 2 summarizes the RSA balance after funding the recommended amounts:

**Table 2 – Proposed RSA Utilization**

<b>RSA Balance as of October 31, 2023</b>		<b>\$18,521,271</b>
<b>2024 One-Time Expenditures - Recommended (Attachment 1)</b>	<b>(2,977,311)</b>	
* 2024 Initial Capital Costs from Emerging Organizational Ongoing Additional Levels (Attachment 10 of 2024 Proposed Operating Budget)	(250,424)	
* 2024 Initial Capital Costs from No Tax Impact Positions (Attachment 9 of 2024 Proposed Operating Budget)	(61,300)	
* Proposed Rate Stabilization of the 2024 Operating Budget	(1,612,500)	
<b>Total 2024 Proposed RSA Utilization</b>		<b>(4,901,535)</b>
<b>Balance After Proposed 2024 Utilization</b>		<b>\$13,619,736</b>

\* To be considered in companion report "2024 Proposed Operating Budget" dated November 8, 2023.

#### One-Time Initial Capital Costs Associated with Recommended Additional Level Expenditures Requests

The 2024 Proposed Operating Budget recommends approval of Emerging Organizational Additional Levels of service and No Tax Impact positions including additional bylaw officers

and outreach staff which require upfront costs for vehicles and equipment. A total of \$311,724 is required and this one-time cost is recommended to be funded from the Rate Stabilization Account.

A total of \$1,612,500 from the RSA is proposed to be utilized to reduce the tax impact as presented in the 2024 Proposed Operating Budget.

### **Financial Impact**

The recommended one-time expenditures totaling \$2,977,311 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 (2024-2028).

### **Conclusion**

One-time expenditure requests were carefully reviewed by the CAO and SMT. The high priority requests in the amount of \$2,977,311 as summarized in Attachment 1 are recommended to be approved and included in the Consolidated 5 Year Financial Plan (2024-2028).



Melissa Shiao, CPA, CA  
Manager, Financial Planning and Analysis  
(604-276-4231)

MS:gh

- Att. 1: 2024 One-Time Expenditure Requests – RECOMMENDED  
2: 2024 One-Time Expenditure Requests – NOT RECOMMENDED FOR FUNDING IN 2024

2024 One-Time Expenditure Requests – RECOMMENDED			
Ref	Category	Description	Amount
1	Council Strategic Plan	<b>Recreation Fee Subsidy Program (RFSP) - Central Fund</b> The RFSP requires continued support through a Central Fund as work on the Community Services Pricing Policy progresses. The program was to be funded by contributions from Associations/Societies; however, this funding source was put on hold while the age of eligibility for seniors pricing is revisited as directed by Council.	\$80,000
2	Council Strategic Plan	<b>City Events Program 2024</b> This request is to fund 2024 City events, in alignment with the Event Guiding Principles, and as detailed in the City Events Program 2024 Report approved by the General Purposes Committee on November 20, 2023. Events contribute to social and economic well-being, build community capacity and identity and raise Richmond's profile.	\$810,000
3	Infrastructure Need	<b>Richmond Fire-Rescue Scheduling Software Migration</b> Telestaff is a critical workforce management tool used by Fire-Rescue 24/7 for roster scheduling, time tracking, and vacancy filling. Migration to the cloud is necessary as on-premise support is being discontinued with the vendor only providing support for their Software as a Service (cloud) based solution.	\$78,489
4	Infrastructure Need	<b>Public Safety Mobile Command and Communication Centre Vehicle</b> This vehicle is a multi-agency, multi-purpose, and multi-jurisdiction mobile Command Post for first responders during operations or emergencies. It is a critical piece of policing infrastructure for the community that positively impacts policing services, safety and overall preparedness for major emergencies and natural disasters. The vehicle also offers interoperable space for staging and briefings of other first responders such as Richmond Fire-Rescue, BC Ambulance Service, Public Works, Coast Guard and Emergency Programs during joint operations. There is an operating budget impact associated with this one-time funding request estimated at \$197,120; this is included in the 2024 Proposed Operating Budget with a tax impact of 0.07%.	\$1,815,000
5	Council Strategic Plan	<b>Wharves Bylaw Enforcement and Programming</b> This request is for year 3 of a pilot waterfront program approved by Council on December 6, 2021. The auxiliary positions will support dock operations across the City, including adherence to regulations, fee collection at Imperial Landing, and community use and activation.	\$81,947
6	Council Strategic Plan	<b>Boulevard Maintenance Program</b> Impacts from climate change have resulted in a decline in the health and condition of existing landscapes requiring replacement of declining/stressed plants with climate adapted species, additional manual watering and improving irrigation technologies (Eg, No. 3 Road median plantings).	\$111,875
2024 One-Time Expenditures Total – RECOMMENDED			\$2,977,311



2024 One-Time Expenditure Requests – NOT RECOMMENDED FOR FUNDING IN 2024			
Ref	Category	Description	Amount
1	Infrastructure Need	<b>Richmond Fire-Rescue Community Relations Vehicle Painted or Wrapped for Public Education Opportunities and Community Events</b> There is an opportunity to repurpose a decommissioned fire truck to ensure attendance for community events. The final step is to have the decommissioned fire truck painted or wrapped so it is clearly identified as an event support vehicle and non-operational.	\$65,000
2	Infrastructure Need	<b>Incident Report &amp; Investigation for Safety (IRIS) Intellex Patch Version Update</b> The IRIS software system facilitates the City's commitment to enhance and automate workplace Health and Safety incidents and WorkSafeBC claims. Due to end-of-support of Windows Server 2012, the IRIS server has been upgraded but a software version update is required as the last update was applied 5 years ago. Due to the complexity of updating the system from the old version, this funding request is for vendor consultant support. This software update addresses security items, performance improvements and system reliability.	\$37,500
3	Infrastructure Need	<b>Application Centric Infrastructure (ACI) Controller Refresh</b> The City fully deployed Cisco ACI as a replacement for its Data Centre network solution in the year 2020. It provided significant improvement in performance, operational stability, and potential to provide granular network policy controls not available in the past. This specific request is to refresh the now outdated component of this solution: Application Policy Infrastructure Controller (APIC) devices that form the "brain" of this deployment. The relatively short lifespan (5 years) of these specific controller devices is driven by the vendor to maintain the solution support agreement and is likely propelled by the overall fast pace of development in the software-defined networking space.	\$62,000
2024 One-Time Expenditures Total – NOT RECOMMENDED FOR FUNDING IN 2024			\$164,500



# City of Richmond

## Report to Committee

**To:** Finance Committee

**Date:** November 15, 2023

**From:** Mike Ching, CPA, CMA  
Director, Finance

**File:** 03-0985-01/2023-Vol  
01

**Re:** 2024 Proposed Capital Budget

### Staff Recommendation

1. That the 2024 Proposed Capital Budget as presented in Appendix 3 totaling \$208,564,335 be approved; and
2. That the 2024 Proposed Capital Budget as approved be included in the Consolidated 5 Year Financial Plan (2024-2028).

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 of Richmond is responsible for providing and maintaining capital assets and infrastructure to serve its residents and businesses. The 2024 Proposed Capital Budget proposes an allocation of available financial resources to various capital projects that align with Council's strategic plans, policies and priorities.

During the 2024 Capital Budget process, a total of 96 capital projects totalling \$214.5 million were submitted by various departments. The Review Team (RT), which is comprised of directors from each division, reviewed and ranked each project submission based on Council-approved criteria and Council's strategic plans, policies, priorities and endorsements. The CAO and the Senior Management Team (SMT) further reviewed the project recommendations. The final recommendation is included in the 2024 Proposed Capital Budget presented to the Finance Committee for review, approval and inclusion in the Consolidated 5 Year Financial Plan (2024-2028).

The 2024 Proposed Capital Budget is \$208.6 million, which includes \$198.6 million for 86 capital projects and \$10.0 million for contingent external contributions.

The City maintains critical infrastructure such as dikes, roads, water, sewer and community amenities. Over 79 per cent of the 2024 Proposed Capital Budget relates to the Infrastructure and Building programs. \$20.6 million is recommended for the flood protection program, which includes dike improvements, drainage pump station rehabilitation and upgrades, canal stabilization at priority locations, and drainage improvements in the Burkeville area. The Building program includes the replacement of the existing Works Yard, with a \$70.0 million capital request for Phase 1. An additional \$7.0 million is recommended for the Britannia Shipyards to complete repairs, replacements and associated works to the Shipyard building.

Parks program comprises of 5.5 per cent of the 2024 Proposed Capital Budget, where \$2.5 million will be for the Minoru Lakes Renewal: Phase 2 and \$0.6 million will be for the Burkeville Neighbourhood Park Redevelopment.

The 2024 Information Technology program includes \$2.9 million for the MyPermits and the Automated Plan Review AI (artificial intelligence) Software projects, which are anticipated to be funded by an external grant. It also includes \$0.4 million for the Database Encryption Project which will enhance cybersecurity measures.

The Equipment program sums to \$5.9 million of the 2024 Proposed Capital Budget which includes vehicle and equipment replacement purchases and the Automatic Vehicle Location/Global Positioning System (AVL/GPS) expansion.

Land program and Contingent External Contributions comprises the remaining 10.2 per cent of the Proposed 2024 Capital Budget, which are for strategic real estate acquisition where Council approval is required for each specific acquisition and potential external grants that may be approved or received throughout the year for various projects respectively.

The projects are summarized in Table 1 with the complete list of recommended projects included in Appendix 3.

**Table 1: 2024 Proposed Capital Budget**

Program Description	Number of Projects	Amount \$ (in millions)	% Budget	Operating Budget Impact
<b>Infrastructure</b> program includes roads, flood protection, water, and sanitary sewer.	50	\$63.9M	30.7%	\$27,065
<b>Building</b> program includes major facilities replacements, major building renovation projects, as well as minor facility upgrades.	Works Yard	\$70.0M	33.5%	-
	10	\$31.1M	14.9%	\$185,824
<b>Parks</b> program includes development of parks and parkland acquisition.	13	\$11.4M	5.5%	\$21,150
<b>Land</b> program includes funding for land acquisition where Council approval is required for each specific acquisition.	1	\$11.2M	5.4%	-
<b>Equipment</b> program includes fleet and equipment, as well as fire vehicle and equipment replacement.	4	\$5.9M	2.8%	\$121,762
<b>Information Technology</b> program includes information technology hardware and software.	7	\$5.0M	2.4%	\$194,052
<b>Subtotal</b>	<b>86</b>	<b>\$198.6M</b>	<b>95.2%</b>	<b>\$549,853</b>
<b>Contingent External Contributions</b> is an estimate of external grants that may be approved or received throughout the year for various projects.		\$10.0M	4.8%	-
<b>2024 Recommended Projects Total</b>		<b>\$208.6M</b>	<b>100.0%</b>	<b>\$549,853</b>

The 2024 Proposed Capital Budget totaling \$208,564,335 aims to maximize external funding opportunities to enable the City to maintain and advance the City's ageing infrastructure and facilities, which continues to provide necessities and benefits to the community. The Operating Budget Impact (OBI) associated with these projects is \$549,853. The 2024 Proposed Capital Budget is recommended to be included in the Consolidated 5 Year Financial Plan (2024-2028).

## 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 is one of the main components of the 5 Year Financial Plan Bylaw. The budget includes all expenditures that 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 2024 Proposed Capital Budget with respect to the 2024 recommended projects and the associated Operating Budget Impacts (OBI). This report also presents the projects currently planned for years 2025-2028 as required; however, the projects will be subject to final approval in each subsequent year.

The City owns over \$3.8 billion of infrastructure and amenities (historical value), encompassing flood protection, water and sewer infrastructure; roadways, walkways and multi-use pathways; community facilities, parks and trails; and civic facilities including the Works Yard. As the City's assets age, asset replacement, repairs and maintenance will be required. Continuous capital investment is required to maintain the asset condition of the infrastructure and civic buildings, as it impacts the quality of life of residents and businesses.

### 2024 Capital Process

The annual capital requirements are driven by many factors including growth, global environment, existing asset condition, Council's priorities, industry standard, and legislated, regulatory and safety requirements. Each division prepares and prioritizes their capital submissions based on their area of expertise. Project scopes are detailed, alternatives are reviewed, and funding sources are considered. Each division also self-ranks their submissions using the established criteria as summarized in Appendix 1.

The Review Team (RT), comprised of directors from each division, is appointed by the Senior Management Team (SMT) to review each request using the established ranking criteria. The RT reviews and determines the final ranking for each submission, giving consideration to Council's strategic plans, policies, priorities and endorsements.

The ranked projects are consolidated and recommended based on funding availability for the CAO and SMT's review, discussion and final recommendation. This final recommendation is included in the 2024 Proposed Capital Budget presented to the Finance Committee for review, approval and inclusion in the Consolidated 5 Year Financial Plan (2024-2028). The capital budgeting process is illustrated in Appendix 2.

### 2024 Proposed Capital Budget

The 2024 Proposed Capital Budget (Appendix 3) is \$208.6 million with \$549,853 OBI to support multiple Council priorities to ensure that Richmond remains an appealing, livable and well-managed community. Highlights of the 2024 Proposed Capital Budget are:

- \$20.0 million is recommended for the Roads program to maintain the condition of the roads and to enhance Richmond's robust transportation network. A total of \$8.3 million will fund the annual asphalt re-paving program to maintain existing road conditions.
- \$20.6 million to advance the accelerated Flood Protection program. The Flood Protection program continues to leverage the senior government funding to improve the prevention and management of climate change impacts and extreme weather events.
- A combined \$23.3 million is recommended for the remaining Infrastructure program (sanitary sewer, water, and infrastructure advanced design and minor public works) to ensure the assets are effectively maintained and continue to meet the needs of the growing community. Specifically, \$5.1 million will be for development-coordinated works at planned neighborhoods to achieve cost efficiencies and to reduce construction impacts to residents.

- A total of \$101.1 million for the Building program, of which \$70.0 million is allocated for Phase 1 of the Works Yard Replacement project, \$7.0 million is for Britannia Shipyards - Britannia Shipyard Building Envelope and Structural Renewals, and \$4.3 million for Steveston and South Arm Outdoor Pool Renewals. The Works Yard facility supports public works services, equipment, fuel and storage of materials that are fundamental to the operations and maintenance of the City's infrastructure. Built in the late 1970s and early 1980s, the Works Yard is crucial to the City's operations, emergency response and disaster recovery, and has not been replaced nor upgraded to modern standards.

For the Britannia Shipyards - Building Envelope and Structural Renewals project, \$7.0 million is required to complete repairs, replacements and associated works to the Shipyard building. The remaining work on the Seine Net Loft is included in the 2025 capital submission.

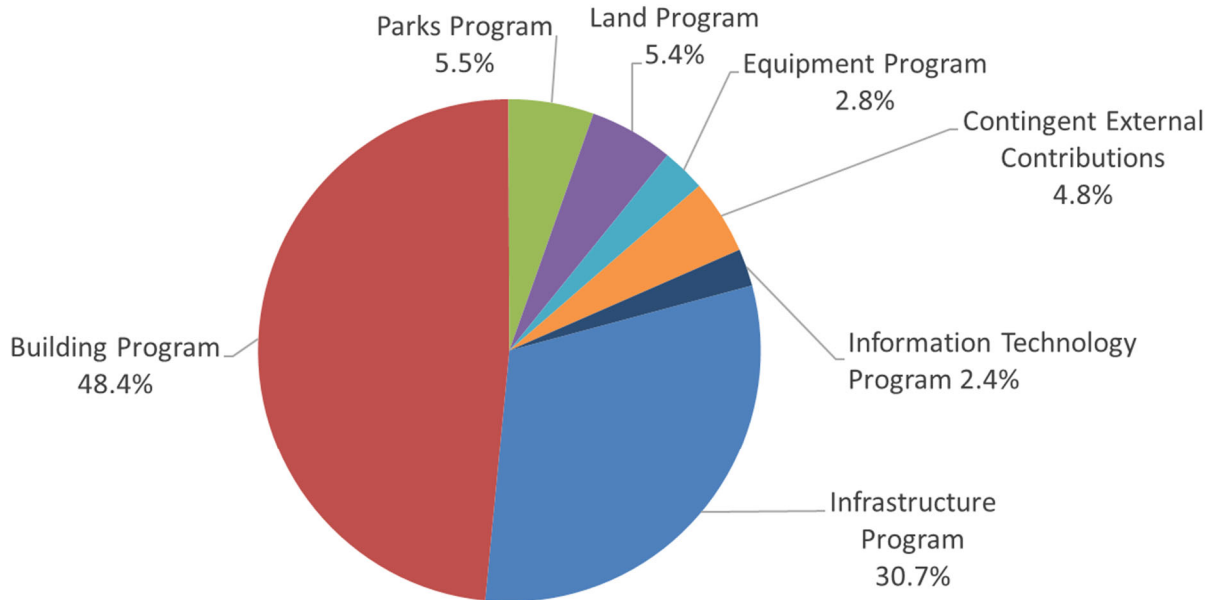
- Of the \$11.4 million for the Parks program, \$4.0 million is for Parkland Acquisition, and \$2.5 million is for the Minoru Lakes Renewal: Phase 2 project, which encompasses a stormwater detention pond system and other amenities to offer a more inviting entry into the Minoru Lakes area.
- The Equipment program is \$5.9 million which includes vehicle and equipment replacement projects, GHG and Energy Management projects, and the last phase of the Automatic Vehicle Location/Global Positioning System (AVL/GPS) expansion.
- The Information Technology program totals \$5.0 million, of which \$2.9 million includes both the MyPermits project and the Automated Plan Review AI (artificial intelligence) Software project. MyPermits focuses on reviewing and streamlining the permitting process and enabling digital access for development application submissions, review and status tracking. The Automated Plan Review AI Software project focuses on implementing an AI-driven automated plan review system to significantly enhance the speed and accuracy for processing building and development permit applications. Both projects are expected to be funded through an external grant, subject to the successful grant application for the Canada Mortgage and Housing Corporation (CMHC) Housing Accelerator Fund (HAF). HAF is a unique funding program that provides incentive funding for achieving housing supply growth targets, and both projects are part of the initiatives to fulfill this target.

Approximately \$0.4 million will be spent on the Database Encryption Project to enhance cybersecurity measures.

The 2024 Proposed Capital Budget also includes contingent external contributions which are estimates of external grants and contributions that may be approved or received throughout the year for various projects.

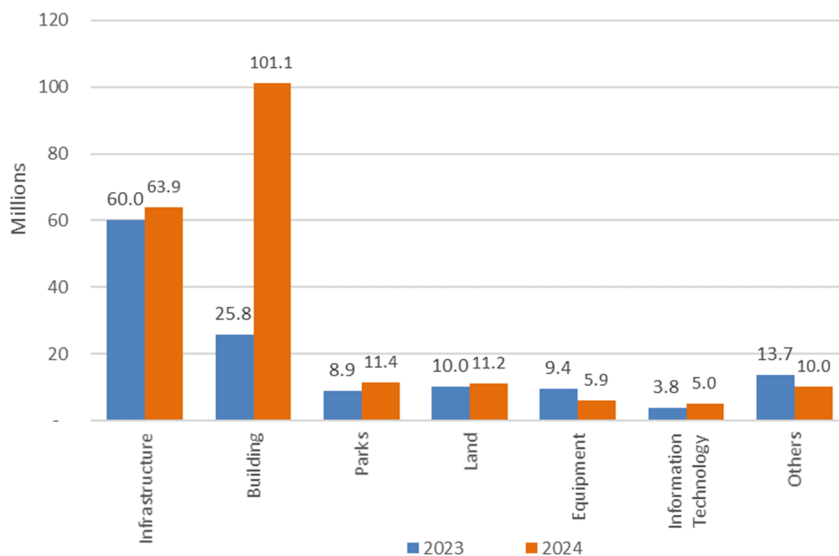
The following is an overview of the recommended capital projects by program:

**Figure 1: 2024 Recommended Projects by Program**



With the exception of the Works Yard Replacement: Phase 1 project, the 2024 Proposed Capital projects are in line with prior years. Figure 2 highlights the changes by capital program between 2023 Capital Budget and 2024 Proposed Capital Budget.

**Figure 2: Year Over Year Capital Budget Changes by Capital Program**





The 2024 recommended capital projects are listed in Appendix 3. Capital projects that are recommended but with insufficient funding are summarized in Appendix 7. Individual capital submission details can be found in Appendices 8 and 9.

At the discretion of the Finance Committee, any capital project recommended by staff for funding may be removed from the recommended list. In addition, any capital project that is recommended but with insufficient funding may be reconsidered for recommendation by Council, subject to funding availability.

### Capital Budget Funding Sources

The Capital Budget uses a variety of funding sources, which include:

- Development Cost Charges (DCCs) – These are levies placed on new development that result in increased demands on City infrastructure, and may only be used to pay for capital costs relating to drainage, parkland acquisition and development, sanitary sewer and water infrastructure that have been included in the approved DCC plan.
- External Sources – These include grants awarded from Provincial and Federal Governments, developer contributions (other than DCCs) and other non-City related sources.
- Reserves – These are funds established by bylaws for specific purposes and are funded primarily by budgeted contributions from the Operating and Utility Budgets and developer contributions plus interest earned on fund balances.
- Provisions – These are funds set aside for future commitments and obligations.

The City uses a “pay as you go” approach to finance the majority of its capital projects from reserves. Debt financing is preserved for significant large-scale capital projects whenever it is practical based on internal funding levels and external conditions.

The City also aims to utilize as much external funding as possible to fund the capital investments. Staff have been actively applying for grants whenever opportunities arise. Successful grant applications in the past include the Infrastructure Canada Disaster Mitigation and Adaptation Fund, the Canada Community Revitalization Fund, and various grant programs with TransLink and ICBC. Developers and local communities could also contribute to the capital projects for initiatives that they support. In addition to the Contingent External Contributions, the following potential external contributions are budgeted for 2024:

**Table 2: 2024 Budgeted External Funding by Capital Program**

Program	Amount
Infrastructure Program	\$7,213,000
Land Program	\$1,186,407
Parks Program	\$1,185,000
Information Technology Program	\$2,893,499
<b>Total</b>	<b>\$12,477,906</b>

Table 3 provides an overview of the funding sources by capital program.

**Table 3: 2024 Capital Program by Funding Source**

Program	Reserves	DCCs	Provisions	External Funding
Infrastructure Program	58%	16%	15%	11%
Building Program	94%	- %	6%	- %
Parks Program	28%	58%	4%	10%
Land Program	89%	- %	- %	11%
Equipment Program	78%	- %	22%	- %
Information Technology Program	8%	- %	34%	58%

Funding details of each individual submission are included in Appendix 8.

For information purposes, Appendix 4 summarizes the projects that are recommended for funding from the Capital Reserve (Revolving Fund). The Revolving Fund is intended to be used to fund a variety of general projects, which do not have dedicated funding sources.

Appendix 5 summarizes all the 2024 recommended projects funded by the Capital Building and Infrastructure (CBI) Reserve. Appendix 6 summarizes all the 2024 recommended projects funded by DCCs. Where an approved DCC capital project benefits both growth and existing population, the City is required to pay for the portion that benefits the existing population through tax or other financing sources. Under the *Local Government Act*, in addition to the portion of the total DCC infrastructure cost that is allocated to existing population, the City is also required to provide a one per cent municipal assist factor to assist future growth in paying its portion of the DCC infrastructure costs.

#### Growing Communities Reserve Fund

On February 10, 2023, the Province of BC (“the Province”) announced a one-time total of \$1 billion for all 188 of BC communities and regional districts for the Growing Communities Fund (the “GCF”) to support the delivery of infrastructure and amenities related to community growth. City of Richmond was allocated \$20,354,000 of grant funding, and the payment was received on March 23, 2023. The funds must be spent on previously approved projects and the Province also requested that all funds be expended within approximately five years of receipt.

The RT has carefully reviewed all previously approved projects against the Province’s eligibility criteria. Staff recommend the following capital projects to be funded from the GCF:

**Table 4: Growing Communities Fund**

Project	Year	Growing Communities Fund	Total Investment
First Nations Bunkhouse Reconstruction and Exhibit Development	2024	\$3,354,000	\$6,500,000
Hugh Boyd Community Facility and Fieldhouse	2025	\$17,000,000	\$17,000,000
Total		\$20,354,000	\$23,500,000

Staff will bring a separate report on the concept design and budget for these two capital projects to Council for consideration.

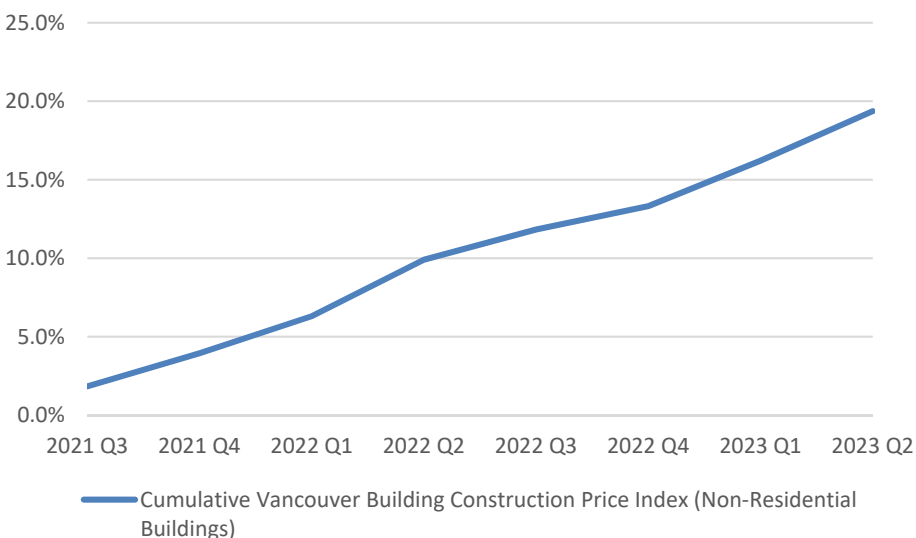
### Funding for Capital Projects - Building

Each year, building assessment is conducted on selected City owned buildings to identify the potential capital work required. Feasibility level review and costing would then be performed before submitting the capital requests to the budget process for consideration. Council priorities are considered when staff prepare the capital submissions. Approximately \$340.7 million of building repairs, renewals, reconstruction or replacements will be required between 2024 and 2028, of which \$215.3 million are related to major facilities projects like the Works Yard Replacement, Garden City Lands - Community Hub, Hugh Boyd Community Facility and Fieldhouse, Phoenix Net Loft Program Implementation, First Nations Bunkhouse Reconstruction and Exhibit Development and Japanese Duplex Restoration and Fit Out.

The total budget for the Works Yard Replacement project is estimated at \$247.0 million, of which \$30.0 million was approved in 2023 and \$150.0 million is recommended to be included in the Proposed 2024–2028 Capital Plan. The remaining \$67.0 million for the Works Yard replacement is projected to be funded by 2032.

The uncommitted balance of CBI as of December 31, 2022 is \$74.1 million. Staff recommend that in order to ensure there is sufficient funding in CBI for the Works Yard project, and the maintenance and replacement of the City's ageing facilities, Council Policy LTFMS concerning the 1 per cent annual transfer be maintained. This also allows the City to keep up with the unprecedented increase in construction costs, where the non-residential building construction price index has increased by 19.4 per cent in the past 2 years. Figure 3 highlights the rising trend of the non-residential building construction price index between Q3, 2021 to Q2, 2023.

**Figure 3: Cumulative Vancouver Building Consumer Price Index (Non-Residential Buildings)**



### 2024 Operating Budget Impact (“OBI”)

Capital projects include new and replacement assets. Upon completion of these capital projects, assets are added to the City’s inventory. Replacement projects may also have costs associated to maintain existing levels of service. Operating Budget Impact associated with the new assets and replacement projects may include:

- Annual software subscription and support contract
- Janitorial services, utility costs, maintenance costs

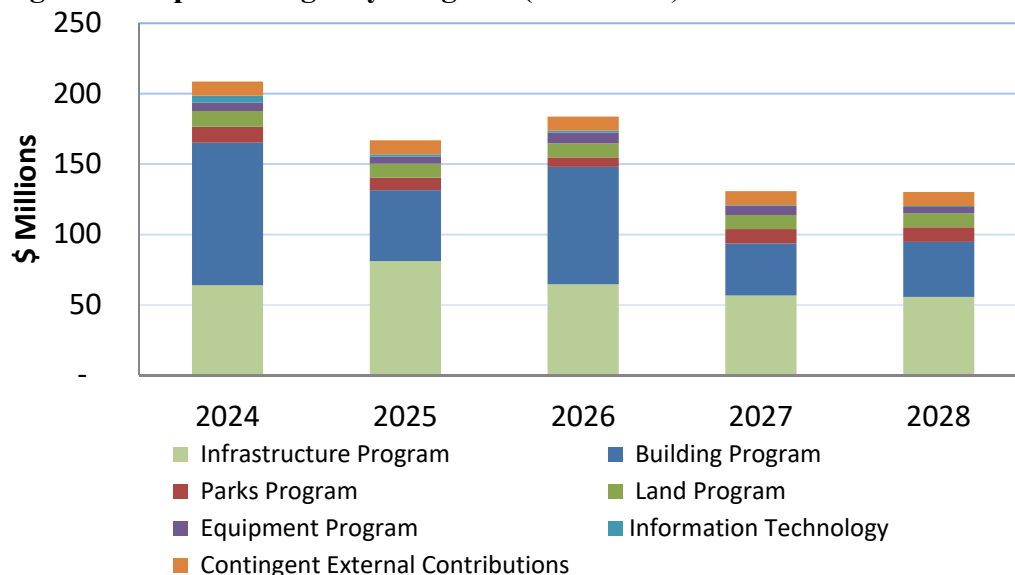
The existing operating budget is reviewed prior to submitting a request for OBI to ensure it cannot be accommodated within the existing budget. OBIs resulting from approved capital projects will be added to the Operating Budget in the same year that the capital projects are approved by Council.

Total OBI relating to the 2024 recommended projects, excluding staffing requirements, is \$549,853. Of this amount, \$50,118 included within the Infrastructure program is related to the utility projects. As such, if the respective projects are approved, this amount will be incorporated into the 2025 utility rate budget, as the 2024 Utility Budgets and Rates report has already been approved by Council on November 14, 2023.

### Proposed 2024 to 2028 Capital Plan

The Proposed 2024 to 2028 Capital Plan supports a significant capital investment for the Major Facilities projects. The Works Yard project is planned to be funded over the next 10 years. Other major facilities projects to be funded within the Proposed 2024 to 2028 Capital Plan include Hugh Boyd Community Facility and Fieldhouse, First Nations Bunkhouse Reconstruction and Exhibit Development, Japanese Duplex Restoration and Fit Out, Garden City Lands - Community Hub, and Phoenix Net Loft Program Implementation. Figure 4 shows the Proposed 2024 to 2028 Capital Plan by program.

**Figure 4: Capital Budget by Program (2024-2028)**



Future year capital submissions may be adjusted as staff review the priorities, asset conditions and funding availability in the years to come. All future year capital submissions will be subject to final approval in each subsequent year. A summary of the 5 Year Capital Plan (2024-2028) is presented in Appendix 10, and the funding sources are presented in Appendix 11.

A detailed listing of the 2024–2028 recommended capital projects by program is presented in Appendix 12 with highlights of the 2025–2028 projects summarized in Appendix 14. Appendix 13 lists the 2024–2028 capital projects by program that are recommended but with insufficient funding.

### **Financial Impact**

The 2024 Proposed Capital Budget with a total value of \$208,564,335 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 2024 Proposed Capital Budget in the Consolidated 5 Year Financial Plan (2024–2028). The Operating Budget Impact associated with these projects is \$549,853.

### **Conclusion**

The recommended capital budget for 2024 is \$208,564,335. The Review Team worked closely with the CAO and SMT to represent the interests of all stakeholders to ensure that the 2024 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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JH: lr

- Appendix 1: Capital Ranking Criteria
- Appendix 2: 2024 Capital Budget Process
- Appendix 3: Summary of Capital Projects – Recommended for funding in 2024
- Appendix 4: 2024 Summary of Projects Funded by Revolving Fund
- Appendix 5: 2024 Summary of Projects Funded by Capital Building and Infrastructure Reserve
- Appendix 6: 2024 Summary of Projects Funded by Development Cost Charges
- Appendix 7: Summary of Capital Projects – Recommended but insufficient funding in 2024
- Appendix 8: Details of Projects Recommended for funding in 2024 by Program
- Appendix 9: Details of Projects Recommended but insufficient funding in 2024 by Program
- Appendix 10: 5 Year Capital Plan Summary (2024 - 2028)
- Appendix 11: 5 Year Capital Plan by Funding Sources (2024 - 2028)
- Appendix 12: 5 Year Capital Plan by Program (2024 - 2028) - Recommended
- Appendix 13: 5 Year Capital Plan by Program (2024 - 2028) - Recommended but insufficient funding
- Appendix 14: 2025 - 2028 Capital Plan Highlights
- Appendix 15: Glossary of Terms

## Capital Ranking Criteria

Alignment with City Vision	Does this support Council's Strategic Plan or an approved City strategy?
Risk Management	Is there a legal or regulatory compliance requirement, life safety and property protection and/or other key risks that need to be managed?
Social	Will this enhance social equity, vibrancy and/or health and wellness of the community?
Environmental	Will this improve environmental conditions or reduce waste?
Economic	Is there Operating Budget Impact (OBI) and external funding for the project?
Innovation & Efficiency	Is this innovative and does it increase productivity? (applicable only to IT related submissions)

## 2024 Capital Budget Process





Project Name	External Funding	City Funding	Total Investment	Total OBI	Ref
<b>INFRASTRUCTURE PROGRAM</b>					
<b>Roads</b>					
Active Transportation Improvement Program	-	1,000,000	1,000,000	1,920	26
Annual Asphalt Re-Paving Program - MRN	-	3,370,000	3,370,000	-	27
Annual Asphalt Re-Paving Program - Non-MRN	-	3,939,705	3,939,705	-	28
Arterial Roadway Improvement Program	-	1,000,000	1,000,000	-	29
Bridge Rehabilitation Program	-	300,000	300,000	-	30
Citywide Connector Walkways Rehabilitation Program	-	250,000	250,000	-	31
Citywide Sidewalk and Street Light Replacement Program	-	500,000	500,000	-	32
Gilbert Road Off-road Cycling Facility, Granville Avenue to Elmbridge Way	3,113,000	1,037,000	4,150,000	-	33
LED Street Name Sign Program	-	200,000	200,000	-	34
Neighbourhood Walkway Program	-	500,000	500,000	-	35
Special Crosswalk Program	-	350,000	350,000	5,696	36
Street Light LED Upgrades	-	490,000	490,000	(35,000)	37
Supplementary Asphalt Re-Paving Program - Non-MRN	-	1,000,000	1,000,000	-	38
Top 20 Collision Prone Intersections - Implementation of Medium-/Long-term Improvements	-	600,000	600,000	-	39
Traffic Calming Program	-	300,000	300,000	-	40
Traffic Signal Power Backup System (UPS)	-	200,000	200,000	-	41
Traffic Signal Program	-	600,000	600,000	4,331	42
Traffic Video and Communication Program	-	400,000	400,000	-	43
Transit-Related Amenity Improvement Program	-	100,000	100,000	-	44
Transit-Related Roadway Improvement Program	100,000	100,000	200,000	-	45
Transportation Planning, Functional and Preliminary Design	-	600,000	600,000	-	46
<b>Total Roads</b>	<b>\$3,213,000</b>	<b>\$16,836,705</b>	<b>\$20,049,705</b>	<b>(\$23,053)</b>	
<b>Flood Protection</b>					
Burkeville Utility Improvements	-	4,005,000	4,005,000	13,700	48
Canal Stabilization and Drainage and Irrigation Upgrades	-	3,000,000	3,000,000	-	49
Development Coordinated Works – Flood Protection	-	250,000	250,000	-	50
Disaster Mitigation and Adaptation Fund Infrastructure Upgrades	4,000,000	6,000,000	10,000,000	-	51
Drainage Pump Station Rehabilitation and Generator Upgrade	-	200,000	200,000	5,800	52
Flood Protection and Dike Improvements	-	1,084,000	1,084,000	-	53
Invasive Species Management	-	200,000	200,000	-	54
Laneway Drainage Upgrade	-	1,272,000	1,272,000	13,200	55
SCADA System Improvements	-	350,000	350,000	-	56
Watercourse Rehabilitation and Replacement	-	200,000	200,000	-	57
<b>Total Flood Protection</b>	<b>\$4,000,000</b>	<b>\$16,561,000</b>	<b>\$20,561,000</b>	<b>\$32,700</b>	
<b>Water</b>					
Development Coordinated Works - Water	-	250,000	250,000	-	59
Fire Hydrant Upgrades	-	400,000	400,000	-	60
Water Metering Program	-	2,000,000	2,000,000	17,418	61
Watermain Replacement Upgrades Program	-	6,668,274	6,668,274	-	62
Watermain Tie-in and Restoration	-	300,000	300,000	-	63
<b>Total Water</b>	<b>-</b>	<b>\$9,618,274</b>	<b>\$9,618,274</b>	<b>\$17,418</b>	

Project Name	External Funding	City Funding	Total Investment	Total OBI	Ref
<b>INFRASTRUCTURE PROGRAM</b>					
<i><b>Sanitary Sewer</b></i>					
6333 Cooney Road Development Coordinated Works – Sanitary System Upgrade	-	2,300,000	2,300,000	-	65
9800 Van Horne Way Development Coordinated Works Development Coordinated Works - Sanitary	-	2,800,000	2,800,000	-	66
Sanitary Pump Station and Forcemain Upgrades and Rehabilitation	-	250,000	250,000	-	67
Sanitary Sewer Gravity System Assessment and Rehabilitation	-	700,000	700,000	-	68
Sanitary Sewer Tie-in and Restoration	-	1,050,000	1,050,000	-	69
Steveston Sanitary Sewer Rehabilitation	-	150,000	150,000	-	70
	-	900,000	900,000	-	71
<i><b>Total Sanitary Sewer</b></i>	-	<b>\$8,150,000</b>	<b>\$8,150,000</b>	-	
<i><b>Infrastructure Advanced Design and Minor Public Works</b></i>					
Public Works Infrastructure Advanced Design	-	2,970,000	2,970,000	-	73
Public Works Minor Capital - Dikes	-	400,000	400,000	-	74
Public Works Minor Capital - Drainage	-	455,000	455,000	-	75
Public Works Minor Capital - Roads	-	250,000	250,000	-	76
Public Works Minor Capital - Sanitary	-	455,000	455,000	-	77
Public Works Minor Capital - Sanitation and Recycling	-	600,000	600,000	-	78
Public Works Minor Capital - Water	-	450,000	450,000	-	79
<i><b>Total Infrastructure Advanced Design and Minor Public Works</b></i>	-	<b>\$5,580,000</b>	<b>\$5,580,000</b>	-	
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>\$7,213,000</b>	<b>\$56,745,979</b>	<b>\$63,958,979</b>	<b>\$27,065</b>	
<b>BUILDING PROGRAM</b>					
<i><b>Building</b></i>					
Annual Infrastructure Replacements and Building Improvements	-	3,460,013	3,460,013	-	81
Capital Buildings Project Development Advanced Design	-	1,500,000	1,500,000	-	82
City Hall Annex Infrastructure Replacements	-	600,000	600,000	-	83
Community Safety Building Security Enhancements and Infrastructure Replacement	-	1,787,525	1,787,525	-	84
Fire Hall No. 7 System Renewals	-	1,900,000	1,900,000	-	85
Richmond Curling Club Priority 2 Repairs - Phase 2	-	3,100,000	3,100,000	-	86
Steveston and South Arm Outdoor Pool Renewals	-	4,300,000	4,300,000	-	87
Steveston Martial Arts Roof Beam Remediation and Fascia Board Replacement	-	1,000,000	1,000,000	-	88
Works Yard Replacement - Phase 1	-	70,000,000	70,000,000	-	89
<i><b>Total Building</b></i>	-	<b>\$87,647,538</b>	<b>\$87,647,538</b>	-	
<i><b>Heritage</b></i>					
Britannia Shipyards – Britannia Shipyard Building Envelope and Structural Renewals	-	7,000,000	7,000,000	-	91
First Nations Bunkhouse Reconstruction and Exhibit Development	-	6,500,000	6,500,000	185,824	92
<i><b>Total Heritage</b></i>	-	<b>\$13,500,000</b>	<b>\$13,500,000</b>	<b>\$185,824</b>	
<b>TOTAL BUILDING PROGRAM</b>	-	<b>\$101,147,538</b>	<b>\$101,147,538</b>	<b>\$185,824</b>	

Project Name	External Funding	City Funding	Total Investment	Total OBI	Ref
<b>PARKS PROGRAM</b>					
<i>Parks</i>					
Bowling Green Lighting LED Replacement	-	450,000	450,000	-	94
Burkeville Neighbourhood Park Redevelopment	-	600,000	600,000	-	95
City-Wide Community Gardens	-	300,000	300,000	5,700	96
Hugh Boyd Community Park Playground Renewal	-	300,000	300,000	-	97
Minoru Lakes Renewal: Phase 2	1,150,000	1,350,000	2,500,000	7,950	98
Minoru Park Central Amenity Space Concept Design	35,000	350,000	385,000	-	99
Parks Advance Planning and Design	-	800,000	800,000	-	100
Parks Ageing Infrastructure Replacement Program	-	730,000	730,000	-	101
Parks General Development	-	500,000	500,000	-	102
Parks Interpretive Signage Program - Phase 2	-	120,000	120,000	7,500	103
Playground Replacement Program	-	600,000	600,000	-	104
Waterfront Infrastructure Renewals	-	120,000	120,000	-	105
<b>Total Parks</b>	<b>\$1,185,000</b>	<b>\$6,220,000</b>	<b>\$7,405,000</b>	<b>\$21,150</b>	
<i>Parkland</i>					
Parkland Acquisition	-	4,000,000	4,000,000	-	107
<b>Total Parkland</b>	<b>-</b>	<b>\$4,000,000</b>	<b>\$4,000,000</b>	<b>-</b>	
<b>TOTAL PARKS PROGRAM</b>	<b>\$1,185,000</b>	<b>\$10,220,000</b>	<b>\$11,405,000</b>	<b>\$21,150</b>	
<b>LAND PROGRAM</b>					
<i>Land</i>					
Strategic Real Estate Acquisition	1,186,407	10,000,000	11,186,407	-	109
<b>TOTAL LAND PROGRAM</b>	<b>\$1,186,407</b>	<b>\$10,000,000</b>	<b>\$11,186,407</b>	<b>-</b>	
<b>EQUIPMENT PROGRAM</b>					
<i>Vehicle</i>					
Automatic Vehicle Location/Global Positioning System Expansion	-	189,554	189,554	121,762	111
Vehicle and Equipment Reserve Purchases (PW and Corporate Fleet)	-	3,685,000	3,685,000	-	112
<b>Total Vehicle</b>	<b>-</b>	<b>\$3,874,554</b>	<b>\$3,874,554</b>	<b>\$121,762</b>	
<i>Fire Dept Vehicles and Equipment</i>					
Fire Vehicle Replacement Reserve Purchases	-	1,476,000	1,476,000	-	114
<b>Total Fire Dept Vehicles and Equipment</b>	<b>-</b>	<b>\$1,476,000</b>	<b>\$1,476,000</b>	<b>-</b>	
<i>Equipment</i>					
GHG and Energy Management Projects	-	550,000	550,000	-	116
<b>Total Equipment</b>	<b>-</b>	<b>\$550,000</b>	<b>\$550,000</b>	<b>-</b>	
<b>TOTAL EQUIPMENT PROGRAM</b>	<b>-</b>	<b>\$5,900,554</b>	<b>\$5,900,554</b>	<b>\$121,762</b>	
<b>INFORMATION TECHNOLOGY PROGRAM</b>					
<i>Information Technology</i>					
Annual Hardware Refresh	-	447,700	447,700	-	118
Automated Plan Review AI Software	717,414	-	717,414	55,000	119
Commvault City Hall Storage Refresh	-	131,658	131,658	6,552	120
CRM Public Works Expansion	-	400,000	400,000	-	121
Database Encryption Project	-	355,000	355,000	44,500	122
MyPermits	2,176,085	-	2,176,085	-	123
VXRail Host Expansion and Refresh	-	738,000	738,000	88,000	124
<b>TOTAL INFORMATION TECHNOLOGY PROGRAM</b>	<b>\$2,893,499</b>	<b>\$2,072,358</b>	<b>\$4,965,857</b>	<b>\$194,052</b>	

Project Name	External Funding	City Funding	Total Investment	Total OBI	Ref
CONTINGENT EXTERNAL CONTRIBUTIONS					
Contingent External Contributions	10,000,000	-	10,000,000	-	126
TOTAL CONTINGENT EXTERNAL CONTRIBUTIONS	\$10,000,000	-	\$10,000,000	-	
Total 2024 Capital Program	\$22,477,906	\$186,086,429	\$208,564,335	\$549,853	

OBI Type	
Operating OBI	\$499,735
Utility OBI	50,118
Total OBI	\$549,853

Each year, the Revolving Fund is utilized to fund various capital projects. This summary shows the 2024 capital projects and the corresponding amounts funded by the Revolving Fund.

PROGRAM NAME	Revolving Fund	Total Investment	Total OBI	Ref
<b>INFRASTRUCTURE PROGRAM</b>				
<i><b>Roads</b></i>				
Bridge Rehabilitation Program	300,000	300,000	-	30
Citywide Connector Walkways Rehabilitation Program	250,000	250,000	-	31
Citywide Sidewalk and Street Light Replacement Program	500,000	500,000	-	32
Supplementary Asphalt Re-Paving Program - Non-MRN	1,000,000	1,000,000	-	38
<i><b>Total Roads</b></i>	<i><b>\$2,050,000</b></i>	<i><b>\$2,050,000</b></i>	<i><b>-</b></i>	
<i><b>Infrastructure Advanced Design and Minor Public Works</b></i>				
Public Works Minor Capital - Roads	250,000	250,000	-	76
<i><b>Total Infrastructure Advanced Design and Minor Public Works Program</b></i>	<i><b>\$250,000</b></i>	<i><b>\$250,000</b></i>	<i><b>-</b></i>	
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	<b>\$2,300,000</b>	<b>\$2,300,000</b>	<b>-</b>	
<b>BUILDING</b>				
Works Yard Replacement – Phase 1	15,000,000	70,000,000	-	89
<b>TOTAL BUILDING PROGRAM</b>	<b>\$15,000,000</b>	<b>\$70,000,000</b>	<b>-</b>	
<b>PARKS</b>				
Burkeville Neighbourhood Park Redevelopment	600,000	600,000	-	95
Minoru Lakes Renewal: Phase 2	650,000	2,500,000	7,950	98
Parks Ageing Infrastructure Replacement Program	730,000	730,000	-	101
Playground Replacement Program	600,000	600,000	-	104
Waterfront Infrastructure Renewals	120,000	120,000	-	105
<b>TOTAL PARKS PROGRAM</b>	<b>\$2,700,000</b>	<b>\$4,550,000</b>	<b>\$7,950</b>	
<b>Total Projects Funded by Revolving Fund</b>	<b>\$20,000,000</b>	<b>\$76,850,000</b>	<b>\$7,950</b>	
The City funding related to Roads DCC and Parks DCC capital projects are also funded by the Revolving Fund.				
City funding for Parks Acquisition DCC capital projects	297,500			
City funding for Parks Development DCC capital projects	123,165			
City funding for Roads DCC capital projects	460,351			
<b>Total City Funding for DCC Capital Projects</b>	<b>\$881,016</b>			
<b>TOTAL FUNDING FROM REVOLVING FUND</b>	<b>\$20,881,016</b>			

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

Capital Building and Infrastructure Reserve				
Project Name	Capital Building and Infrastructure Fund	Total Investment	Total OBI	Ref
<b><i>Building</i></b>				
Capital Buildings Project Development Advanced Design	1,500,000	1,500,000	-	82
City Hall Annex Infrastructure Replacements	600,000	600,000	-	83
Community Safety Building Security Enhancements and Infrastructure Replacement	1,787,525	1,787,525	-	84
Fire Hall No. 7 System Renewals	1,900,000	1,900,000	-	85
Richmond Curling Club Priority 2 Repairs - Phase 2	3,100,000	3,100,000	-	86
Steveston and South Arm Outdoor Pool Renewals	2,700,000	4,300,000	-	87
Works Yard Replacement - Phase 1	35,000,000	70,000,000	-	89
<b><i>Total Building</i></b>	<b><i>\$46,587,525</i></b>	<b><i>\$83,187,525</i></b>	<b><i>-</i></b>	
<b><i>Heritage</i></b>				
Britannia Shipyards - Britannia Shipyard Building Envelope and Structural Renewals	7,000,000	7,000,000	-	91
First Nations Bunkhouse Reconstruction and Exhibit Development	3,146,000	6,500,000	185,824	92
<b><i>Total Heritage</i></b>	<b><i>\$10,146,000</i></b>	<b><i>\$13,500,000</i></b>	<b><i>\$185,824</i></b>	
<b>Total Building Program</b>	<b>\$56,733,525</b>	<b>\$96,687,525</b>	<b>\$185,824</b>	
<b>Grand Total</b>	<b>\$56,733,525</b>	<b>\$96,687,525</b>	<b>\$185,824</b>	

DCC are levies placed on new development that result in increased demands on City infrastructure and could be used on capital projects included in the approved DCC plan.

Project Name	DCC Funding	City Funding <sup>1</sup>	Total Investment <sup>2</sup>	Total OBI	Ref
<b>ROADS DCC</b>					
<i>Roads</i>					
Active Transportation Improvement Program	940,500	59,500	1,000,000	1,920	26
Arterial Roadway Improvement Program	940,500	59,500	1,000,000	-	29
Gilbert Road Off-road Cycling Facility, Granville Avenue to Elmbridge Way	975,299	61,701	4,150,000	-	33
LED Street Name Sign Program	188,100	11,900	200,000	-	34
Neighbourhood Walkway Program	470,250	29,750	500,000	-	35
Special Crosswalk Program	329,175	20,825	350,000	5,696	36
Top 20 Collision Prone Intersections - Implementation of Medium-/Long-term Improvements	564,300	35,700	600,000	-	39
Traffic Calming Program	282,150	17,850	300,000	-	40
Traffic Signal Power Backup System (UPS)	188,100	11,900	200,000	-	41
Traffic Signal Program	564,300	35,700	600,000	4,331	42
Traffic Video and Communication Program	376,200	23,800	400,000	-	43
Transit-Related Amenity Improvement Program	94,050	5,950	100,000	-	44
Transit-Related Roadway Improvement Program	94,050	5,950	200,000	-	45
Transportation Planning, Functional and Preliminary Design	564,300	35,700	600,000	-	46
<b>Total Roads</b>	<b>\$6,571,274</b>	<b>\$415,726</b>	<b>\$10,200,000</b>	<b>\$11,947</b>	
<i>Infrastructure Advanced Design and Minor Public Works</i>					
Public Works Infrastructure Advanced Design <sup>3</sup>	705,375	44,625	2,970,000	-	73
<b>Total Infrastructure Advanced Design and Minor Public Works</b>	<b>\$705,375</b>	<b>\$44,625</b>	<b>\$2,970,000</b>	<b>-</b>	
<b>TOTAL ROADS DCC</b>	<b>\$7,276,649</b>	<b>\$460,351</b>	<b>\$13,170,000</b>	<b>\$11,947</b>	
<b>DRAINAGE DCC</b>					
<i>Flood Protection</i>					
Disaster Mitigation and Adaptation Fund Infrastructure Upgrades	1,138,500	3,461,500	10,000,000	-	51
<b>Total Flood Protection</b>	<b>\$1,138,500</b>	<b>\$3,461,500</b>	<b>\$10,000,000</b>	<b>-</b>	
<b>TOTAL DRAINAGE DCC</b>	<b>\$1,138,500</b>	<b>\$3,461,500</b>	<b>\$10,000,000</b>	<b>-</b>	
<b>WATER DCC</b>					
<i>Water</i>					
Watermain Replacement Upgrades Program	1,436,521	90,879	6,668,274	-	62
<b>Total Water</b>	<b>\$1,436,521</b>	<b>\$90,879</b>	<b>\$6,668,274</b>	<b>-</b>	
<b>TOTAL WATER</b>	<b>\$1,436,521</b>	<b>\$90,879</b>	<b>\$6,668,274</b>	<b>-</b>	
<b>SANITARY SEWER DCC</b>					
<i>Infrastructure Advanced Design and Minor Public Works</i>					
Public Works Infrastructure Advanced Design <sup>3</sup>	103,950	1,050	2,970,000	-	73
<b>Total Infrastructure Advanced Design and Minor Public Works</b>	<b>\$103,950</b>	<b>\$1,050</b>	<b>\$2,970,000</b>	<b>-</b>	
<b>TOTAL SANITARY SEWER DCC</b>	<b>\$103,950</b>	<b>\$1,050</b>	<b>\$2,970,000</b>	<b>-</b>	

Project Name	DCC Funding	City Funding <sup>1</sup>	Total Investment <sup>2</sup>	Total OBI	Ref
<b>PARKS ACQUISITION DCC</b>					
<i><b>Parks</b></i>					
Hugh Boyd Community Park Playground Renewal	282,150	17,850	300,000	-	97
Minoru Lakes Renewal: Phase 2	658,350	41,650	2,500,000	7,950	98
<i><b>Total Parks</b></i>	<b>\$940,500</b>	<b>\$59,500</b>	<b>\$2,800,000</b>	<b>\$7,950</b>	
<i><b>Parkland</b></i>					
Parkland Acquisition	3,762,000	238,000	4,000,000	-	107
<i><b>Total Parkland</b></i>	<b>\$3,762,000</b>	<b>\$238,000</b>	<b>\$4,000,000</b>	<b>-</b>	
<b>TOTAL PARKS ACQUISITION DCC</b>	<b>\$4,702,500</b>	<b>\$297,500</b>	<b>\$6,800,000</b>	<b>\$7,950</b>	
<b>PARKS DEVELOPMENT DCC</b>					
<i><b>Parks</b></i>					
City-Wide Community Gardens	282,150	17,850	300,000	5,700	96
Minoru Park Central Amenity Space Concept Design	329,175	20,825	385,000	-	99
Parks Advance Planning and Design	752,400	47,600	800,000	-	100
Parks General Development	470,250	29,750	500,000	-	102
Parks Interpretive Signage Program - Phase 2	112,860	7,140	120,000	7,500	103
<i><b>Total Parks</b></i>	<b>\$1,946,835</b>	<b>\$123,165</b>	<b>\$2,105,000</b>	<b>\$13,200</b>	
<b>TOTAL PARKS DEVELOPMENT DCC</b>	<b>\$1,946,835</b>	<b>\$123,165</b>	<b>\$2,105,000</b>	<b>\$13,200</b>	
<b>Grand Total</b>	<b>\$16,604,955</b>	<b>\$4,434,445</b>	<b>\$38,743,274</b>	<b>\$33,097</b>	

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

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

<sup>3</sup>This project is funded by multiple funding sources including Roads DCC and Sanitary Sewer DCC. The grant total of the total investment has been adjusted accordingly as the same project has been shown under multiple DCC categories.



Project Name	External Funding	City Funding	Total Investment	Total OBI	Ref
<b>INFRASTRUCTURE PROGRAM</b>					
<i>Infrastructure Advanced Design and Minor Public Works</i>					
Public Works Minor Capital - Traffic	-	250,000	250,000	-	128
<b>TOTAL INFRASTRUCTURE PROGRAM</b>	-	<b>\$250,000</b>	<b>\$250,000</b>	-	
<b>BUILDING PROGRAM</b>					
<i>Building</i>					
Facility Services Minor Capital Works	-	500,000	500,000	-	130
UPS Replacement	-	400,000	400,000	60,000	131
<b>TOTAL BUILDING PROGRAM</b>	-	<b>\$900,000</b>	<b>\$900,000</b>	<b>\$60,000</b>	
<b>PARKS PROGRAM</b>					
<i>Parks</i>					
Park Shelter and Shade Program	-	500,000	500,000	4,000	133
Pickleball Court Construction	-	1,430,000	1,430,000	2,110	134
Waterfront Infrastructure Renewals	-	550,000	550,000	-	135
<b>TOTAL PARKS PROGRAM</b>	-	<b>\$2,480,000</b>	<b>\$2,480,000</b>	<b>\$6,110</b>	
<b>EQUIPMENT PROGRAM</b>					
<i>Vehicle</i>					
Pick-Up Truck for Parks Maintenance Work	-	140,000	140,000	34,464	137
<b>TOTAL EQUIPMENT PROGRAM</b>	-	<b>\$140,000</b>	<b>\$140,000</b>	<b>\$34,464</b>	
<b>INFORMATION TECHNOLOGY PROGRAM</b>					
<i>Information Technology</i>					
City Hall Meeting Room AV Equipment Upgrade	-	111,208	111,208	23,553	139
Document and Record Management System Modernization	-	2,077,258	2,077,258	(112,000)	140
<b>TOTAL INFORMATION TECHNOLOGY PROGRAM</b>	-	<b>\$2,188,466</b>	<b>\$2,188,466</b>	<b>(\$88,447)</b>	
<b>Total 2024 Capital Program – Recommended but Insufficient Funds</b>	-	<b>\$5,958,466</b>	<b>\$5,958,466</b>	<b>\$12,127</b>	

## 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 Richmond's transportation system. Projects range from road network upgrades and replacement of ageing infrastructure, expansion of walking and cycling paths for better safety and connectivity, neighborhood and school zone traffic calming and improving access and amenities for transit users. These projects align with the City's Official Community Plan modal share and Community Energy and Emissions Plan objectives and support a number of Council's Strategic Focus areas through infrastructure projects that expand safe, sustainable and active travel choices in Richmond.

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<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Roads</b>
<b>Project Name:</b>	<b>Active Transportation Improvement Program</b>	<b>Submission ID:</b>	<b>6625</b>

**Location:**

Various Locations

**Cost:**

\$1,000,000

**Funding Sources:**

Roads DCC:

\$940,500

Capital Reserve (Revolving Fund):

\$59,500

**OBI:**

\$1,920

**Scope:**

Implement pedestrian, cycling and rolling (e.g., wheelchairs and scooters) improvements to support: 1) the expansion of on-street cycling routes and off-street multi-use pathways; and 2) cycling and rolling initiatives and on-going enhancements to existing infrastructure. The project includes design, fabrication of materials, construction, public and stakeholder engagement and outreach, and land acquisition as required.

Major Cost Components: New on-street cycling facilities, off-street multi-use pathways for transportation purposes, bike racks, pavement markings and signage, and associated road geometric improvements.

The list of improvements currently planned for 2024 includes:

1. Midtown Neighbourhood Cycling Route - Improvements to signage, bike stencil painting and installation of improved, accessible concrete letdowns along 3.8 km of neighbourhood cycling route.
2. Alder Neighbourhood Cycling Route - Improvements to signage and bike stencil painting along 340 m of neighborhood cycling route.
3. Great Canadian Way Cycling Protection - Protecting existing on-street cycling lanes between Bridgeport Road and River Road with delineators, improved line painting or concrete curbing.
4. Gilbert Road Cycling Protection - Protecting existing on-street cycling lanes between Elmbridge Way and Dinsmore Bridge with delineators and improved line painting.
5. Funding to seek land acquisition to implement improvements to the cycling network, including at No 3 Road and Lucas Road (as part of the Crosstown Neighbourhood Cycling Route), and along the Alderbridge Way Multi-Use Pathway.
6. Minor improvements to improve connectivity in the walking and cycling network.

Funding: Roads DCC program; potential grants from TransLink, ICBC and development.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Annual Asphalt Re-Paving Program - MRN	Submission ID:	6743

Location:

Various Locations

Cost:

\$3,370,000

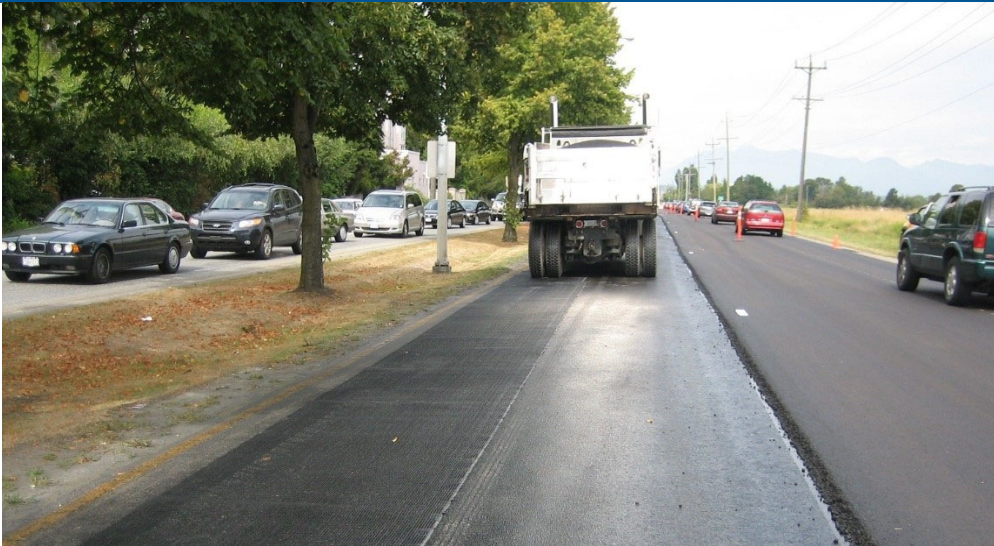
Funding Sources:

MRN Rehabilitation:

\$3,370,000

OBI:

\$ -



Scope:

This project involves re-paving Major Road Network (MRN) roads in alignment with the City's Ageing Utility and Road Infrastructure Planning – 2022 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, line painting and staff inspection time.



Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Annual Asphalt Re-Paving Program - Non-MRN	Submission ID:	6744

**Location:**  
Various Locations

**Cost:**  
\$3,939,705

**Funding Sources:**  
Asphalt Capping:  
\$3,939,705

**OBI:**  
\$ -



**Scope:**

This project involves re-paving City-owned Non-MRN roads in alignment with the City's Ageing Utility and Road Infrastructure Planning – 2022 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, line painting, and staff inspection time. In addition, this project includes paving components of water, sanitary, and flood protection capital projects, as well as consultant/contractor fees for bridge upgrades and the Pavement Management Plan.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Arterial Roadway Improvement Program	Submission ID:	6626

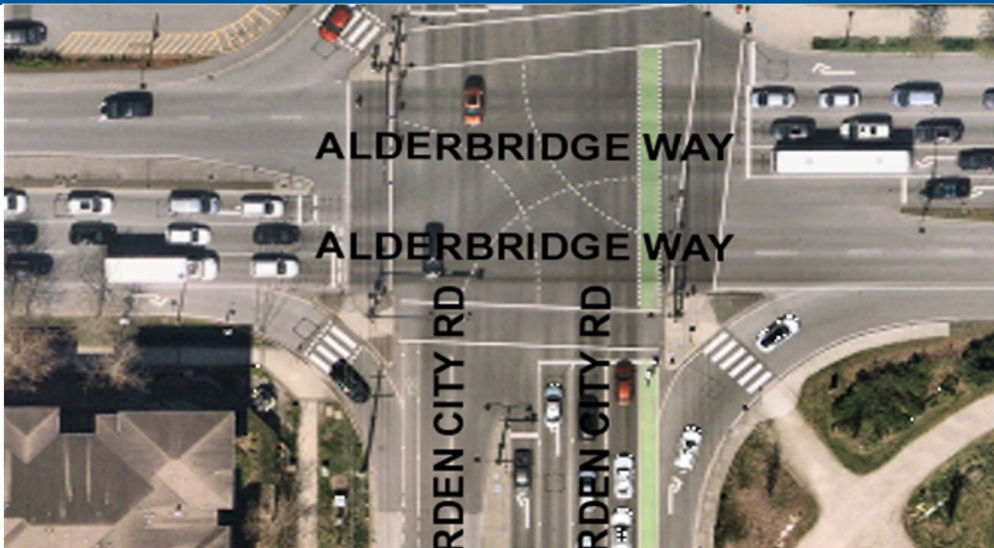
**Location:**  
Various Locations

**Cost:**  
\$1,000,000

**Funding Sources:**  
Roads DCC:  
\$940,500

Capital Reserve (Revolving Fund):  
\$59,500

**OBI:**  
\$ -



**Scope:**

Implement pedestrian and traffic safety improvements along arterial roads and at arterial road intersections to address issues including those identified through requests from the public and/or Council.

Major Cost Components: New and/or enhancement of turn lanes, channelization, traffic signage, pedestrian safety measures enhancements and new/upgrade sidewalks/walkways.

Locations for improvements are prioritized based on traffic safety/collision risks and level of pedestrian activities (i.e., schools, neighbourhood service centres, bus stops, recreational service centres, shopping/retail centres, etc.).

The proposed works in 2024 include:

1. Removal or modification of the channelized right turn island at the southeast corner of Garden City Road and Alderbridge Way to improve pedestrian and traffic safety; and
2. Other upgrades as identified through public requests or staff review.

Funding: Roads DCC program; potential grants from TransLink, ICBC and development.

**Program:** Infrastructure Program  
**Project Name:** Bridge Rehabilitation Program

**Sub-program:** Roads  
**Submission ID:** 6748

**Location:**

Various Locations

**Cost:**

\$300,000

**Funding Sources:**

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

**OBI:**

\$ -

**Scope:**

The City completed inspections on a number of road and pedestrian bridges and watercourse crossings, and identified priority structures that are in need of repair or replacement. The scope of work for this project includes further structural inspections, engineering design, and repair or replacement of bridge structures and watercourse crossings. Specific planned areas include, but are not limited to, Bird Road Bridge, Shell Road Pedestrian Bridge, Finn Road Bridge and watercourse crossings throughout the City.

Repair or replacement work may include, but not be limited to, culvert installation, utility relocation, restoration, railing improvements, barrier installation, sidewalk repair, signage installation, crack sealing, erosion repair, expansion joint sealing and ancillary works associated with bridge and watercourse crossing repair or replacement.

Completion of this project will improve road user and pedestrian safety, improve the City's ability to manage emergency response, and reduce the potential for unplanned maintenance that is disruptive and costly through proactive management of ageing infrastructure. This project will also allow staff to conduct required assessments and investigations of City-owned bridges.



Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Citywide Connector Walkways Rehabilitation Program	Submission ID:	7403

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 in Richmond. 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.

Connector walkways are heavily used by pedestrians and their current conditions in certain areas may pose a tripping hazard for the users. This project would allow the City to mitigate potential risks to public safety and promote eco-friendly modes of transportation, such as walking and biking.



<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Roads</b>
<b>Project Name:</b>	<b>Citywide Sidewalk and Street Light Replacement Program</b>	<b>Submission ID:</b>	<b>6747</b>

**Location:**

Various Locations

**Cost:**

\$500,000

**Funding Sources:**

Capital Reserve (Revolving Fund):  
\$500,000

**OBI:**

\$ -

**Scope:**

Over time, street lighting infrastructure deteriorate and can become a hazard to residents and traffic without proper maintenance and replacement programs. Per the City's Ageing Utility and Road Infrastructure Planning – 2022 Update, several of the street lights and street light service panels are at the end of their design life and need to be replaced. Sidewalks that have subsided are damaged from tree roots or have become misaligned, posing tripping hazards to pedestrians. Replacing these sidewalks will improve pedestrian safety and encourage non-vehicular forms of transportation.

This project includes removal and replacement of street light poles, service panels and luminaires that have reached the end of their service life; retrofit of deteriorated concrete bases and the associated ancillary works, inspection of street lights that are nearing the end of their service life; installation of new street lights to eliminate gaps in the street lighting network; and repairing deteriorated sidewalks. This project will also allow staff to conduct required assessments and investigations of the City's street lighting network.

<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Roads</b>
<b>Project Name:</b>	<b>Gilbert Road Off-road Cycling Facility, Granville Avenue to Elmbridge Way</b>	<b>Submission ID:</b>	<b>6926</b>

**Location:**

Gilbert Road, Granville Avenue to Elmbridge Way

**Cost:**

\$4,150,000

**Funding Sources:**

Roads DCC:  
\$975,299

Capital Reserve (Revolving Fund):  
\$61,701

Grant:  
\$3,113,000

**OBI:**

\$ -

**Scope:**

Provision of 1.7 km of new protected cycling facilities along Gilbert Road, from Granville Avenue to Elmbridge Way. The City has an approved funding contribution from the Government of Canada as part of the Active Transportation Fund for implementation of this project. This agreement requires project completion by the end of 2025. Additional funding opportunities may be available through TransLink and ICBC.

Upon completion, this project would connect to the separated bicycle lanes on Granville Avenue and the existing bike lane on Gilbert Road north of Elmbridge Way to provide a cycling connection between the Granville Avenue bike route and the Dinsmore Bridge.

Major Cost Components: Lane narrowing, realignment of curb and gutter and sidewalk, physical barriers, pavement markings and signage, pedestrian crossing enhancements, relocation of above ground infrastructure (i.e., streetlight poles, hydrants, power poles, traffic signals, etc.), bus stops, and modifications to private property (i.e., re-grade driveways, retaining walls, landscaping, etc.).

Funding: Roads DCC program, Government of Canada; potential funding from TransLink and ICBC.

**Program:** Infrastructure Program  
**Project Name:** LED Street Name Sign Program

**Sub-program:** Roads  
**Submission ID:** 6620

**Location:**

Various Locations

**Cost:**

\$200,000

**Funding Sources:**

Roads DCC:

\$188,100

Capital Reserve (Revolving Fund):

\$11,900

**OBI:**

\$ -

**Scope:**

Installation of overhead LED street name signs at key signalized intersections to enhance visibility and legibility for drivers. It is anticipated that the remaining signalized intersections (26 out of 189) can be upgraded over the next 2 to 3 years (i.e. 10 to 15 per year).

Major Cost Components: LED street name sign, mounting hardware and electrical wiring.

Locations are prioritized based on major, gateway and high-volume intersections and in tourist areas.

The preliminary list of locations for 2024 includes:

1. Great Canadian Way and Van Horne Way
2. Great Canadian Way and River Rd
3. No. 4 Rd and Williams Rd
4. No. 4 Rd and Francis Rd
5. No. 4 Rd and Granville Ave
6. No. 4 Rd and Alderbridge Way
7. No. 4 Rd and Odlin Rd
8. No. 4 Rd and Cambie Rd
9. Cambie Rd at Aberdeen Centre
10. Hazelbridge Way and Cambie Rd
11. Sexsmith Rd and Cambie Rd

Funding: Roads DCC Program; potential funding from Translink, ICBC and development.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Neighbourhood Walkway Program	Submission ID:	6615

Location:

Various Locations

Cost:

\$500,000

Funding Sources:

Roads DCC:

\$470,250

Capital Reserve (Revolving Fund):

\$29,750

OBI:

\$ -



Scope:

Construction of new and/or enhancement of existing neighbourhood walkways/sidewalks.

Major Cost Components: Construction of new or upgrade of existing sidewalks, pathways, wheelchair ramps, minor curb cuts, and boulevard modifications.

Locations are prioritized based on level of pedestrian activities (i.e., proximity to schools, bus stops, recreational centres, parks, shopping/retail centres, etc.), traffic safety/collision risks, and requests from Council and/or the public.

Funding: Roads DCC program; potential from TransLink, ICBC and development.



**Program:** Infrastructure Program  
**Project Name:** Special Crosswalk Program

**Sub-program:** Roads  
**Submission ID:** 6621

**Location:**

Various Locations

**Cost:**

\$350,000

**Funding Sources:**

Roads DCC:

\$329,175

Capital Reserve (Revolving Fund):

\$20,825

**OBI:**

\$5,696

**Scope:**

Upgrade of existing crosswalks on arterial roads (typically four-lane) to new traffic control standards that have been endorsed by Council.

Major Cost Components: Illuminated overhead crosswalk signs with amber flashers, strobe lights, poles, pole bases, underground conduit, junction boxes, pole-mount cabinet, controller, hydro service panel, Accessible Pedestrian Signal (APS) push buttons, pavement markings and site restoration.

The preliminary list of locations for 2024 includes:

1. Heather St and Granville Ave
2. No. 2 Rd and Kittiwake Dr
3. Others as prioritized by warrant studies

Funding: Roads DCC program; potential funding from TransLink, ICBC and development.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Street Light LED Upgrades	Submission ID:	6761

**Location:**  
Various Locations

**Cost:**  
\$490,000

**Funding Sources:**  
Enterprise:  
\$490,000

**OBI:**  
(\$35,000)



**Scope:**

The scope of this project includes replacing high-pressure sodium (HPS) light fixtures that are over 25 years old as part of the multi-phased program. It will also extend the City's street light network by integrating more LED street lights.

It is estimated that this phase of the project will reduce electricity use by 390,000 kilowatt-hour, which translates to approximately \$35,000 in cost savings annually.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Supplementary Asphalt Re-Paving Program - Non-MRN	Submission ID:	7499

**Location:**  
Various Locations

**Cost:**  
\$1,000,000

**Funding Sources:**  
Capital Reserve (Revolving Fund):  
\$1,000,000

**OBI:**  
\$ -



**Scope:**

In accordance with the City's Ageing Utility and Road Infrastructure Planning – 2022 Update, approximately \$4 million in additional funding beyond the Annual Asphalt Re-Paving Program – MRN and Annual Asphalt Re-Paving Program – Non-MRN capital projects are required 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 City-owned non-MRN roads that have exceeded 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, line painting and staff inspection time.



<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Roads</b>
<b>Project Name:</b>	<b>Top 20 Collision Prone Intersections - Implementation of Medium-/Long-term Improvements</b>	<b>Submission ID:</b>	<b>6636</b>

**Location:**

Various Locations

**Cost:**

\$600,000

**Funding Sources:**

Roads DCC:

\$564,300

Capital Reserve (Revolving Fund):

\$35,700

**OBI:**

\$ -

**Scope:**

Implement safety improvements for the top 20 collision prone intersections per the network screening study presented to Council in June 24, 2019. Short term improvements were implemented through 2022. This project involves implementation of medium and long-term improvements for the top 20 collision prone intersections at selected locations. It is anticipated that 2 to 3 locations will be completed per year subject to TransLink funding and scope of works; otherwise 1 to 2 locations will be completed per year.

Major Cost Components: Road geometry changes such as road widening, addition or lengthening of left-turn lanes, addition or realigning of right-turn lanes, redesign of existing channelized right-turn lanes, widening sidewalks and wheelchair ramps, completion of pedestrian and cycling connections, streetlighting upgrade, traffic signal modifications (i.e., added left-turn phase), relocation of driveways and land acquisition.

Improvements planned for 2024 involve design of upgrades at the Sea Island Way and Garden City Road intersection, and at the Alderbridge Way and Shell Road intersection. Works will include survey, detailed design works, consultation with external agencies (Canadian National Rail, Ministry of Transportation and Infrastructure) and permit applications as required. Funding for construction at the planned locations will be sought as part of future capital programs.

Funding: Roads DCC program; potential funding from TransLink, ICBC and development.



Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Traffic Calming Program	Submission ID:	6614

**Location:**  
Various Locations

**Cost:**  
\$300,000

**Funding Sources:**  
Roads DCC:  
\$282,150

Capital Reserve (Revolving Fund):  
\$17,850

**OBI:**  
\$ -



**Scope:**

Retrofitting existing local roads with traffic calming measures to enhance safety for road users and livability for residents by reducing speed and deterring short-cutting traffic within neighbourhoods.

Major Cost Components: Road works to construct traffic calming measures such as curb bulges, curb ramps, traffic circles, speed humps, delineated walkways, traffic signage, pavement marking, and streetscape features (i.e., trees and/or other landscaping improvements).

Locations will be identified and prioritized based on Council and/or public feedback.

Funding: Roads DCC program; potential funding from TransLink, ICBC and development.

**Program:** Infrastructure Program  
**Project Name:** Traffic Signal Power Backup System (UPS)

**Sub-program:** Roads  
**Submission ID:** 6622

**Location:**

Various Locations

**Cost:**

\$200,000

**Funding Sources:**

Roads DCC:

\$188,100

Capital Reserve (Revolving Fund):

\$11,900

**OBI:**

\$ -

**Scope:**

Installation of Uninterruptible Power Supply (UPS) systems at signalized intersections to provide continual power during disruption or outage. UPS protects electronic hardware from power surges. It is anticipated that the remaining signalized intersections (68 out of 189) can be upgraded in over the next 8 to 10 years.

Major Cost Components: UPS cabinet and base, controller, batteries, underground conduit and site restoration.

The preliminary list of locations for 2024 includes:

1. No. 1 Rd and Williams Rd
2. No. 1 Rd and Osmond Rd
3. No. 1 Rd and Blundell Rd
4. Garden City Rd and Williams Rd
5. Garden City Rd and Francis Rd
6. Garden City Rd and Cook Rd
7. Garden City Rd and Lansdowne Rd
8. Garden City Rd and Capstan Way

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Traffic Signal Program	Submission ID:	6623

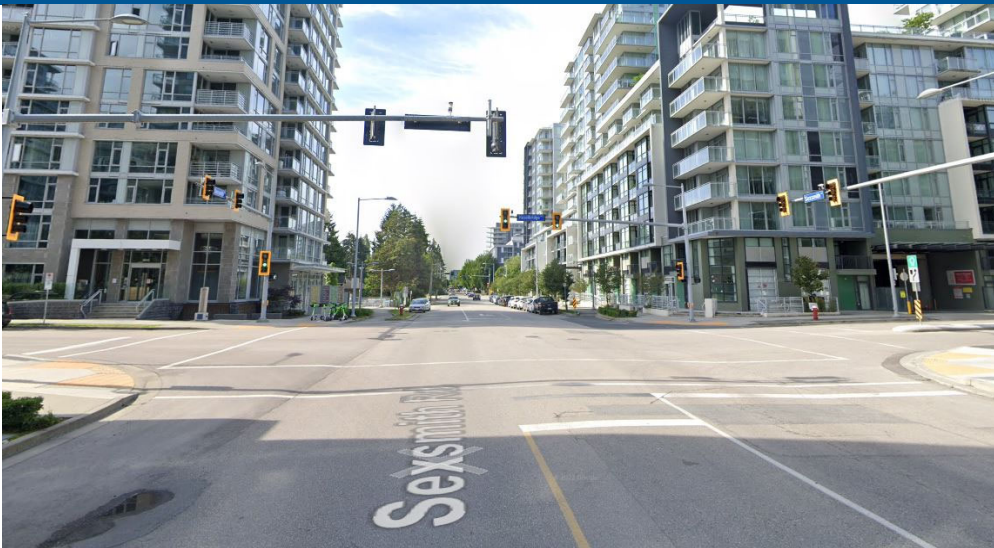
**Location:**  
Various Locations

**Cost:**  
\$600,000

**Funding Sources:**  
Roads DCC:  
\$564,300

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

**OBI:**  
\$4,331



**Scope:**

Installation of new/upgrade of existing traffic signals to accommodate traffic growth, respond to public requests, improve traffic management and movement of all road users and address traffic safety concerns.

Major Cost Components: Traffic controller, cabinet, poles, bases, junction boxes, underground conduit, in ground and camera video detection, enhanced accessible pedestrian signals, traffic signal heads, electrical wiring, traffic signal communications, LED street name signs, pavement markings, minor corner property acquisition, minor curb cuts, boulevard modifications, and site restoration.

The preliminary list of locations for 2024 includes:

- 1. No. 5 Rd and Granville Ave - new traffic signal
- 2. St. Edwards Rd and Cambie Rd - traffic signal modifications
- 3. Jacombs Rd and Westminster Hwy – westbound left arrow
- 4. No. 4 Rd and Steveston Hwy – eastbound/westbound left arrows
- 5. No. 4 Rd and Granville Ave – eastbound/westbound left arrows
- 6. Traffic signal modifications at locations to be finalized pending traffic analysis

Locations to be portentially upgraded to a full traffic signal is contingent on a traffic signal warrant study.

Funding: Roads DCC program; potential funding from TransLink, ICBC and development.

<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Roads</b>
<b>Project Name:</b>	<b>Traffic Video and Communication Program</b>	<b>Submission ID:</b>	<b>6619</b>

**Location:**

Various Locations

**Cost:**

\$400,000

**Funding Sources:**

Roads DCC:

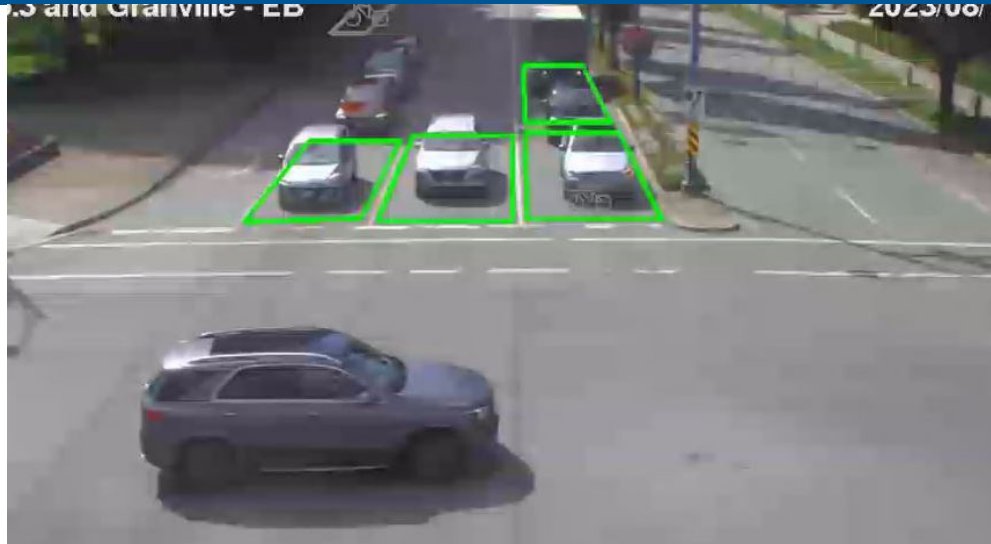
\$376,200

Capital Reserve (Revolving Fund):

\$23,800

**OBI:**

\$ -

**Scope:**

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 (TMC) for observing and enhancing operations, and provide photos (in one minute intervals) of approaching traffic conditions for public access on the City website. By the end of 2024, there will be 48 out of 189 signalized intersections remaining which require build-out of the fibre communications network prior to camera installation. Therefore, the majority of the program will focus on expanding the fibre communications network.

Upgrade conduit and cable infrastructure to install higher capacity fibre optic cable and electronics to communicate with multiple remote programmable devices at traffic signals. It is anticipated that the entire city can be upgraded over the next 8 to 12 years based on the current level of funding.

Major Cost Components: Video detection camera hardware and installation, fibre optic cable, fibre splicing and underground enclosures and fibre network switches required to communicate to the TMC.

The preliminary list of locations for 2024 includes:

Traffic video camera installation

1. No. 4 Rd & Francis Rd
2. No. 4 Rd & Blundell Rd
3. No. 4 Rd & Granville Ave
4. No. 4 Rd & Westminster Hwy

Fibre communications cable and conduit installation/cleaning/upgrades

5. No. 4 Rd – Between Williams Rd and Westminster Hwy
6. Bridgeport Rd – Between No. 5 Rd and Sweden Way
7. No 1 Rd – Between Steveston Hwy and Williams Rd
8. No 1 Rd – Blundell Rd to Westminster Hwy

Funding: Roads DCC program; potential funding from TransLink, ICBC and development.



Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Transit-Related Amenity Improvement Program	Submission ID:	7540

**Location:**  
Various Locations

**Cost:**  
\$100,000

**Funding Sources:**  
Roads DCC:  
\$94,050

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

**OBI:**  
\$ -



**Scope:**

Transit-related amenity improvements within the road right-of-way to support transit service and infrastructure.

Major Cost Components: Non-advertising transit shelters and benches and other supplementary amenity improvements to facilitate transit passengers.

Locations for bus stop shelters are prioritized based on boarding activity, user requests and availability of right-of-way.

For 2024, approximately 10 to 15 locations are proposed for upgrade. The actual locations will be determined in early 2024 in consultation with Pattison Outdoor, the City’s street furniture contractor.

Funding: Roads DCC program; potential funding from TransLink, ICBC and development.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Transit-Related Roadway Improvement Program	Submission ID:	6613

Location:

Various Locations

Cost:

\$200,000

Funding Sources:

Roads DCC:

\$94,050

Capital Reserve (Revolving Fund):

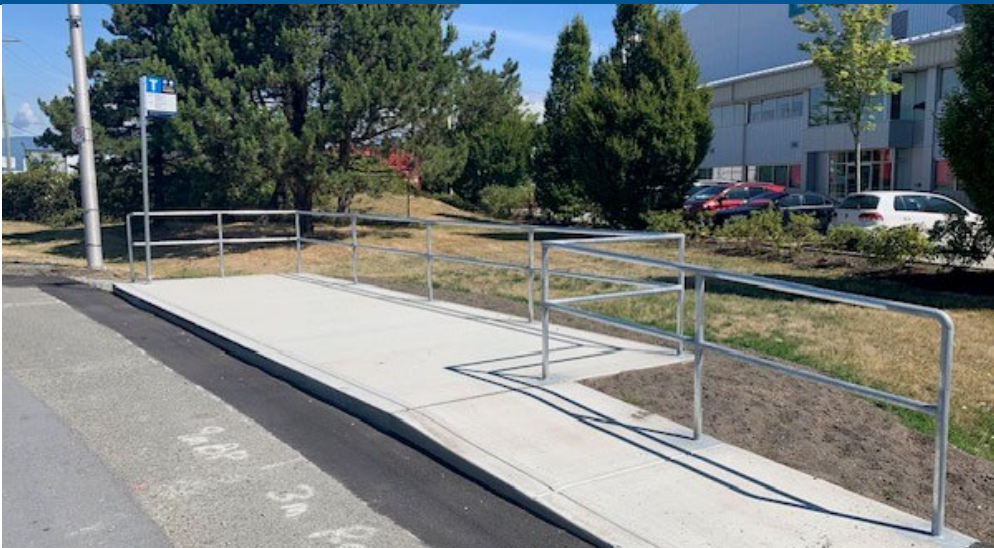
\$5,950

Grant:

\$100,000

OBI:

\$ -



Scope:

Road and traffic improvements to increase accessibility at bus stops, support transit service improvements and existing transit infrastructure. Currently, approximately 90 per cent of 728 existing bus stops are accessible.

Major Cost Components: Bus stop landing pads and ramps for wheelchair accessibility, intersection geometric/corner improvements, sidewalk/walkway construction connecting to bus stops, etc. to facilitate transit passengers.

Locations for bus stop accessibility improvements are prioritized based on boarding/alighting activity, customer requests and availability of right-of-way.

For 2024, approximately 10 to 15 locations are proposed for upgrade, subject to TransLink funding. The actual locations will be determined in early 2024 in consultation with Coast Mountain Bus Company (CMBC) and through public feedback.

Funding: Roads DCC program; potential funding from TransLink, ICBC and development.

Program:	Infrastructure Program	Sub-program:	Roads
Project Name:	Transportation Planning, Functional and Preliminary Design	Submission ID:	6627

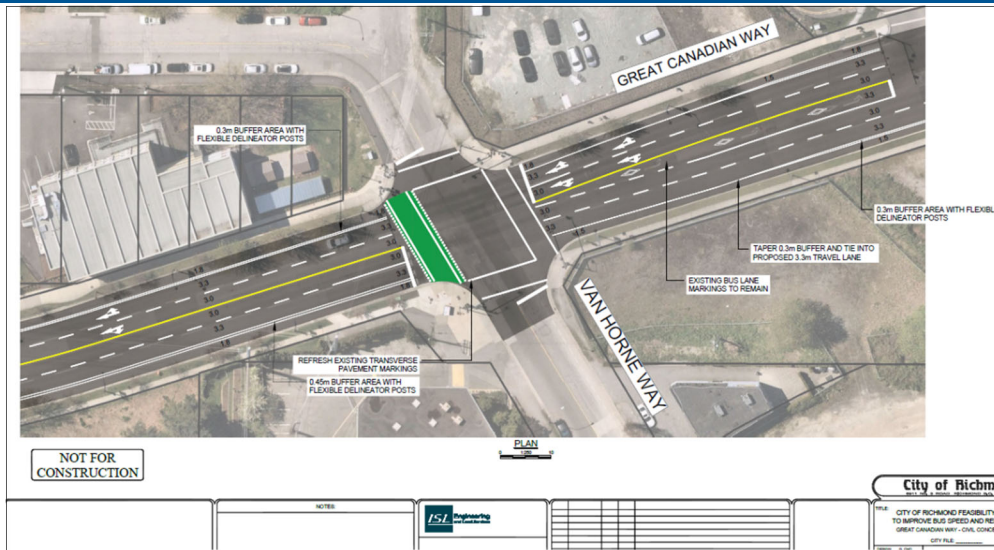
**Location:**  
Various Locations

**Cost:**  
\$600,000

**Funding Sources:**  
Roads DCC:  
\$564,300

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

**OBI:**  
\$ -



Scope:

The scope of work includes the planning, coordination and administration of the following works:

1. Project Design - Prepare functional and preliminary designs for potential transportation capital projects to identify road elements, horizontal alignment, cross-section, property impacts, etc., and prepare high level cost estimates to carry out further detailed engineering design.
2. Traffic and transportation planning studies and assessments - Undertake planning studies and assessments to inform traffic and transportation plans and projects.

Potential projects for 2024 includes:

1. Functional design and traffic study for intersection reconfiguration and safety improvements (e.g. Granville Avenue and Garden City Road).
2. Conceptual design of cycling improvements to advance the City's Cycling Network Plan, (e.g., protection of existing bike lanes on Williams Road and Westminster Highway between Garden City Road and No. 5 Road).
3. Conceptual design of pedestrian improvements (e.g. Mitchell Road at Knight Street).

Major Cost Components: Consultant and/or staff costs for project design, traffic and transportation studies, planning, and coordination.

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:	Burkeville Utility Improvements	Submission ID:	6723

**Location:**  
Burkeville Area

**Cost:**  
\$4,005,000

**Funding Sources:**  
Drainage Improvement:  
\$2,700,000

Watermain Replacement:  
\$1,000,000

Sanitary Sewer:  
\$305,000

**OBI:**  
\$13,700



**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.

In addition, sanitary and water infrastructure will be upgraded where the scope of work overlaps with the upgrade of the drainage system to take advantage of construction efficiencies and minimize disruption to the residents. The current gravity sanitary sewer system is made up of vitrified clay and is approaching the end of its service life. Similarly, ageing watermains in the area require replacement. By coordinating the utility improvements, engineering and construction efficiencies will be achieved and public disruptions will be minimized.

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

City staff that will be required for managing, administering, constructing and delivering the project will be assigned and created as required.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Canal Stabilization and Drainage and Irrigation Upgrades	Submission ID:	6987

Location:

Various Locations

Cost:

\$3,000,000

Funding Sources:

Drainage Improvement:  
\$3,000,000

OBI:

\$ -



Scope:

The objective of this project is to stabilize canal banks and upgrade drainage and irrigation infrastructure throughout Richmond. 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.

City staff that will be required for managing, administering, constructing and delivering the project will be assigned and created as required.



Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Development Coordinated Works - Flood Protection	Submission ID:	6715

Location:

Various Locations

Cost:

\$250,000

Funding Sources:

Flood Protection BL10403:

\$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 their 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.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Disaster Mitigation and Adaptation Fund Infrastructure Upgrades	Submission ID:	6728

**Location:**  
Various Locations

**Cost:**  
\$10,000,000

**Funding Sources:**  
Drainage Improvement:  
\$4,850,000

Flood Protection BL10403:  
\$11,500

Drainage DCC:  
\$1,138,500

Grant:  
\$4,000,000

**OBI:**  
\$ -



**Scope:**

In 2019, the City was awarded the Infrastructure Canada Disaster Mitigation and Adaptation Fund Grant in the amount of \$13,780,000. The grant funding will contribute up to 40 per cent of the project cost.

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.

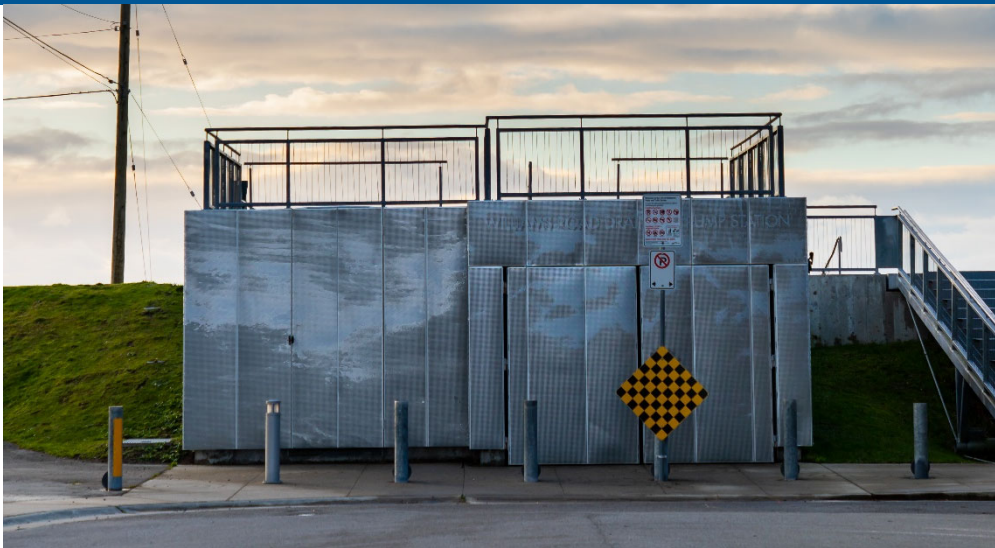
Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Drainage Pump Station Rehabilitation and Generator Upgrade	Submission ID:	7420

**Location:**  
Various Locations

**Cost:**  
\$200,000

**Funding Sources:**  
Drainage Improvement:  
\$200,000

**OBI:**  
\$5,800



**Scope:**

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

- 1. Installation of new pumps and generators;
- 2. Upgrade of existing pumps and generators;
- 3. Installation of new cameras and associated security infrastructure; and
- 4. Replacement of electrical and mechanical pump station components.



Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Flood Protection and Dike Improvements	Submission ID:	6718

Location:

Various Locations

Cost:

\$1,084,000

Funding Sources:

Flood Protection BL10403:

\$1,084,000

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 and critter management, tree removal and replacement, habitat and environmental compensation, and dike re-armouring at priority locations.

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

The Project Coordinator requested through the 2024 Utility Budgets and Rates report will be responsible for delivering this project.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Invasive Species Management	Submission ID:	6719

Location:

Various Locations

Cost:

\$200,000

Funding Sources:

Flood Protection BL10403:

\$200,000

OBI:

\$ -



Scope:

The purpose of this project is to reduce the spread of invasive species to reduce the 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 from the City’s flood protection system and City lands, with the intention of maintaining the required performance of the flood protection system.

Typical activities will include routine and novel control measures to eliminate or minimize the impacts that aggressive invasive species, such as parrot’s feather, wild chervil and knotweed species have on the City infrastructure and local biodiversity. Further research and efforts into control of additional priority 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 Upgrade	Submission ID:	6720

Location:

Various Locations

Cost:

\$1,272,000

Funding Sources:

Flood Protection BL10403:

\$1,164,000

Sanitary Sewer:

\$108,000

OBI:

\$13,200



Scope:

The scope of work for this project includes installation of drainage infrastructure in the Seafeld Crescent Lane and 10,000 Block of No. 4 Road. This does not include the addition of street lighting, curbs or gutters. 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.

City staff that will be required for managing, administering, constructing and delivering the project will be assigned and created as required.



<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Flood Protection</b>
<b>Project Name:</b>	<b>SCADA System Improvements</b>	<b>Submission ID:</b>	<b>6991</b>

**Location:**

Various Locations

**Cost:**

\$350,000

**Funding Sources:**

Flood Protection BL10403:

\$200,000

Sanitary Sewer:

\$150,000

**OBI:**

\$ -

**Scope:**

Through its supervisory control and data acquisition (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:

1. Rehabilitating, upgrading, and installing computers, instruments, and electrical systems throughout the SCADA system;
2. Installing cameras and other security features at sanitary pump stations; and
3. Implementing improvements for SCADA reporting efficiencies.

Program:	Infrastructure Program	Sub-program:	Flood Protection
Project Name:	Watercourse Rehabilitation and Replacement	Submission ID:	6993

Location:

Various Locations

Cost:

\$200,000

Funding Sources:

Flood Protection BL10403:

\$200,000

OBI:

\$ -



Scope:

The objective of this project is to repair watercourses throughout Richmond that pose safety risks to vehicles and pedestrians. The scope of work for this project includes, but is not limited to, rehabilitating failed headwalls, culvert crossings, and watercourse banks.

In addition, this project involves the infilling of non-Riparian Management Area watercourses, extending the lengths of existing watercourse infills that pose safety risks to the public, 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:	6696

Location:

Various Locations

Cost:

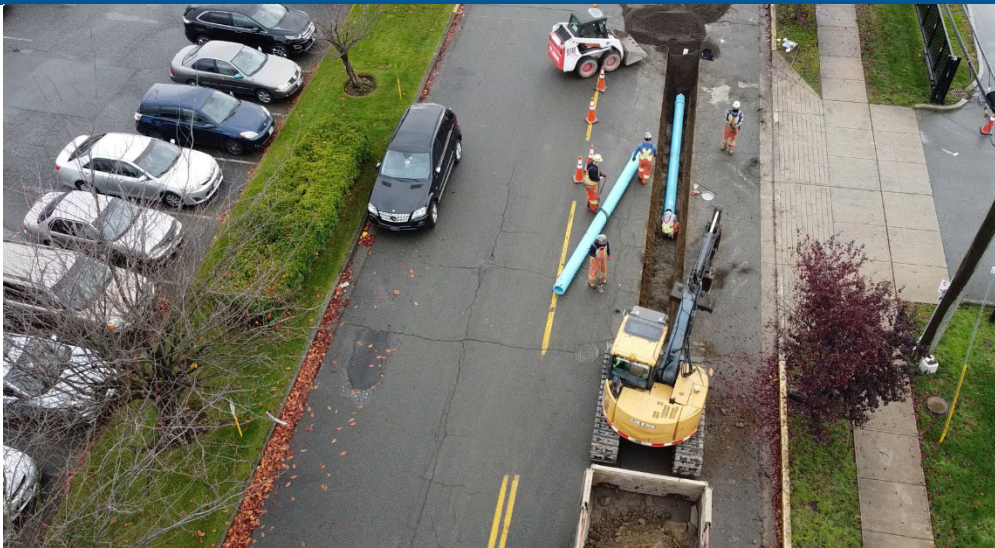
\$250,000

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 their 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.



Program:	Infrastructure Program	Sub-program:	Water
Project Name:	Fire Hydrant Upgrades	Submission ID:	7595

**Location:**  
Various Locations

**Cost:**  
\$400,000

**Funding Sources:**  
Watermain Replacement:  
\$400,000

**OBI:**  
\$ -



**Scope:**

This project involves replacing ageing slide gate-style fire hydrants to compression-style fire hydrants. Compression-style hydrants have a break-away flange that prevents them from leaking. Replacement of slide gate-style fire hydrants will increase public safety and mitigate potential damage to properties that may be caused by impacts to fire hydrants, such as vehicle strikes.

Program:	Infrastructure Program	Sub-program:	Water
Project Name:	Water Metering Program	Submission ID:	6693

Location:

Various Locations

Cost:

\$2,000,000

Funding Sources:

Watermain Replacement:  
\$714,000

Water Levy:  
\$1,286,000

OBI:

\$17,418



Scope:

Water metering enhances user equity by allowing customers to pay for the water and sewer that they use. All single-family and industrial, commercial and institutional (ICI) properties in Richmond are now metered. This project involves the gradual implementation of universal water metering for multi-family complexes.

The universal multi-family water meter program will target the last remaining customer class that is not metered for water consumption. The City will fund the water meter 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 meter program.

City staff that will be required for managing, administering, constructing and delivering the project will be assigned and created as required.

<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Water</b>
<b>Project Name:</b>	<b>Watermain Replacement Upgrades Program</b>	<b>Submission ID:</b>	<b>6690</b>

**Location:**

Various Locations

**Cost:**

\$6,668,274

**Funding Sources:**

Watermain Replacement:

\$5,231,753

Water DCC:

\$1,436,521

**OBI:**

\$ -

**Scope:**

The scope of work for this project supports the City's Ageing Utility and Road Infrastructure Planning - 2022 Update by replacing ageing watermain that are approaching the end of their service life. Watermain replacement minimizes unplanned maintenance and improves the available water supply for fire protection.

The watermain replacement and upgrades program is informed by watermain age, material, and break history. This project consists of the installation of approximately 3,500 m of 200 mm to 300 mm diameter watermain to replace existing ageing water infrastructure.

City staff that will be required for managing, administering, constructing and delivering the project will be assigned and created as required.



Program:	Infrastructure Program	Sub-program:	Water
Project Name:	Watermain Tie-in and Restoration	Submission ID:	6691

**Location:**  
Various Locations

**Cost:**  
\$300,000

**Funding Sources:**  
Watermain Replacement:  
\$300,000

**OBI:**  
\$ -



**Scope:**  
This project involves 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 utility 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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Program:	Infrastructure Program	Sub-program:	Sanitary Sewer
Project Name:	6333 Cooney Road Development Coordinated Works - Sanitary System Upgrade	Submission ID:	7613

**Location:**  
6333 Cooney Road

**Cost:**  
\$2,300,000

**Funding Sources:**  
Sanitary Sewer:  
\$2,300,000

**OBI:**  
\$ -



**Scope:**  
This project includes installation of a new sanitary sewer on Cooney Road to improve sanitary sewer capacity and conveyance for the neighborhood. The work will be coordinated with the offsite sanitary sewer upgrades for the proposed development at 6333 Cooney Road to achieve cost efficiencies and reduce construction impacts to residents. This project will be funded by the City as it is beyond the scope of work for the proposed development.

Program:	Infrastructure Program	Sub-program:	Sanitary Sewer
Project Name:	9800 Van Horne Way Development Coordinated Works	Submission ID:	7342

**Location:**  
Van Horne Way, River Drive to railway crossing

**Cost:**  
\$2,800,000

**Funding Sources:**  
Watermain Replacement:  
\$900,000

Sanitary Sewer:  
\$1,900,000

**OBI:**  
\$ -



**Scope:**  
The sanitary sewer and watermain fronting the proposed development at 9800 Van Horne Way are approaching the end of their service life and require replacement. Coordinating the replacement with the proposed development at 9800 Van Horne Way will provide cost efficiencies, support development, and reduce construction impacts to residents. The replacement of the sanitary sewer and watermain will be completed as one project.

Program:	Infrastructure Program	Sub-program:	Sanitary Sewer
Project Name:	Development Coordinated Works - Sanitary	Submission ID:	6736

**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 their 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.



<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Sanitary Sewer</b>
<b>Project Name:</b>	<b>Sanitary Pump Station and Forcemain Upgrades and Rehabilitation</b>	<b>Submission ID:</b>	<b>6732</b>

**Location:**

Various Locations

**Cost:**

\$700,000

**Funding Sources:**Sanitary Sewer:  
\$700,000**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, etc. This work is needed to continue providing required levels of sanitary service.

The scope of work for forcemain upgrades and rehabilitation includes installation of valves, hatches, and pigging chambers along City forcemains to improve access and replace sections of forcemain found to be in poor condition. New valves, hatches and pigging chambers will also be installed at various locations along the new Metro Vancouver Gilbert Trunk Sewer to improve access and connectivity between City and Metro Vancouver sanitary infrastructure. 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:	6733

**Location:**  
Various Locations

**Cost:**  
\$1,050,000

**Funding Sources:**  
Sanitary Sewer:  
\$1,050,000

**OBI:**  
\$ -



**Scope:**

The project consists of the assessment and rehabilitation of the gravity sanitary sewer system to meet required levels of service. Assessments are required to determine 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 rehabilitation to address defects identified as part of the assessments.



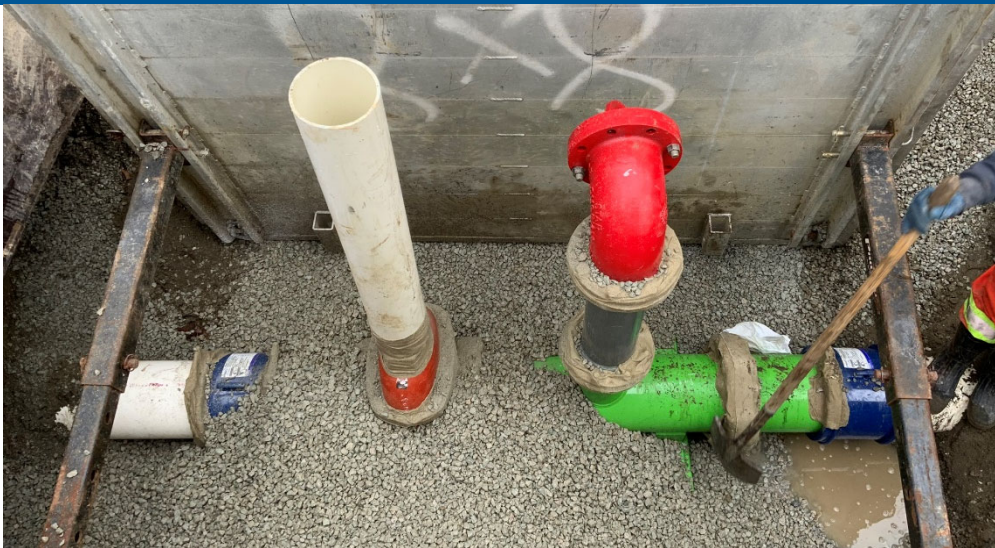
Program:	Infrastructure Program	Sub-program:	Sanitary Sewer
Project Name:	Sanitary Sewer Tie-in and Restoration	Submission ID:	6735

**Location:**  
Various Locations

**Cost:**  
\$150,000

**Funding Sources:**  
Sanitary Sewer:  
\$150,000

**OBI:**  
\$ -



**Scope:**  
This project involves tie-in and restoration work for sanitary sewer projects completed as part of prior years' capital programs.

Program:	Infrastructure Program	Sub-program:	Sanitary Sewer
Project Name:	Steveston Sanitary Sewer Rehabilitation	Submission ID:	7360

**Location:**  
Steveston Area

**Cost:**  
\$900,000

**Funding Sources:**  
Sanitary Sewer:  
\$900,000

**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.

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 costs, and associated activities required to facilitate sanitary system rehabilitation and replacement.

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:	6692

Location:

Various Locations

Cost:

\$2,970,000

Funding Sources:

Drainage Improvement:  
\$1,270,000

Watermain Replacement:  
\$550,000

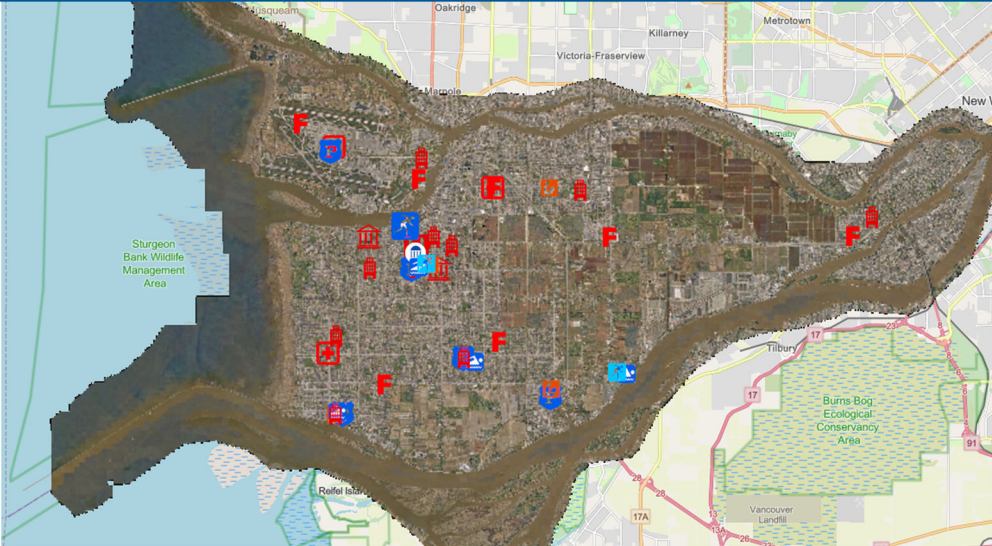
Sanitary Sewer:  
\$296,050

Roads DCC:  
\$705,375

Capital Reserve (Revolving Fund):  
\$44,625

Sanitary Sewer DCC:  
\$103,950

OBI:  
\$ -



Scope:

This project involves hiring consultants and contractors to plan and design 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	\$550,000
Flood Protection Project Design, Planning and System Modelling	\$1,270,000
Roads Project Design, Planning and System Modelling	\$750,000
Total	\$2,970,000



<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Infrastructure Advanced Design and Minor Public Works</b>
<b>Project Name:</b>	<b>Public Works Minor Capital - Dikes</b>	<b>Submission ID:</b>	<b>6722</b>

**Location:**

Various Locations

**Cost:**

\$400,000

**Funding Sources:**

Drainage Improvement:  
\$371,212

Flood Protection BL10403:  
\$28,788

**OBI:**

\$ -

**Scope:**

Each year, Engineering and Public Works receives a number of requests for minor projects. The minor capital program allows the department to respond to these requests in a timely and cost effective manner.

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

1. Restoration of rip rap and erosion repairs for dikes;
2. Management of high risk vegetation;
3. Purchasing of flood protection devices, safety equipment and emergency supplies; and
4. Testing and implementation of new technologies to improve efficiencies for flood protection infrastructure inspections and response to resident inquiries that require 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.

<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Infrastructure Advanced Design and Minor Public Works</b>
<b>Project Name:</b>	<b>Public Works Minor Capital - Drainage</b>	<b>Submission ID:</b>	<b>7607</b>

**Location:**

Various Locations

**Cost:**

\$455,000

**Funding Sources:**Drainage Improvement:  
\$355,000Flood Protection BL10403:  
\$100,000**OBI:**

\$ -

**Scope:**

Each year, Engineering and Public Works receives a number of requests for minor projects. The minor capital program allows the department to respond to these requests in a timely and cost effective manner.

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

1. Installation of drainage inspection chambers and rehabilitation of pipes and manholes;
2. Installation of monitoring equipment, safety upgrades, testing of new technologies to improve efficiencies, and minor repairs at drainage pump stations;
3. Purchasing of flood protection devices, safety equipment and emergency supplies;
4. Acquiring vehicles and vehicle items that may be needed to support operations; and
5. Testing and implementation of new technologies to improve efficiencies for flood protection infrastructure inspections and response to resident inquiries that require 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:	6746

Location:

Various Locations

Cost:

\$250,000

Funding Sources:

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

OBI:

\$ -



Scope:

Each year, Engineering and Public Works receives a number of requests for minor projects. The minor capital program allows the department to respond to these requests in a timely and cost effective manner.

This project involves minor work related to road infrastructure, including installation of wheelchair ramps, replacement of uneven sidewalks, curbs and small road sections that may have been damaged through tree root ingress or settlement, repair of street lights, and response to resident complaints that require site specific repairs.

Program:	Infrastructure Program	Sub-program:	Infrastructure Advanced Design and Minor Public Works
Project Name:	Public Works Minor Capital - Sanitary	Submission ID:	6738

**Location:**

Various Locations

**Cost:**

\$455,000

**Funding Sources:**

Sanitary Sewer:  
\$355,000

Sanitary Sewer BL10401:  
\$100,000

**OBI:**

\$ -



**Scope:**

Each year, Engineering and Public Works receives a number of requests for minor projects. The minor capital program allows the department to respond to these requests in a timely and cost effective manner.

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 in response to resident complaints, manhole and valve box repairs, as well as purchase of required equipment, vehicle and vehicle parts to support operations.

<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Infrastructure Advanced Design and Minor Public Works</b>
<b>Project Name:</b>	<b>Public Works Minor Capital - Sanitation and Recycling</b>	<b>Submission ID:</b>	<b>6771</b>

**Location:**

Various Locations

**Cost:**

\$600,000

**Funding Sources:**

General Solid Waste and  
Recycling:  
\$600,000

**OBI:**

\$ -

**Scope:**

To provide for Recycling Depot general site maintenance or repairs, expansion projects, funding for streetscape recycling containers in public spaces and garbage and recycling cart replacements.

To provide equipment/vehicle as required to support these program expansions as well as collection of overweight/heavy illegally dumped items.

This project will be used to:

1. Replace the 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.
2. Undertake repairs or minor upgrades at the Recycling Depot. This could include building or acquiring small sheds, cages, or structures to add material streams. Acquire new containers types to enable addition of new materials for collection. Undertake improvements to comply with safety - prepare and post signs, install barricades, replace concrete blocks that become damaged from equipment used to move large items as part of regular operations, etc.
3. Acquire vehicles, equipment and vehicle-related items that may be needed to support operations, including stairs to assist safe drop off of items into taller recycling bins. May also include items to support illegal dumping clean ups and clean up of homeless camps, including carrying aids (dolly's, cutting tools, etc.).
4. Acquire garbage and recycling carts to replace receptacles used by residents which are coming to the end of their expected life.
5. Undertake Solid Waste consulting services.



<b>Program:</b>	<b>Infrastructure Program</b>	<b>Sub-program:</b>	<b>Infrastructure Advanced Design and Minor Public Works</b>
<b>Project Name:</b>	<b>Public Works Minor Capital - Water</b>	<b>Submission ID:</b>	<b>6695</b>

**Location:**

Various Locations

**Cost:**

\$450,000

**Funding Sources:**Watermain Replacement:  
\$300,000Water Supply BL10402:  
\$150,000**OBI:**

\$ -

**Scope:**

Each year, Engineering and Public Works receives a number of requests for minor projects. The minor capital program allows the department to respond to these requests in a timely and cost-effective manner.

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, response to resident complaints that require minor upgrades, and acquiring vehicles and vehicle items that may be needed to support operations.

# Building Program

The Building Program includes major building construction and renovation projects as well as minor facility upgrades and repairs. The City’s building assets include: arenas, pools, community centres, libraries, heritage buildings, police stations, fire halls and other government facilities.

## Building – Building Program

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Works Yard Replacement - Phase 1..... 89

Program:	Building Program	Sub-program:	Building
Project Name:	Annual Infrastructure Replacements and Building Improvements	Submission ID:	7318

**Location:**  
Various Locations

**Cost:**  
\$3,460,013

**Funding Sources:**  
Corporate:  
\$3,460,013

**OBI:**  
\$ -



**Scope:**  
Annual Infrastructure Replacement and Building Improvement projects servicing the City's 168+ facilities. These projects include equipment replacements of HVAC and mechanical components, interior renovations and refurbishments, building upgrades, improvements and installations.



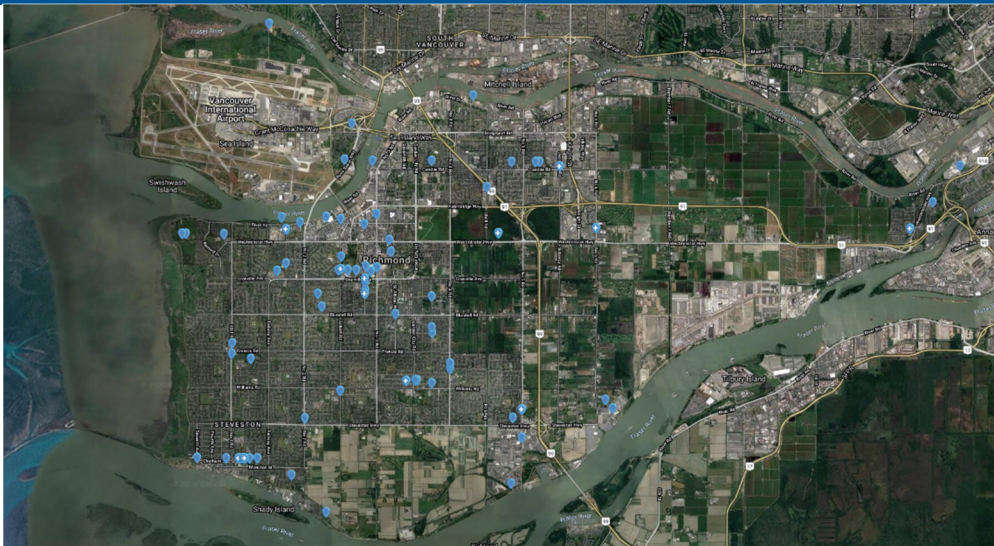
Program:	Building Program	Sub-program:	Building
Project Name:	Capital Buildings Project Development Advanced Design	Submission ID:	7474

**Location:**  
Various Locations

**Cost:**  
\$1,500,000

**Funding Sources:**  
Building and Infrastructure:  
\$1,500,000

**OBI:**  
\$ -



**Scope:**

This funding will be used to provide feasibility and concept level consulting service required to complete the following:

Building and feasibility assessments required to develop the 2024 Capital Plan. Staff receive on average approximately 150 projects from User Groups on an annual basis by May of each year that require feasibility level review and costing in time for the budget process. Examples for the 2023 program include feasibility and costing for Britannia Shipyards – Britannia Shipyard Building Envelope and Structural Renewals, City Hall and Annex Renewals, Hugh Boyd Community Facility and Fieldhouse concept design as well as South Arm and Steveston Outdoor Pool Renewals.

To respond to requests for feasibility and concept level design and costing services added to the 2024 work plan. Over the past three years, there were approximately 37 such requests, examples of which include the Richmond Curling Club assessment and maintenance plan; Caring Place Facility Condition Assessment and Capital Plan; Olympic Oval Exterior improvements, locker room renovations and 25 year capital plan generation, as well as multiple house demolitions requested from Real Estate. The same level of requests are anticipated for 2024.

To respond to market escalation and volatile pricing by including design elements into our planning cycle. Future capital submissions will be developed through to schematic level design and costing, then sent for escalation just prior to final reviews and approvals. This process is anticipated to decrease the award period needed on projects once they’ve been approved and reduces escalation impacts on project budgets.

Without this funding, building improvement and infrastructure replacement projects have to be deferred and funding reallocated to allow the feasibility and concept level design work to proceed. For example, the 2022 Advanced Design submission was not approved and resulted in the deferment of approximately \$750,000 of facility infrastructure and building improvement projects.

Program:	Building Program	Sub-program:	Building
Project Name:	City Hall Annex Infrastructure Replacements	Submission ID:	6753

**Location:**  
6900 Minoru Blvd

**Cost:**  
\$600,000

**Funding Sources:**  
Building and Infrastructure:  
\$600,000

**OBI:**  
\$ -



**Scope:**  
This will include replacement of the Emergency Generator system and associated works to facilitate the new equipment. The current system is original to building, and replacement parts are no longer available to repair the system.

Program:	Building Program	Sub-program:	Building
Project Name:	Community Safety Building Security Enhancements and Infrastructure Replacement	Submission ID:	7631

**Location:**  
Community Safety Building

**Cost:**  
\$1,787,525

**Funding Sources:**  
Building and Infrastructure:  
\$1,787,525

**OBI:**  
\$ -



**Scope:**

The Officer In Charge (OIC) of the Richmond Detachment has reviewed the overall safety at the Community Safety Building’s front counter and entranceway.

This project will require replacement and enhancements to the vital infrastructure of the main detachment, including interior and exterior front entrance ehancements, upgrades to a radio frequency room and replacement of the outdated card reader system.

Program:	Building Program	Sub-program:	Building
Project Name:	Fire Hall No. 7 System Renewals	Submission ID:	6750

**Location:**  
Fire Hall No. 7

**Cost:**  
\$1,900,000

**Funding Sources:**  
Building and Infrastructure:  
\$1,900,000

**OBI:**  
\$ -



**Scope:**

System - \$40,000

This work includes the renewal of a fire alarm system and devices, exit signs, emergency lighting, baseboard heaters of the storage facility and associated works.

Envelope - \$900,000

These works include the renewal of the roof, windows and seals, exterior doors, overhead rolling bay doors, exterior paint finishes and associated works.

Interior Finishes - \$450,000

These works include the replacement and renewals of ceramic and linoleum flooring, washroom accessories, and enabling works.

Other renovation and upgrades included in the scope of this project are: kitchen renovation, dormitory modernization, room relocations and alterations, and associated works.

Mechanical - \$350,000

These works include the renewal of the water heater and associated distribution piping.

HVAC - \$120,000

These works include the replacement of five exhaust systems.

Electrical - \$40,000

These works include renewal of the emergency generator.



Program:	Building Program	Sub-program:	Building
Project Name:	Richmond Curling Club Priority 2 Repairs - Phase 2	Submission ID:	7156

**Location:**  
5540 Hollybridge Way

**Cost:**  
\$3,100,000

**Funding Sources:**  
Building and Infrastructure:  
\$3,100,000

**OBI:**  
\$ -



**Scope:**  
The roof has now failed and can no longer be repaired. The roof and associated insulation will be replaced to prevent further water ingress and provide continued service to the facility.

Program:	Building Program	Sub-program:	Building
Project Name:	Steveston and South Arm Outdoor Pool Renewals	Submission ID:	6754

Location:

Various Locations

Cost:

\$4,300,000

Funding Sources:

Building and Infrastructure:  
\$2,700,000

Steveston Community Amenity:  
\$1,600,000

OBI:

\$ -



Scope:

South Arm Pool \$2.7 Million

Envelope:

Roof replacement including drainage, exterior door replacements and associated works to the administrative building.

Mechanical:

Replacement of boilers, water heaters, water distribution systems and associated works throughout the facility.

Pool Systems and Operator Requests:

Resealing of the pool liners to both the main pool and the wading pool. Installation of shade structures to the guard stations and park area.

Interior Finishes:

Repairs and spot replacements of ceramic floor and wall tiles in the change room, bathroom and shower areas as needed.

Steveston Pool \$1.6 Million

Envelope:

Roof replacement and associated work regarding the solar system on the roof of the administration building.

Mechanical and HVAC:

Renewals and replacements to the perimeter heating system, exhaust system, storage tanks and associated works.

Site Work and Operator Requests:

Replacement of the bleacher system and installation of shaded areas for the new bleachers, as well as guard stations and building entry from the pool deck.



Program:	Building Program	Sub-program:	Building
Project Name:	Steveston Martial Arts Roof Beam Remediation and Fascia Board Replacement	Submission ID:	7507

**Location:**  
4251 Moncton St

**Cost:**  
\$1,000,000

**Funding Sources:**  
Steveston Community Amenity:  
\$1,000,000

**OBI:**  
\$ -



**Scope:**

The Steveston Martial Arts building was built in 1971 and is approximately 10,000 square feet. The facility is primarily used as a martial arts community hub, consisting of both a Judo and Kendo Hall.

The glulam beam and fascia boards have deteriorated and show signs of rot. Work will involve design and construction services for the following:

1. Replacement of the deteriorated glulam beam, gutter and downspout system.
2. Replacement of rotten roof above the front gate, wood deck and glulam beam overhangs.
3. Installation of fascia boards and associated works.

Program:	Building Program	Sub-program:	Building
Project Name:	Works Yard Replacement - Phase 1	Submission ID:	7261

**Location:**  
5599 Lynas Lane

**Cost:**  
\$70,000,000

**Funding Sources:**  
Building and Infrastructure:  
\$35,000,000

Capital Reserve (Revolving Fund):  
\$15,000,000

Sanitary Sewer BL10401:  
\$8,343,000

Water Supply BL10402:  
\$11,657,000

**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 while keeping the existing Works Yard operations functional at all times.

Early works will include a comprehensive geotechnical assessment, a detailed environmental assessment, ground preparation for the construction of the new buildings, and a complete program review.

The first phase of the Works Yard replacement will include construction of a new administration building, as well as a three to five storey staff parkade at the southeast corner of the site. This phase will include demolition of some existing site facilities along with staff relocation and associated works.

Building – Heritage Program

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**Project Name:** Britannia Shipyards – Britannia Shipyard Building  
 Envelope and Structural Renewals

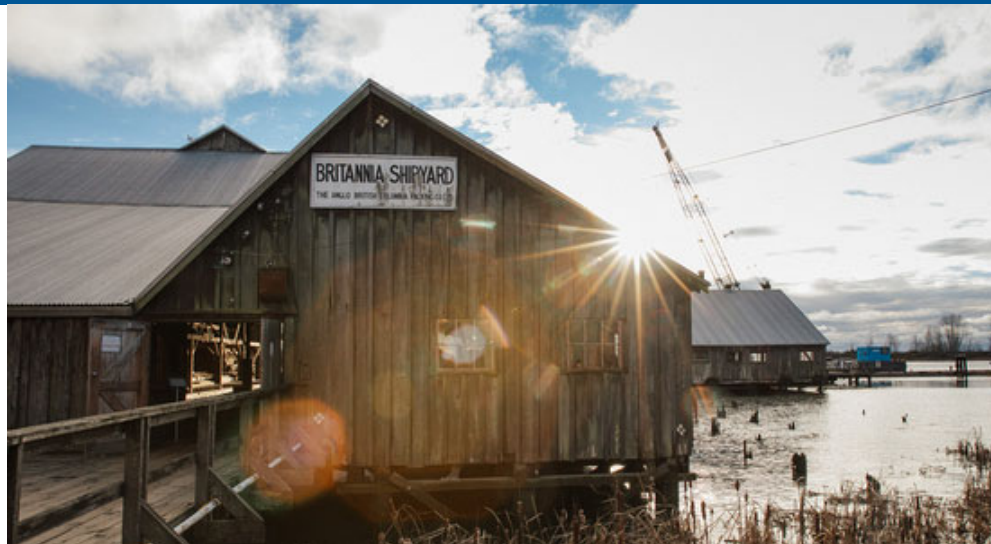
**Sub-program:** Heritage  
**Submission ID:** 7483

**Location:**  
 5180 Westwater Drive

**Cost:**  
 \$7,000,000

**Funding Sources:**  
 Building and Infrastructure:  
 \$7,000,000

**OBI:**  
 \$ -



#### Scope:

This is the second year of funding for this project and the scope is to complete repairs, replacements and associated works to the Shipyard building. There will be a submission for the budget year 2025 for the remaining work on the Seine Net Loft.

Structural - \$3,000,000

The pile foundations of the Shipyard Building is deteriorating due to environmental conditions such as increased water levels, powderpost beetle infestations and age. While there are multiple repair and remediation programs already in use to prolong the life of these piles, many of them are beyond repair and require replacement. The deteriorating piles will be replaced with new and treated ones to prolong the life of these facilities.

Envelope - \$3,500,000

The roofing of the Shipyard Building, as well as the siding are in poor condition and can no longer be sufficiently repaired. These systems will be replaced with new and aesthetically similar systems to prolong the life of these facilities.

These works are planned to proceed together as the piling replacements require an open entry point through the roof to be lowered in and secured.

Life / Safety - \$200,000

This includes replacements and upgrades to the fire alarm and security systems present.

Mechanical and Electrical - \$300,000

Repairs and replacements to the mechanical and electrical systems affected by this project.

<b>Program:</b>	<b>Building Program</b>	<b>Sub-program:</b>	<b>Heritage</b>
<b>Project Name:</b>	<b>First Nations Bunkhouse Reconstruction and Exhibit Development</b>	<b>Submission ID:</b>	<b>7317</b>

**Location:**

5180 Westwater Drive

**Cost:**

\$6,500,000

**Funding Sources:**

Building and Infrastructure:

\$3,146,000

Growing Communities Reserve:

\$3,354,000

**OBI:**

\$185,824

**Scope:**

The purpose of this project is to restore and develop the First Nations Bunkhouse at Britannia Shipyards for visitor services, heritage exhibits and program spaces.

On February 8, 2021, Council endorsed the program plan for the First Nations Bunkhouse.

On July 23, 2021, Council endorsed the Britannia Shipyards National Historic Site Strategic Development Plan which recommended completing reconstruction, exhibit and program development of the Japanese Duplex and First Nations Bunkhouse as key priorities for 2019.

The preservation and interpretation of the building in this project supports the goals identified in the Cultural Harmony Plan adopted by Council on May 25, 2020, including recognizing and celebrating Richmond's diverse cultures and unique heritage and responding to the calls to action from the Truth and Reconciliation Commission.

All estimates provided are Class D. The OBI for this project is an estimate. Staff will prepare detailed service level and budget options for Council consideration prior to the 2025 budget process being initiated.



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 Richmond residents continue to receive excellent service and that Richmond continues to be a regional and tourism destination.

Parks – Parks Program

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Program:	Parks Program	Sub-program:	Parks
Project Name:	Bowling Green Lighting LED Replacement	Submission ID:	7562

**Location:**  
Minoru Park

**Cost:**  
\$450,000

**Funding Sources:**  
Gas Tax:  
\$450,000

**OBI:**  
\$ -



**Scope:**

The Minoru Park lawn bowling greens were constructed with field lights in the 1970s. Field lights enable all-season and evening play, and support event hosting capabilities. While the light fixtures were replaced in 1994, the light poles were original to the 1970s and are nearly 50 years old. The light fixtures and the light poles have both exceeded their expected service life and requires total replacement of the lighting system in order to be consistent with present structural codes and lighting technology.

The existing field is illuminated through eight light poles and metal halide fixtures, and is powered through 8.0 kilowatt of load. With advancements in technology, the proposed system will require only four light poles with LED light fixtures, and will draw 4.0 kilowatt load, and therefore reduces energy usage by half for the same hours of operation. The reduction of total light poles and improved light fixtures will also reduce glare onto neighbouring residential properties while increasing illumination onto playing surfaces.

The project has been designed to meet IES RP-6-20 standards for recreational amenities, such as lawn bowling. Furthermore, the use of shields and pre-aimed light fixtures ensures that the installation minimizes glare and meets International Dark Sky Association criteria for community-friendly outdoor sports lighting.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Burkeville Neighbourhood Park Redevelopment	Submission ID:	7549

**Location:**  
Burkeville Park

**Cost:**  
\$600,000

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

**OBI:**  
\$ -



**Scope:**

Burkeville Neighbourhood Park was originally constructed in the 1970s and its amenities are rapidly approaching end of useful service life. Situated in the center of the Sea Island's residentially zoned area, the park is a key defining component to the neighbourhood and integral to satisfying the OCP's park distribution standards. It is also the only park to provide a full range of trails, playgrounds and informal active recreation amenities, ensuring that residents have equitable access to achieve outdoor active healthy lifestyles.

This project aims to replace the existing sport courts and asphalt pathways, and to implement improvements to the playground, splash pad, site furnishings and perimeter trail conditions. Assets such as the splash pad and play equipment require full replacement to keep up with present safety standards, and the sports courts require significant repairs to the asphalt and underlying base.

Redevelopment of the site will ensure continued service delivery and will update the character and aesthetic of the park consistent with the local community. Preliminary consultation with the Sea Island Community Association has resulted in positive feedback for the project and further community engagement is proposed.

<b>Program:</b>	<b>Parks Program</b>	<b>Sub-program:</b>	<b>Parks</b>
<b>Project Name:</b>	<b>City-Wide Community Gardens</b>	<b>Submission ID:</b>	<b>7506</b>

**Location:**

Various Locations

**Cost:**

\$300,000

**Funding Sources:**

Parks Development DCC:

\$282,150

Capital Reserve (Revolving Fund):

\$17,850

**OBI:**

\$5,700

**Scope:**

In 2019, Council supported the creation of new community garden plots to meet the desires of Richmond residents for space to grow food and garden. In 2022, the Cook Community Garden expansion added 40 new plots. That same year, three new community gardens were built along the Railway Greenway with 96 total plots.

In 2023, the program focused on creating new gardens in underserved neighbourhoods such as Hamilton and West Cambie. Staff conducted a comprehensive study of the City's community gardens and their access, and gained a better understanding of the existing service gaps and needs. The study will help guide the planning and implementation of the program in the next five years.

The objective of this submission is to continue to focus on addressing existing garden provision gaps and creating new gardens in underserved neighborhoods with increasing demand. The proposed neighbourhoods are Broadmoor and Blundell, with exact locations to be determined with input from future public engagement.

Community gardens are member-maintained, shared green spaces with individual and group plots for growing food, flowers and other plants. Community gardens help to create welcoming, safe and inclusive communities, and allow residents to feel connected to nature and with one another. Community gardens can play a significant role in addressing social equity by promoting inclusivity, access, and empowerment within communities.



Program:	Parks Program	Sub-program:	Parks
Project Name:	Hugh Boyd Community Park Playground Renewal	Submission ID:	7515

**Location:**  
Hugh Boyd Community Park

**Cost:**  
\$300,000

**Funding Sources:**  
Parks Acquisition DCC:  
\$282,150

Capital Reserve (Revolving Fund):  
\$17,850

**OBI:**  
\$ -



**Scope:**

The Hugh Boyd Community Park playground is a designated community playground, serving the greater surrounding area and acting as a significant destination for West Richmond. The majority of the play equipment and supporting infrastructure have reached the end of their life cycle.

To address these issues and create a more inclusive and safe environment, the playground requires a comprehensive renewal. This project will involve consulting services, encompassing community and stakeholder engagement, concept and detailed design, and the development of custom play structures. Detailed costing will also be prepared as part of the renewal design work.

The renewal of the Hugh Boyd Community Park playground is imperative to establish a more inclusive, safe and captivating space for all community members. The project aims to develop a comprehensive design ready for construction, which prioritizes safety, accessibility, and sustainability to establish a captivating and enjoyable playground for everyone.

Until sufficient funds are collected within the Parks Development DCC program, it is recommended that this project to be funded from Parkland Acquisition DCCs and repaid to Park Development DCCs with interest.

<b>Program:</b>	<b>Parks Program</b>	<b>Sub-program:</b>	<b>Parks</b>
<b>Project Name:</b>	<b>Minoru Lakes Renewal: Phase 2</b>	<b>Submission ID:</b>	<b>7522</b>

**Location:**  
Minoru Park

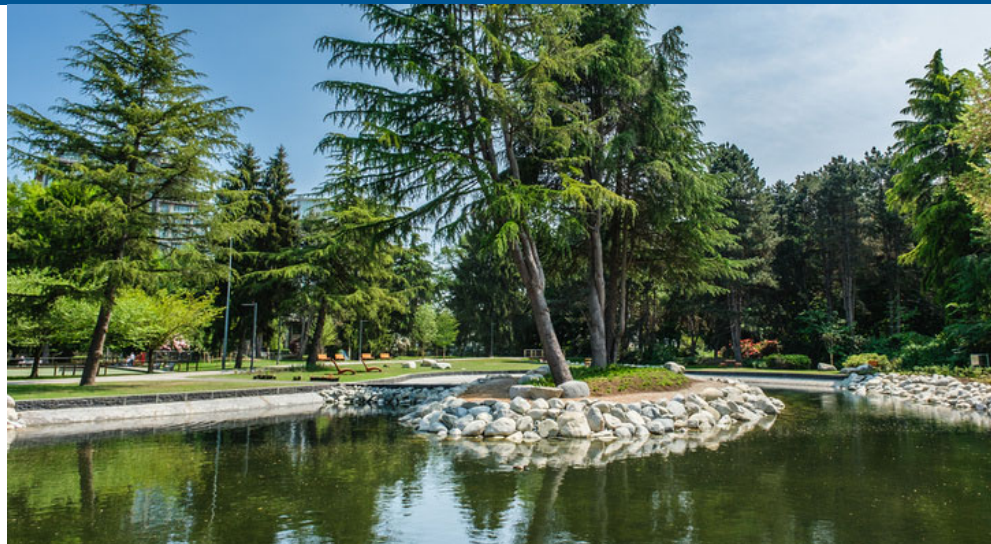
**Cost:**  
\$2,500,000

**Funding Sources:**  
Parks Acquisition DCC:  
\$658,350

Capital Reserve (Revolving Fund):  
\$691,650

Grant:  
\$1,150,000

**OBI:**  
\$7,950



#### **Scope:**

Minoru Lakes Renewal: Phase 2 includes a stormwater detention pond system (liner, edging, recirculation pump, oil interceptor, aquatic, emergent, and riparian planting, as well as irrigation) to further enhance the environmental sustainability of Minoru Lakes and the neighbourhood stormwater catchment area to the east of Minoru Park. More robust bridges over the drainage canal, wayfinding, and lighting, which are all aimed at providing a more welcoming entry into the Minoru Lakes, are also included.

This next phase of construction will build on the success of the first phase, which was completed in June 2023. The new stormwater detention pond will intercept, treat (mechanically and passively via soil and plants) and detain stormwater from upstream private developments and public roadways. A recirculating pump system will supply water to the lakes and help maintain its water levels. Via the Minoru Park Vision Plan process, the community noted that the Minoru Lakes area is hidden, generally unwelcoming and viewed as unsafe. The new bridges, lighting and wayfinding will offer a more inviting entry into the Minoru Lakes area along its south edge and provide improved connections to adjacent areas within Minoru Park.

This capital request relates to a pending grant application to Investing in Canada Infrastructure Program: Green Infrastructure Environmental Quality Stream and has further taken into account of the grant's eligible cost items and price adjustment due to construction cost inflation.

Until sufficient funds are collected within the Parks Development DCC program, it is recommended that this project to be funded from Parkland Acquisition DCCs and repaid to Park Development DCCs with interest.



Program:	Parks Program	Sub-program:	Parks
Project Name:	Minoru Park Central Amenity Space Concept Design	Submission ID:	6681

**Location:**  
Minoru Park

**Cost:**  
\$385,000

**Funding Sources:**  
Parks Development DCC:  
\$329,175

Capital Reserve (Revolving Fund):  
\$20,825

Community Contribution:  
\$35,000

**OBI:**  
\$ -



**Scope:**

The scope of work for Minoru Park Central Amenity Space Concept Design will include public and stakeholder engagement, concept plan options, and a final preferred concept plan. A summary of the process and the preferred concept plan will be included in a report for Council consideration prior to detailed design.

Minoru Park is the primary City-wide Park within the City Centre Area and has long been a destination for sport and recreation. It includes a wide range of amenities that serve the local surrounding neighbourhood, broader Richmond community and visitors. During public engagement that was focused on potential future park amenities at Minoru Park, the local community expressed a strong desire for additional informal park uses such as a large playground, expanded picnic area, updated outdoor fitness stations and basketball courts. This desire is further supported by a need to expand informal park services in response to the rapidly growing population living within a five minute walking distance (400 meters) of the park, which is anticipated to double by 2041. The majority of new local residents will be living in high density housing with limited access to outdoor space. New and enhanced informal park uses that serve a broad range of ages and abilities will contribute to the social, physical and mental health and wellness of the Brighthouse and broader Richmond community into the future. Design development of a central amenity space at Minoru Park will be the next step towards expanded opportunities for informal recreation and socialization within Minoru Park and the benefits they offer.



Program:	Parks Program	Sub-program:	Parks
Project Name:	Parks Advance Planning and Design	Submission ID:	6375

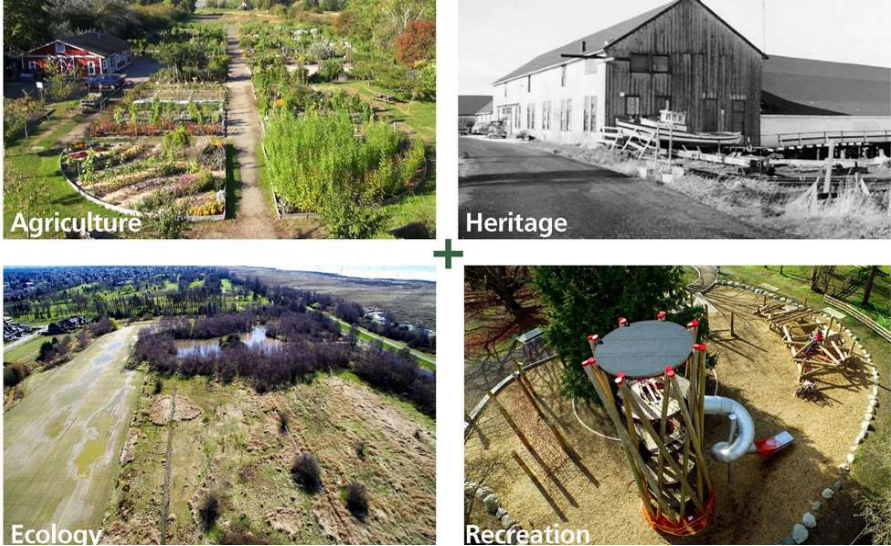
**Location:**  
Various Locations

**Cost:**  
\$800,000

**Funding Sources:**  
Parks Development DCC:  
\$752,400

Capital Reserve (Revolving Fund):  
\$47,600

**OBI:**  
\$ -



**Scope:**

This annual project submission for Parks Advance 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).

2024 projects include:

1. Richmond Nature Park Improvement Study;
2. Electrical Infrastructure Condition Assessments;
3. Stormwater Infrastructure Improvement Study;
4. Conceptual park and open space planning for various sites;
5. Topographical surveys (engineering site survey pick-up);
6. Park characterization projects; and
7. Best practices research.

The scope of work includes researching best practices; collecting data, topographical surveys and geographical information; and securing consultation for 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.

<b>Program:</b>	<b>Parks Program</b>	<b>Sub-program:</b>	<b>Parks</b>
<b>Project Name:</b>	<b>Parks Ageing Infrastructure Replacement Program</b>	<b>Submission ID:</b>	<b>6374</b>

**Location:**

Various Locations

**Cost:**

\$730,000

**Funding Sources:**Capital Reserve (Revolving Fund):  
\$730,000**OBI:**

\$ -

**Scope:**

This program targets the replacement of ageing parks and open space infrastructure, including drainage, electrical and structural systems. Park assets that have exceeded their expected service life are prioritized for repairs or total replacement depending on operational impact and safety to life and property. If not addressed, declining condition of assets may result in closure of amenities and public open spaces, and also increase operational effort required to address increasing frequency and severity of issues.

Priority projects currently identified for 2024 include:

1. Steveston Park lacrosse box replacement: Constructed in the 1970s, the perimeter fence and bleachers are in poor condition and have exceeded expected service life. Issues in the construction cannot be feasibly addressed through minor repairs.
2. Steveston Park spray pad mechanical upgrades: Primary pump and UV treatment systems have exceeded warranty and design life, with spare parts not readily available if issues arise. Upgrades will improve system reliability and performance.
3. South Arm Park court resurfacing: The sport surfacing coatings have completely worn off in high-use areas like the service boxes and require resurfacing. Pavement cracks will be repaired through spot removals and/or surface treatments.
4. Richmond Skateboard Park repairs: Cracked skate features and concrete walls will be repaired to ensure safe operation of the skate park.

**Program:** Parks Program  
**Project Name:** Parks General Development

**Sub-program:** Parks  
**Submission ID:** 6373

**Location:**

Various Locations

**Cost:**

\$500,000

**Funding Sources:**

Parks Development DCC:  
 \$470,250

Capital Reserve (Revolving Fund):  
 \$29,750

**OBI:**

\$ -

**Scope:**

Upgrades to existing parks are required to respond to urgent requests and 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 public requests 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:

1. New benches;
2. New drinking fountains; and
3. New tennis tables.

Specific projects will be identified and prioritized based on public safety, community requests/complaints, and condition assessments carried out during the year.



<b>Program:</b>	<b>Parks Program</b>	<b>Sub-program:</b>	<b>Parks</b>
<b>Project Name:</b>	<b>Parks Interpretive Signage Program - Phase 2</b>	<b>Submission ID:</b>	<b>6680</b>

**Location:**

Various Locations

**Cost:**

\$120,000

**Funding Sources:**

Parks Development DCC:

\$112,860

Capital Reserve (Revolving Fund):

\$7,140

**OBI:**

\$7,500

**Scope:**

This project is a continuation of the initiative to develop interpretation signage in underserved parks and trail areas. There are gaps in the Parks and Trails interpretation program and this capital request seeks to close those gaps and provide relevant, active engagement through education and site interpretation of our natural, cultural and historic landscapes. This phase of the project includes up to 10 new interpretation sites. None of these locations have such existing park signage and are still being developed directly related to growth. The new design for the interpretation signage program takes its design cues from the Parks Identification and Wayfinding Signage program and will become part of a larger family of visual identity for Parks.

The scope of work includes:

1. Designing and completing an analysis per interpretation site (natural, cultural and historic);
2. Developing site plans for interpretation signage deployment;
3. Coordinating with vendors and/or in-house services for the fabrications of the signs; and
4. Coordinating installation deployment of Phase 2 with in-house services.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Playground Replacement Program	Submission ID:	6640

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, no longer meet current safety guidelines (according to the Canadian Standards Association's "Children's Playspaces and Equipment"), 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 and enhance or introduce inclusive play with environmental sustainability condition will also be explored.

A priority in 2024 are replacement of the playgrounds at:

- 1. Fedoruk Kartner Park;
- 2. McLean Neighbourhood Park; and
- 3. Dover Neighbourhood Park.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Waterfront Infrastructure Renewals	Submission ID:	7651

**Location:**  
Imperial Landing and Garry Point Park

**Cost:**  
\$120,000

**Funding Sources:**  
Capital Reserve (Revolving Fund):  
\$120,000

**OBI:**  
\$ -



**Scope:**

The City’s parks and open space system features a wide range of opportunities for residents and visitors to access and enjoy the waterfront. Unique structures along the river celebrate Richmond’s history and create appealing destinations. Waterfront infrastructure at Garry Point Park includes steel piles, concrete abutments, mooring supports, and site servicing capable of supporting moorage of vessels.

Garry Point Park is exposed to adverse conditions of the Fraser River. Scouring, large wakes, deadheads and storm events require structural renewals to ensure the assets are in serviceable conditions. Works proposed include re-coating or repairing damaged steel piles, concrete abutment repairs, steel pontoon floats, and detailed inspections of site services such as water supply and hydro connections.



Parks – Parkland Acquisition Program

The parkland acquisition program relates to the acquisition of parkland for the City, as approved by Council.

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Parkland Acquisition..... 107

Program:	Parks Program	Sub-program:	Parkland
Project Name:	Parkland Acquisition	Submission ID:	6377

**Location:**  
As per Parks DCC Land Acquisition Plan

**Cost:**  
\$4,000,000

**Funding Sources:**  
Parks Acquisition DCC:  
\$3,762,000

Capital Reserve (Revolving Fund):  
\$238,000

**OBI:**  
\$ -



**Scope:**

The purpose of the Parkland Acquisition program is to acquire land for park requirements to address development and population growth. The program is based on the City's population projections as per the OCP with the objective of maintaining the parks provision standard of 7.66 acres per 1,000 population. The program is funded through Parkland Acquisition Development Cost Charges (DCCs) and is guided by the Council approved 2009 Park Land Acquisition Strategy which provides the criteria for evaluating proposed acquisitions. Funding is required each year to allow the City to be strategic and responsive as properties become available thus avoiding the need to borrow the funding from other City sources or pass/prepare a budget amendment for each acquisition.

# 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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Strategic Real Estate Acquisition ..... 109

Program:	Land Program	Sub-program:	Land
Project Name:	Strategic Real Estate Acquisition	Submission ID:	6687

Location:

Various Locations

Cost:

\$11,186,407

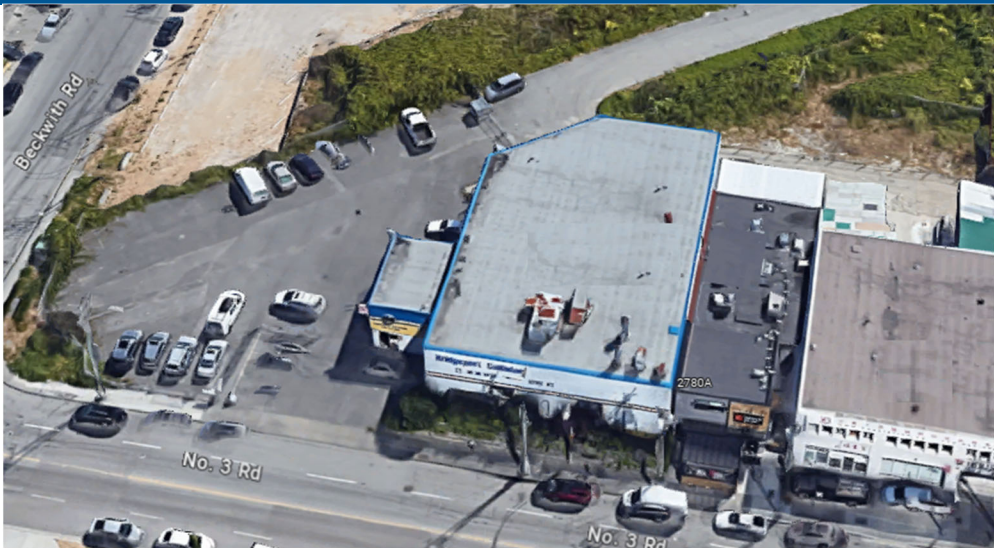
Funding Sources:

Capital Reserve (Industrial Use):  
\$10,000,000

Developer Contribution:  
\$1,186,407

OBI:

\$ -



Scope:

Funds for land acquisition to meet the Council Approved Strategic Real Estate Investment Plan, other than Development Cost Charges (DCC) and other special reserve funded projects, are set aside in the Capital Reserve under the Industrial Use Fund. This capital budget submission is to use land acquisition monies from this fund as well as additional general funds approved by Council.

\$10 million to be invested in investment class real estate.

\$1,186,407 from Developer Contributions will be used to acquire a previously identified property for future road purposes.

## Equipment Program

The equipment program includes machinery and vehicles for Public Works (PW), Fire Rescue Services, City Hall computer hardware, software, and other equipment.

### Equipment – Vehicle Program

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Vehicle and Equipment Reserve Purchases (PW and Corporate Fleet) .....	112



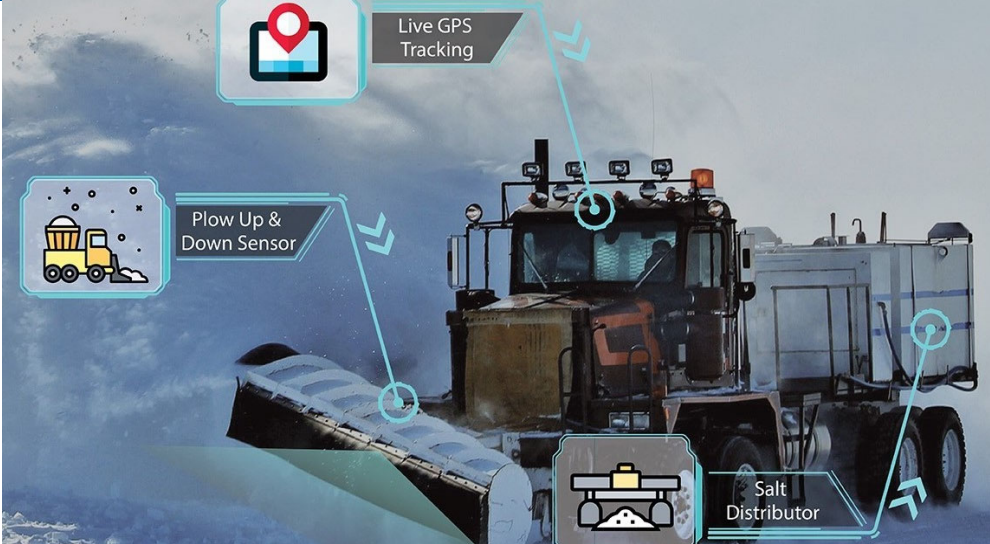
Program:	Equipment Program	Sub-program:	Vehicle
Project Name:	Automatic Vehicle Location/Global Positioning System Expansion	Submission ID:	7264

**Location:**  
Public Works – Fleet Operations

**Cost:**  
\$189,554

**Funding Sources:**  
Public Works Equipment:  
\$189,554

**OBI:**  
\$121,762



**Scope:**

The Automatic Vehicle Location/Global Positioning System (AVL/GPS) supports the City's sustainability objectives relating to social accountability, greenhouse gas (GHG) emissions reductions in relation to efficient fleet use, and fuel efficiency. This is the third year and the final phase of the AVL/GPS expansion.

This project will implement the Power to Off (PTO) and additional sensor capabilities on the remaining approximate 160 units in the corporate fleet including all Richmond Fire-Rescue non-emergency response vehicles. The system specifications requirements will also be refined as a result of this expansion.

<b>dProgram:</b>	<b>Equipment Program</b>	<b>Sub-program:</b>	<b>Vehicle</b>
<b>Project Name:</b>	<b>Vehicle and Equipment Reserve Purchases (PW and Corporate Fleet)</b>	<b>Submission ID:</b>	<b>6770</b>

**Location:**

Works Yard and Various City Departments

**Cost:**

\$3,685,000

**Funding Sources:**

Public Works Equipment:  
\$2,960,000

Sewer Levy:  
\$350,000

Water Levy:  
\$375,000

**OBI:**

\$ -

**Scope:**

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

The project involves meeting with user groups to establish needs and develop specifications for vehicle/equipment replacements. Bid documentation is then issued to the marketplace, with purchases combined where possible to achieve best value. Submissions are evaluated with user input, and awards are made accordingly. Scope also includes vehicle outfitting as required to coincide with individual user department needs. The work commences upon receiving Council approval, with timing dependent on delivery timeframes/availability of product from successful vendors.

The preliminary list of replacement vehicles and equipment includes, but not limited to, the following: 1 tandem dump truck, 3 heavy duty trucks, 2 medium duty trucks, 1 tractor, 1 bus, 3 medium duty vans, 4 light duty vans, 2 excavators, 2 ice resurfacers, 2 recreational terrain vehicles (RTV), 1 trailer, 1 curb builder, plus an unallocated amount for unforeseen replacements, pricing adjustments, equipment failure, etc.

Equipment – Fire Vehicle Program

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Fire Vehicle Replacement Reserve Purchases ..... 114

Program:	Equipment Program	Sub-program:	Fire Vehicle
Project Name:	Fire Vehicle Replacement Reserve Purchases	Submission ID:	7434

Location:

Various Locations

Cost:

\$1,476,000

Funding Sources:

Fire Equipment:

\$1,476,000

OBI:

\$ -



Scope:

Richmond Fire-Rescue (RFR) follows a life-cycle replacement schedule based on the National Fire Protection Association standard 1904-194.

Following this international standard includes RFR mechanical staff conducting an inspection annually on each frontline apparatus to evaluate replacement schedules due to age and operational condition, and to avoid mechanical failures.

This inspection and replacement cycle allows Richmond Fire-Rescue to respond to calls for service and ensure the continuous and uninterrupted delivery of fire suppression services, which provides a favourable fire underwriters rating and the lowest possible insurance lines for commercial and residential customers in the City of Richmond.

RFR has designated “Fire Equipment Reserve”, the replacement plan for all apparatus funded through this reserve.

The replacement plan for 2024 includes a frontline truck budgeted at \$1,476,000.

Equipment – Equipment Program

Table of Contents

GHG and Energy Management Projects ..... 116



Program:	Equipment Program	Sub-program:	Equipment
Project Name:	GHG and Energy Management Projects	Submission ID:	7089

Location:

Various Locations

Cost:

\$550,000

Funding Sources:

Gas Tax:

\$550,000

OBI:

\$ -



Scope:

Greenhouse gas (GHG) reduction, energy management and building mechanical projects (e.g. HVAC) as identified through the completion of the following ongoing studies:

1. Low Carbon Electrification (BC Hydro);
2. GHG Reduction Master Plan (FortisBC); and
3. GHG Reduction Pathway Feasibility Study (Federation of Canadian Municipalities).

The City is utilizing these studies to identify a variety of GHG emission reduction measures, as well as project phasing and funding pathways for a group of civic facilities that collectively represent over 50 per cent of annual natural gas consumption within the City’s corporate portfolio.

Key objectives for this project include significantly reducing operational greenhouse gas emissions through a combination of energy efficiency improvements, mechanical system electrification, and assessing how these measures can make these buildings more resilient to the negative effects of climate change.

# 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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Automated Plan Review AI Software ..... 119

Commvault City Hall Storage Refresh ..... 120

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MyPermits ..... 123

VXRail Host Expansion and Refresh ..... 124

<b>Program:</b>	<b>Equipment Program</b>	<b>Sub-program:</b>	<b>Information Technology</b>
<b>Project Name:</b>	<b>Annual Hardware Refresh</b>	<b>Submission ID:</b>	<b>6668</b>

**Location:**

City Hall

**Cost:**

\$447,000

**Funding Sources:**

Hardware Upgrade:

\$447,000

**OBI:**

\$ -

**Scope:**

The City maintains the best practice of replacing ageing computer hardware on a defined schedule to mitigate the effects of equipment failure. For our desktop and laptop environment, this schedule is based on a five-year refresh cycle. These assets are depreciated and written off 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 perform the scheduled replacement of end-of-life City computer hardware, which includes 77 desktops, 3 laptops, 211 monitors (desktop and video conferencing enabled), 12 docking stations, 121 mobile phones and 124 iPads.

Program:	Equipment Program	Sub-program:	Information Technology
Project Name:	Automated Plan Review AI Software	Submission ID:	7638

**Location:**  
City Hall

**Cost:**  
\$717,414

**Funding Sources:**  
Grant:  
\$717,414

**OBI:**  
\$55,000



**Scope:**

The goal of this project is to implement an AI (artificial intelligence) driven, automated plan review system to significantly enhance the speed and accuracy for processing building and development permit applications. The project will be implemented in phases, with the submission focusing on the first phase for single occupancy building types.

The scope of work includes:

1. Planning study to design the plan review automation rules for single occupancy building types; and
2. Implementation of the automated plan review software, with machine learning capabilities.

Subject to the grant application being successful, this project will be funded by the Housing Accelerator Fund (HAF), which the application was approved by Council. At the time of writing this report, no funding decision has been announced.

Program:	Equipment Program	Sub-program:	Information Technology
Project Name:	Commvault City Hall Storage Refresh	Submission ID:	7561

**Location:**  
City Hall

**Cost:**  
\$131,658

**Funding Sources:**  
Hardware Upgrade:  
\$131,658

**OBI:**  
\$6,552



**Scope:**

The City's backup storage solution is critical for the protection, retention and recovery of data. The system is used to store all City data and is required for business productivity, continuity and risk management.

The existing disk storage solution at City Hall has begun to have drive failures and has been in operation for about 10 years. It has exceeded recommended life cycle targets and needs to be replaced.

This project will replace the existing unsupported end-of-life hardware with new technology and increased storage capacity to meet future growth.



<b>Program:</b>	<b>Equipment Program</b>	<b>Sub-program:</b>	<b>Information Technology</b>
<b>Project Name:</b>	<b>CRM Public Works Expansion</b>	<b>Submission ID:</b>	<b>7521</b>

**Location:**

City Hall

**Cost:**

\$400,000

**Funding Sources:**

Computer Equipment:  
\$400,000

**OBI:**

\$ -

**Scope:**

Expanding the use of the City's Customer Relationship Management (CRM) platform to be used as the source system to capture requests for service and problems that Dispatch capture in phone calls, and emails to Infor Public Sector (IPS). This process will also streamline the process that website visitors follow to submit a request for service or problems that are associated to Dispatch-related activities.

This solution would require the following categories to be updated and re-assessed in the City's CRM:

1. Graffiti - on roadways and City building
2. Meter Service requests
3. Traffic signal not working (1 or multiple)
4. Roads category
5. Water and Sewers category

Integration, consulting/coaching, design, event handling, automation and orchestration will be necessary to keep the City's source systems, IPS, CRM, corporate website and MyRichmond, updated and optimized.

<b>Program:</b>	<b>Equipment Program</b>	<b>Sub-program:</b>	<b>Information Technology</b>
<b>Project Name:</b>	<b>Database Encryption Project</b>	<b>Submission ID:</b>	<b>7516</b>

**Location:**

City Hall

**Cost:**

\$355,000

**Funding Sources:**

Software:

\$355,000

**OBI:**

\$44,500

**Scope:**

As part of best practice as it relates to security protections, it is recommended that all databases be fully encrypted to prevent data being potentially stolen by cybercriminals. Data that is encrypted is not easily accessible without the encryption keys, which would be highly secured.

Implementing database encryption prevents attempts from malicious parties from gaining access to confidential information stored in Oracle and SQL Server databases, by transparently encrypting corporate enterprise system data stored in databases and backups.

Program:	Equipment Program	Sub-program:	Information Technology
Project Name:	MyPermits	Submission ID:	7519

**Location:**  
City Hall

**Cost:**  
\$2,176,085

**Funding Sources:**  
Grant:  
\$2,176,085

**OBI:**  
\$ -



**Scope:**

The MyPermits will support development and related activities to reduce administrative time for permit processing and provide customer online digital access. The primary objective is to optimize and streamline processes for development applications, plan review, and permitting, with end-to-end modernization to enable digital submission, review/approval, and issuance. By leveraging technology, the project aims to improve the efficiency and effectiveness of the review process, while also introducing customer-focused enhancements such as online application submission and payment. This will lead to increased stakeholder engagement and improved accessibility to information.

The scope involves reviewing and streamlining the permitting process and enabling digital access for development application submissions and review, as well as status tracking. This includes upgrading the current permitting system and implementing the Permit Portal within MyRichmond.

Subject to the grant application being successful, this project will be funded by the Housing Accelerator Fund (HAF), which the application was approved by Council. At the time of writing this report, no funding decision has been announced.

Program:	Equipment Program	Sub-program:	Information Technology
Project Name:	VXRail Host Expansion and Refresh	Submission ID:	7528

Location:  
City Hall

Cost:  
\$738,000

Funding Sources:  
Hardware Upgrade:  
\$738,000

OBI:  
\$88,000



Scope:

This project is to expand the computer and storage capacity of the Datacentre production virtualized server environment to meet the increasing resource demand and to replace ageing, end of life servers with the same technology platform.

There is an additional compute demand being placed on the server environments due to advanced detection and reporting services, namely Carbon Black, that has been put in place. As a result, the server compute environment is running out of compute resources. This project is to ensure that the capacity is able to continue to serve the requirements of the City and not be prone to outages or performance impacts in the future.

# 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 ..... 126



Program:	Contingent External Contributions	Sub-program:	Contingent External Contributions
Project Name:	Contingent External Contributions	Submission ID:	6769

<b>Location:</b> Various Locations	<b>Scope:</b> The Financial Plan includes an estimate for external grants and contributions that may be approved or received throughout the year for various projects. Spending will only incur if the funding is confirmed. Including an estimate in the Financial Plan will allow staff to request scope changes to existing projects without having to wait until the Bylaw Amendment, which is typically adopted in the fall.
<b>Cost:</b> \$10,000,000	
<b>Funding Sources:</b> Grant: \$10,000,000	
<b>OBI:</b> \$ -	

# Infrastructure Program – Recommended But Insufficient Funding

Due to funding constraints and higher priority projects, the following infrastructure project is recommended but with insufficient funding.

## Infrastructure Advanced Design and Minor Public Works Program

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Public Works Minor Capital - Traffic..... 128

Program:	Infrastructure Program	Sub-program:	Infrastructure Advanced Design and Minor Public Works
Project Name:	Public Works Minor Capital - Traffic	Submission ID:	6624

Location:

Various Locations

Cost:

\$250,000

Funding Sources:

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

OBI:

\$ -



Scope:

Minor work related to traffic operations and traffic signals infrastructure including installation, repairs, or replacement of traffic/parking signage, pavement marking, traffic measure and signal device, upgrades to meet changes in safety requirements, testing of new technologies to improve efficiencies, and response to unforeseen public requests for minor upgrades. These are separate from DCC programs which fund specific projects/locations.

Note: Transportation receives public requests throughout the year for minor transportation projects. The minor capital program allows the department to respond to these requests in a timely and cost effective manner.

# Building Program – Recommended But Insufficient Funding

Due to funding constraints and higher priority projects, the following building projects are recommended but with insufficient funding.

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Facility Services Minor Capital Works..... 130

UPS Replacement..... 131

Program:	Building Program	Sub-program:	Building
Project Name:	Facility Services Minor Capital Works	Submission ID:	7505

**Location:**  
Various Locations

**Cost:**  
\$500,000

**Funding Sources:**  
Building and Infrastructure:  
\$500,000

**OBI:**  
\$ -



**Scope:**

This project involves minor work related to the building infrastructure maintenance, including replacement of chiller gaskets, rehabilitation of building envelope systems, upgrades to multiple trail washrooms, fire panel and equipment replacements, as well as associated works to complete these.

Every year, Facility Services receives requests for minor projects. The minor capital program will allow the department to respond to these requests in a timely and cost effective manner.



Program:	Building Program	Sub-program:	Building
Project Name:	UPS Replacement	Submission ID:	7591

Location:  
City Hall

Cost:  
\$400,000

Funding Sources:  
Building and Infrastructure:  
\$400,000

OBI:  
\$60,000



Scope:

Uninterruptible Power Supply (UPS) protect computers and other equipment from power surges and guarantee power in the event of an outage. The UPS at City Hall and Works Yard is 15+ years and is at its end of life, with limited support and replacement parts available. Also there are several equipment communications rooms which do not have any UPS protection.

This project will replace the UPS systems in the City Hall and Works Yards data centres and provide individual UPS protection for 15 equipment communication rooms.

# Parks Program – Recommended But Insufficient Funding

Due to funding constraints and higher priority projects, the following park projects are recommended but with insufficient funding.

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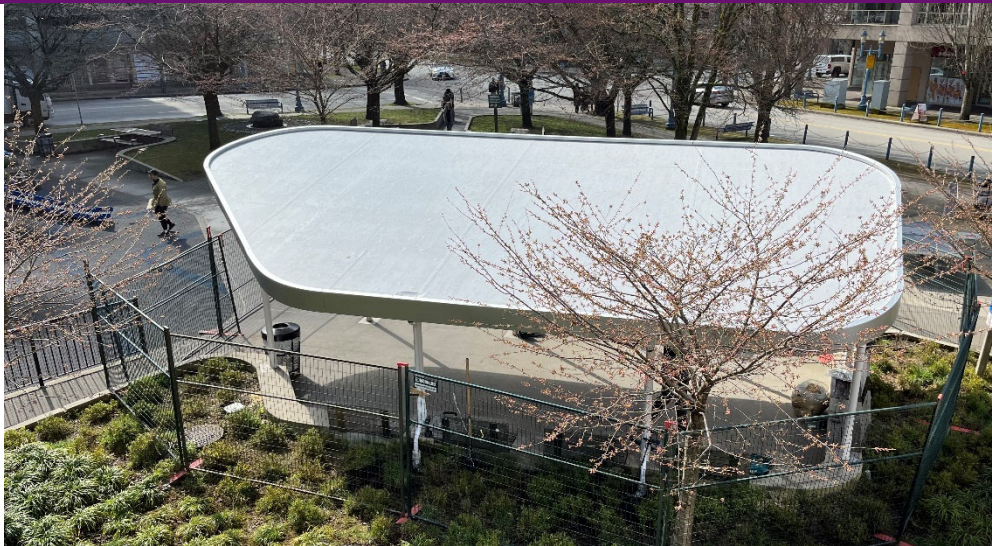
Program:	Parks Program	Sub-program:	Parks
Project Name:	Park Shelter and Shade Program	Submission ID:	7369

**Location:**  
Various Locations

**Cost:**  
\$500,000

**Funding Sources:**  
Capital Reserve (Revolving Fund):  
\$500,000

**OBI:**  
\$4,000



**Scope:**

This project proposes to construct canopies and shades in parks to improve adaptation to warming climates. Construction of permanent shelters at Dover Neighbourhood Park, Garden City Park, McLean Neighbourhood Park and Steveston Park were planned through a previous capital submission in 2023.

This project proposes the construction of four additional shade structures. The program will prioritize and implement new shade amenities at strategic locations in the built environment, such as playgrounds, plazas and picnicking areas.

If this capital submission is not approved, the City will continue with the installation of temporary pop-up park shelters as neededou could .

Program:	Parks Program	Sub-program:	Parks
Project Name:	Pickleball Court Construction	Submission ID:	7538

**Location:**  
Various Locations

**Cost:**  
\$1,430,000

**Funding Sources:**  
Capital Reserve (Revolving Fund):  
\$1,430,000

**OBI:**  
\$2,110



**Scope:**

In 2020, the City constructed nine new pickleball courts through renovation of underutilized spaces in Hugh Boyd Community Park and South Arm Community Park. As the only pickleball courts in the City, the courts are frequently full with users waiting for court time. Pickleball is the fastest growing sport in North America and demand is expected to continue to increase as the sport features a low barrier to entry and a highly social playing environment. This project is identified as a priority project through the Recreation Sports Facility Needs Assessment.

The project proposes the construction of nine new pickleball courts inclusive of paving, coloured sport performance surfacing, perimeter fencing, drainage improvements and sport lighting. An acoustic engineer will be retained to improve noise performance of the amenity through site selection and design methodology. Several sites will be assessed in consideration to noise impacts, amenity provision service areas and overall park planning objectives.

Program:	Parks Program	Sub-program:	Parks
Project Name:	Waterfront Infrastructure Renewals	Submission ID:	7527

**Location:**  
Imperial Landing and Garry Point Park

**Cost:**  
\$550,000

**Funding Sources:**  
Capital Reserve (Revolving Fund):  
\$550,000

**OBI:**  
\$ -



**Scope:**

The City's parks and open space system features a wide range of opportunities for residents and visitors to access and enjoy the waterfront. Unique structures along the river celebrate Richmond's history and create appealing destinations. Waterfront infrastructure at Imperial Landing include look-out piers, pilings, gangways, floats and a pedestrian bridge. These assets provide circulation, historic interpretation, and contribute to the vibrancy of Steveston and the public realm.

A condition assessment completed in 2023 by marine structural engineers Westmar Advisors Inc. identified infrastructure renewals required to ensure waterfront assets at Imperial Landing remain in serviceable conditions. Proposed works will address decaying timber structures, failing steel coatings, and general updates to components such as safety ladders and surfaces.



# Equipment Program – Recommended But Insufficient Funding

Due to funding constraints and higher priority projects, the following vehicle project is recommended but with insufficient funding.

## Vehicle Program

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Pick-Up Truck for Parks Maintenance Work ..... 137



Program:	Equipment Program	Sub-program:	Vehicle
Project Name:	Pick-Up Truck for Parks Maintenance Work	Submission ID:	7606

**Location:**  
Works Yard

**Cost:**  
\$140,000

**Funding Sources:**  
Capital Reserve (Revolving Fund):  
\$140,000

**OBI:**  
\$34,464



**Scope:**

Various major new parks have been constructed through Parks capital projects or through new development, such as Aberdeen Neighbourhood Park, Alexandra Neighbourhood Park and Tait Riverfront Park. An additional vehicle is required to support the maintenance of the new assets to transport maintenance staff, materials and equipment. This additional truck will enable the Parks department to respond to Council priorities and goals and maintain current service levels throughout the overall park system.

The scope of work is for the purchase of one 1-tonne truck with a dump box to support additional maintenance required for the growth in our park assets.

# Information Technology Program – Recommended But Insufficient Funding

Due to funding constraints and higher priority projects, the following information technology projects are recommended but with insufficient funding.

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City Hall Meeting Room AV Equipment Upgrade ..... 139

Document and Record Management System Modernization ..... 140

Program:	Equipment Program	Sub-program:	Information Technology
Project Name:	City Hall Meeting Room AV Equipment Upgrade	Submission ID:	7646

Location:  
City Hall

Cost:  
\$111,208

Funding Sources:  
Capital Reserve (Revolving Fund):  
\$111,208

OBI:  
\$23,553



Scope:

The project’s primary objective is to upgrade the AV equipment in the City Hall Meeting House rooms to a modern, integrated system with hybrid meeting capabilities.

Changing demographics and technological advancements indicate a growing demand for hybrid meeting capabilities, signifying that this is not a short-term issue. As the City continues to grow, the need for accessible and efficient meeting spaces is projected to increase steadily.

Program:	Equipment Program	Sub-program:	Information Technology
Project Name:	Document and Record Management System Modernization	Submission ID:	7517

Location:

City Hall

Cost:

\$2,077,258

Funding Sources:

Capital Reserve (Revolving Fund):  
\$2,077,258

OBI:

(\$112,000)



Scope:

The existing document and record management system is reaching its end of life. The system (REDMS) has been in place at the City for over 20 years, playing a vital role in support of the City's operations, while also supporting legislative requirements to keep vital records as evidence of City processes and activities. The last major upgrade was in 2016. There is a need to replace this system due to outdated and unsupported technology, limited functionality and increased support costs.

This project will implement a modern electronic document and records management system with new and existing system functionalities, migrating the existing data records and improving user experience while supporting records management industry best practices.

**CITY OF RICHMOND**  
**5 YEAR CAPITAL PLAN SUMMARY (2024 – 2028)**  
(in \$000s)

	2024	2025	2026	2027	2028
<b>Infrastructure Program</b>					
Roads	20,050	23,180	22,721	13,033	13,296
Flood Protection	20,561	36,956	20,529	21,301	21,016
Water	9,618	10,236	11,110	13,146	11,490
Sanitary Sewer	8,150	6,417	5,614	5,541	5,800
Infrastructure Advanced Design and Minor Public Works	5,580	4,320	4,703	3,655	4,015
<b>Total Infrastructure Program</b>	<b>\$63,959</b>	<b>\$81,109</b>	<b>\$64,677</b>	<b>\$56,676</b>	<b>\$55,617</b>
<b>Building Program</b>					
Building	87,648	34,500	57,900	31,500	35,500
Heritage	13,500	15,800	16,450	-	-
<b>Total Building Program</b>	<b>\$101,148</b>	<b>\$50,300</b>	<b>\$74,350</b>	<b>\$31,500</b>	<b>\$35,500</b>
<b>Parks</b>					
Parks	7,405	4,870	2,650	6,270	6,400
Parkland	4,000	4,000	4,000	4,000	4,000
<b>Total Parks Program</b>	<b>\$11,405</b>	<b>\$8,870</b>	<b>\$6,650</b>	<b>\$10,270</b>	<b>\$10,400</b>
<b>Land Program</b>					
	<b>\$11,186</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>
<b>Equipment Program</b>					
Vehicle	3,875	3,983	4,013	3,416	3,455
Fire Vehicle	1,476	220	1,916	2,290	336
Equipment	550	782	1,715	655	550
<b>Total Equipment Program</b>	<b>\$5,901</b>	<b>\$4,985</b>	<b>\$7,644</b>	<b>\$6,361</b>	<b>\$4,341</b>
<b>Information Technology Program</b>					
	<b>\$4,966</b>	<b>\$1,621</b>	<b>\$1,301</b>	<b>\$543</b>	<b>\$671</b>
<b>Contingent External Contributions</b>					
	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>
<b>Total Capital Program</b>	<b>\$208,565</b>	<b>\$166,885</b>	<b>\$174,622</b>	<b>\$125,350</b>	<b>\$126,529</b>



**CITY OF RICHMOND**  
**5 YEAR CAPITAL PLAN BY FUNDING SOURCES (2024 – 2028)**  
(in \$000s)

<b>DCC Reserves</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Drainage DCC	1,139	2,723	3,906	1,609	328
Parks Acquisition DCC	4,703	3,762	3,762	3,762	3,762
Parks Development DCC	1,947	1,288	846	959	846
Roads DCC	7,277	8,559	9,828	5,878	5,878
Sanitary DCC	104	509	79	-	-
Water DCC	1,437	1,304	1,696	1,447	-
<b>Total DCC</b>	<b>\$16,607</b>	<b>\$18,145</b>	<b>\$20,117</b>	<b>\$13,655</b>	<b>\$10,814</b>
<b>Statutory Reserves</b>					
Capital Building and Infrastructure	56,734	29,300	45,800	27,500	15,500
Capital Reserve	30,881	15,851	22,553	15,921	21,163
Capstan Station	-	2,000	-	-	-
Drainage Improvement	12,746	-	-	-	-
Equipment Replacement	5,026	4,225	5,705	5,467	3,108
Flood Protection BL10403	3,238	23,456	17,440	20,715	22,203
Growing Communities Reserve Fund	3,354	17,000	-	-	-
Sanitary Sewer	8,464	6,912	6,321	3,823	550
Sanitary Sewer BL10401	8,443	-	6,675	2,800	10,789
Water Supply BL10402	11,807	-	9,325	2,324	17,465
Watermain Replacement	9,646	9,396	10,178	8,939	-
<b>Total Statutory Reserves</b>	<b>\$150,339</b>	<b>\$108,140</b>	<b>\$123,997</b>	<b>\$87,489</b>	<b>\$90,778</b>
<b>Other Sources</b>					
Enterprise Fund	490	-	-	-	-
Grant and Developer Contribution	22,478	25,094	15,155	11,400	11,400
Other Sources	13,440	13,010	12,627	10,875	11,268
Sewer Levy	350	513	215	65	221
Solid Waste and Recycling	600	300	300	300	300
Steveston Community Amenity Fund	2,600	-	550	-	-
Water Levy	1,661	1,683	1,661	1,566	1,748
<b>Total Other Sources</b>	<b>\$41,619</b>	<b>\$40,600</b>	<b>\$30,508</b>	<b>\$24,206</b>	<b>\$24,937</b>
<b>Total Capital Program</b>	<b>\$208,565</b>	<b>\$166,885</b>	<b>\$174,622</b>	<b>\$125,350</b>	<b>\$126,529</b>

**CITY OF RICHMOND**  
**5 YEAR CAPITAL PLAN BY PROGRAM (2024 – 2028)**  
(in \$000s)

	2024	2025	2026	2027	2028
<b>Infrastructure Program</b>					
<b>Roads</b>					
Active Transportation Improvement Program	1,000	750	750	750	750
Annual Asphalt Re-Paving Program - MRN	3,370	3,403	1,737	1,772	1,808
Annual Asphalt Re-Paving Program - Non-MRN	3,940	4,137	4,344	4,561	4,788
Arterial Roadway Improvement Program	1,000	800	800	800	800
Bridge Rehabilitation Program	300	-	300	-	-
Capstan Station Integration Capital Works	-	2,000	-	-	-
Citywide Connector Walkways Rehabilitation Program	250	250	250	-	-
Citywide Sidewalk and Street Light Replacement Program	500	500	500	-	-
Gilbert Road Off-road Cycling Facility, Granville Avenue to Elmbridge Way	4,150	-	-	-	-
LED Street Name Sign Program	200	200	200	200	200
Neighbourhood Walkway Program	500	500	500	500	500
Shell Road Multi-Use Pathway, Highway 99 to River Road	-	-	8,400	-	-
Special Crosswalk Program	350	350	350	350	350
Steveston Highway Multi-Use Pathway, Shell Road to Hwy 99 Overpass	-	5,700	-	-	-
Street Light LED Upgrades	490	490	490	-	-
Supplementary Asphalt Re-Paving Program - Non-MRN	1,000	-	-	-	-
Top 20 Collision Prone Intersections - Implementation of Medium-/Long-term Improvements	600	2,000	2,000	2,000	2,000
Traffic Calming Program	300	300	300	300	300
Traffic Signal Power Backup System (UPS)	200	200	200	200	200
Traffic Signal Program	600	500	500	500	500
Traffic Video and Communication Program	400	400	400	400	400
Transit-Related Amenity Improvement Program	100	100	100	100	100
Transit-Related Roadway Improvement Program	200	200	200	200	200
Transportation Planning, Functional and Preliminary Design	600	400	400	400	400
<b>Total Roads</b>	<b>\$20,050</b>	<b>\$23,180</b>	<b>\$22,721</b>	<b>\$13,033</b>	<b>\$13,296</b>
<b>Flood Protection</b>					
Box Culvert Repair	-	1,500	500	250	250
Burkeville Utility Improvements	4,005	3,104	2,900	500	3,000
Canal Stabilization and Drainage and Irrigation Upgrades	3,000	4,300	1,955	940	250
Development Coordinated Works - Flood Protection	250	250	250	250	250

	2024	2025	2026	2027	2028
Disaster Mitigation and Adaptation Fund	10,000	9,234	-	-	-
Infrastructure Upgrades	-	150	-	150	-
Drainage Network Ecological Enhancement	-	150	-	150	-
Drainage Pump Station Rehabilitation and Generator Upgrade	200	500	250	150	250
Flood Protection and Dike Improvements	1,084	4,502	11,366	16,200	15,116
Habitat Offsetting	-	-	1,500	-	-
Invasive Species Management	200	200	200	200	200
Laneway Drainage Upgrade	1,272	1,766	1,158	2,211	1,250
No. 3 Road South Pump Station Upgrade	-	11,000	-	-	-
SCADA System Improvements	350	300	300	300	300
Watercourse Rehabilitation and Replacement	200	150	150	150	150
<b>Total Flood Protection</b>	<b>\$20,561</b>	<b>\$36,956</b>	<b>\$20,529</b>	<b>\$21,301</b>	<b>\$21,016</b>
<b>Water</b>					
Development Coordinated Works - Water	250	250	250	250	250
Fire Hydrant Upgrades	400	-	-	-	-
Pressure Reducing Valve Upgrades	-	2,250	-	-	-
Water Metering Program	2,000	3,000	3,000	3,000	3,000
Watermain Replacement Upgrades Program	6,668	4,406	7,517	9,536	7,865
Watermain Tie-in and Restoration	300	330	343	360	375
<b>Total Water</b>	<b>\$9,618</b>	<b>\$10,236</b>	<b>\$11,110</b>	<b>\$13,146</b>	<b>\$11,490</b>
<b>Sanitary Sewer</b>					
6333 Cooney Road Development Coordinated Works - Sanitary System Upgrade	2,300	-	-	-	-
9800 Van Horne Way Development Coordinated Works	2,800	-	-	-	-
Cabot Sanitary Pump Station Upgrade	-	-	1,714	-	-
Chevoit Sanitary Pump Station Upgrade	-	-	-	-	2,000
Danube Sanitary Pump Station Upgrade	-	-	-	1,791	-
Development Coordinated Works - Sanitary	250	250	250	250	250
Richmond Park Sanitary Pump Station Upgrade	-	2,767	-	-	-
Sanitary Pump Station and Forcemain Upgrades and Rehabilitation	700	550	600	600	600
Sanitary Sewer Gravity System Assessment and Rehabilitation	1,050	700	700	750	800
Sanitary Sewer Tie-in and Restoration	150	150	150	150	150
Steveston Sanitary Sewer Rehabilitation	900	2,000	2,200	2,000	2,000
<b>Total Sanitary Sewer</b>	<b>\$8,150</b>	<b>\$6,417</b>	<b>\$5,614</b>	<b>\$5,541</b>	<b>\$5,800</b>
<b>Infrastructure Advanced Design and Minor Public Works</b>					
Public Works Infrastructure Advanced Design	2,970	2,170	2,453	1,755	2,115
Public Works Minor Capital - Dikes	400	400	400	400	400
Public Works Minor Capital - Drainage	455	400	400	400	400
Public Works Minor Capital - Roads	250	250	350	-	-
Public Works Minor Capital - Sanitary	455	400	400	400	400

	2024	2025	2026	2027	2028
Public Works Minor Capital - Sanitation and Recycling	600	300	300	300	300
Public Works Minor Capital - Water	450	400	400	400	400
<b>Total Infrastructure Advanced Design and Minor Public Works</b>	<b>\$5,580</b>	<b>\$4,320</b>	<b>\$4,703</b>	<b>\$3,655</b>	<b>\$4,015</b>
<b>Total Infrastructure Program</b>	<b>\$63,959</b>	<b>\$81,109</b>	<b>\$64,677</b>	<b>\$56,676</b>	<b>\$55,617</b>
<b>Building Program</b>					
<b>Building</b>					
Annual Infrastructure Replacements and Building Improvements	3,460	4,000	4,000	4,000	4,000
Capital Buildings Project Development Advanced Design	1,500	500	500	500	500
Childcare Facility Infrastructure Renewals	-	-	-	-	1,000
City Hall Annex Infrastructure Replacements	600	-	-	-	-
City Hall Mechanical and Interior Finish Renewals	-	6,800	-	-	-
Community Safety Building - Roof Replacement and Mechanical Renewals	-	-	-	7,000	-
Community Safety Building Mechanical System Renewals	-	1,400	-	-	-
Community Safety Building Security Enhancements and Infrastructure Replacement	1,788	-	-	-	-
East Richmond Hall Envelope and HVAC Renewals	-	-	250	-	-
Fire Hall No. 7 System Renewals	1,900	-	-	-	-
Garden City Lands - Community Hub	-	-	-	20,000	-
Hugh Boyd Community Facility and Fieldhouse	-	17,000	-	-	-
Library Cultural Centre Envelope System Renewals	-	2,400	-	-	-
Richmond Curling Club Priority 2 Repairs - Phase 2	3,100	-	-	-	-
Richmond Curling Club Priority 2 Repairs - Phase 3	-	2,400	-	-	-
Richmond Curling Club Priority 3 Repairs	-	-	900	-	-
Richmond Ice Centre System and Interior Renewals	-	-	1,700	-	-
Steveston and South Arm Outdoor Pool Renewals	4,300	-	-	-	-
Steveston Martial Arts Envelope and Interior Renewals	-	-	550	-	-
Steveston Martial Arts Roof Beam Remediation and Fascia Board Replacement	1,000	-	-	-	-
Works Yard Replacement - Phase 1	70,000	-	-	-	-
Works Yard Replacement - Phase 2	-	-	50,000	-	-
Works Yard Replacement - Phase 3	-	-	-	-	30,000
<b>Total Building</b>	<b>\$87,648</b>	<b>\$34,500</b>	<b>\$57,900</b>	<b>\$31,500</b>	<b>\$35,500</b>
<b>Heritage</b>					
Britannia Shipyards - Britannia Shipyard Building Envelope and Structural Renewals	7,000	-	-	-	-
Britannia Shipyards - Seine Net Loft Envelope and Structural Renewals	-	10,000	-	-	-

	2024	2025	2026	2027	2028
First Nations Bunkhouse Reconstruction and Exhibit Development	6,500	-	-	-	-
Japanese Duplex Restoration and Fit Out	-	5,800	-	-	-
Phoenix Net Loft Program Implementation	-	-	16,000	-	-
Steveston Post Office and Museum Infrastructure Renewals	-	-	450	-	-
<b>Total Heritage</b>	<b>\$13,500</b>	<b>\$15,800</b>	<b>\$16,450</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Building Program</b>	<b>\$101,148</b>	<b>\$50,300</b>	<b>\$74,350</b>	<b>\$31,500</b>	<b>\$35,500</b>
<b>Parks Program</b>					
<b>Parks</b>					
Bowling Green Lighting LED Replacement	450	-	-	-	-
Burkeville Neighbourhood Park Redevelopment	600	-	-	-	-
City-Wide Community Gardens	300	-	-	-	-
Hugh Boyd Community Park Playground Renewal	300	-	-	-	-
Lulu Island Park - Detailed Design Phase	-	2,000	750	-	-
Lulu Island Park - Phase 1 Construction	-	-	-	4,750	-
Lulu Island Park - Phase 2 Construction	-	-	-	-	5,500
Minoru Lakes Renewal: Phase 2	2,500	-	-	-	-
Minoru Park Central Amenity Space Concept Design	385	-	-	-	-
Minoru Park Playground Renewal Detailed Design	-	350	-	-	-
Parks Advance Planning and Design	800	400	400	400	400
Parks Ageing Infrastructure Replacement Program	730	500	500	-	-
Parks General Development	500	500	500	500	500
Parks Identity and Wayfinding Signage Program	-	120	-	120	-
Parks Interpretive Signage Program - Phase 2	120	-	-	-	-
Parks Sustainable Stormwater Management Program	-	500	-	-	-
Playground Replacement Program	600	500	500	500	-
Waterfront Infrastructure Renewals	120	-	-	-	-
<b>Total Parks</b>	<b>\$7,405</b>	<b>\$4,870</b>	<b>\$2,650</b>	<b>\$6,270</b>	<b>\$6,400</b>
<b>Parkland</b>					
Parkland Acquisition	4,000	4,000	4,000	4,000	4,000
<b>Total Parkland</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>	<b>\$4,000</b>
<b>Total Parks Program</b>	<b>\$11,405</b>	<b>\$8,870</b>	<b>\$6,650</b>	<b>\$10,270</b>	<b>\$10,400</b>
<b>Land Program</b>					
<b>Land</b>					
Strategic Real Estate Acquisition	11,186	10,000	10,000	10,000	10,000
<b>Total Land Program</b>	<b>\$11,186</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>

<b>Equipment Program</b>					
<b>Vehicle Replacement</b>					
Automatic Vehicle Location/Global Positioning System Expansion	190	-	-	-	-
Vehicle and Equipment Reserve Purchases (PW and Corporate Fleet)	3,685	3,983	4,013	3,416	3,455
<b>Total Vehicle Replacement</b>	<b>\$3,875</b>	<b>\$3,983</b>	<b>\$4,013</b>	<b>\$3,416</b>	<b>\$3,455</b>
<b>Fire Vehicle</b>					
Fire Vehicle Replacement Reserve Purchases	1,476	220	1,916	2,290	336
<b>Total Fire Vehicle</b>	<b>\$1,476</b>	<b>\$220</b>	<b>\$1,916</b>	<b>\$2,290</b>	<b>\$336</b>
<b>Equipment</b>					
Capstan Community Centre - Furniture, Fixtures and Equipment (FF&E)	-	-	800	-	-
Fire Equipment Replacement from Reserve	-	232	365	105	-
GHG and Energy Management Projects	550	550	550	550	550
<b>Total Equipment</b>	<b>\$550</b>	<b>\$782</b>	<b>\$1,715</b>	<b>\$655</b>	<b>\$550</b>
<b>Total Equipment Program</b>	<b>\$5,901</b>	<b>\$4,985</b>	<b>\$7,644</b>	<b>\$6,361</b>	<b>\$4,341</b>
<b>Information Technology Program</b>					
<b>Information Technology</b>					
Annual Hardware Refresh	448	921	1,301	543	671
Automated Plan Review AI Software	717	-	-	-	-
Commvault City Hall Storage Refresh	132	-	-	-	-
CRM Public Works Expansion	400	-	-	-	-
Database Encryption Project	355	-	-	-	-
MyPermits	2,176	-	-	-	-
Roads Network Phase 2: Model/Inventory/Manage	-	700	-	-	-
VXRail Host Expansion and Refresh	738	-	-	-	-
<b>Total Information Technology Program</b>	<b>\$4,966</b>	<b>\$1,621</b>	<b>\$1,301</b>	<b>\$543</b>	<b>\$671</b>
<b>Contingent External Contributions</b>					
<b>Contingent External Contributions</b>					
Contingent External Contributions	10,000	10,000	10,000	10,000	10,000
<b>Total Contingent External Contributions</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>	<b>\$10,000</b>
<b>Grand Total</b>	<b>\$208,565</b>	<b>\$166,885</b>	<b>\$174,622</b>	<b>\$125,350</b>	<b>\$126,529</b>



**CITY OF RICHMOND**  
**5 YEAR CAPITAL PLAN BY PROGRAM (2024 – 2028) RECOMMENDED BUT INSUFFICIENT FUNDING**  
(in \$000s)

	2024	2025	2026	2027	2028
<b>Infrastructure Program</b>					
<b>Roads</b>					
Bridge Rehabilitation Program	-	-	-	-	300
Citywide Sidewalk and Street Light Replacement Program	-	-	-	500	500
Street Light LED Upgrades	-	-	-	490	490
Supplementary Asphalt Re-Paving Program - Non-MRN	-	-	3,000	-	3,000
<b>Total Roads</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$3,000</b>	<b>\$990</b>	<b>\$4,290</b>
<b>Infrastructure Advanced Design and Minor Public Works</b>					
Public Works Minor Capital – Roads	-	-	-	350	250
Public Works Minor Capital – Traffic	250	250	250	250	250
<b>Total Infrastructure Advanced Design and Minor Public Works</b>	<b>\$250</b>	<b>\$250</b>	<b>\$250</b>	<b>\$600</b>	<b>\$500</b>
<b>Total Infrastructure Program</b>	<b>\$250</b>	<b>\$250</b>	<b>\$3,250</b>	<b>\$1,590</b>	<b>\$4,790</b>
<b>Building Program</b>					
Caretaker Suite Infrastructure Renewals - Phase 2	-	1,800	-	-	-
Caretaker Suite Infrastructure Renewals - Phase 3	-	-	2,900	-	-
City Hall Infrastructure Replacements	-	-	-	-	4,200
City Wide Baseball Building & Fieldhouse Infrastructure Renewals	-	-	-	350	-
Debeck House System and Envelope Renewals	-	-	500	-	-
Facility Services Minor Capital Works	500	-	-	-	500
Fire Hall Infrastructure Replacements	-	-	-	-	3,600
Gateway Theatre Mechanical and HVAC Renewals	-	5,500	-	-	-
Hamilton Community Centre Infrastructure Renewals	-	-	-	200	-
Library Cultural Centre - System Replacements and Elevator Renewals	-	-	-	5,000	-
Richmond Ice Centre Infrastructure Renewals	-	-	-	1,000	-
Richmond Ice Centre Mechanical and Electrical Renewals	-	3,700	-	-	-
South Arm Community Centre Envelope and Infrastructure Renewals	-	-	9,000	-	-
Thompson Community Centre and Hall Infrastructure Renewals	-	-	-	2,950	-
UPS Replacement	400	-	-	-	-
Watermania Infrastructure Renewals	-	-	-	5,200	-
West Richmond Pitch & Putt Mechanical and Interior Renewals	-	-	600	-	-
<b>Total Building Program</b>	<b>\$900</b>	<b>\$11,000</b>	<b>\$13,000</b>	<b>\$14,700</b>	<b>\$8,300</b>
<b>Parks Program</b>					
<b>Parks</b>					
Brighouse Park Baseball Diamond Infield Upgrade	-	520	-	-	-

	2024	2025	2026	2027	2028
Hugh Boyd Community Park Playground Renewal	-	1,500	-	-	-
London Steveston Softball Diamond Construction	-	-	2,500	-	-
Minoru Park Field 2 Synthetic Turf Replacement	-	-	-	750	-
Minoru Park Latrace Field Synthetic Turf Replacement	-	-	-	-	1,580
Minoru Park Playground Construction Services	-	-	2,000	-	-
Park Shelter and Shade Program	500	500	500	500	500
Parks Ageing Infrastructure Replacement Program	-	-	-	250	500
Parks Sustainable Stormwater Management Program	-	-	500	500	500
Pickleball Court Construction	1,430	-	-	-	-
Playground Replacement Program	-	-	-	-	500
Richmond Nature Park Enhancements	-	500	-	-	-
Terra Nova Slough Habitat Enhancement	-	-	-	500	-
Trail Network Enhancements	-	-	-	-	200
Waterfront Infrastructure Renewals	550	-	-	-	-
<b>Total Parks Program</b>	<b>\$2,480</b>	<b>\$3,020</b>	<b>\$5,500</b>	<b>\$2,500</b>	<b>\$3,780</b>
<b>Equipment Program</b>					
<b>Vehicle</b>					
Pick-Up Truck for Parks Maintenance Work	140	-	-	-	-
<b>Total Equipment Program</b>	<b>\$140</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Information Technology Program</b>					
City Hall Meeting Room AV Equipment Upgrade	111	-	-	-	-
Document and Record Management System Modernization	2,077	-	-	-	-
<b>Total Information Technology Program</b>	<b>\$2,188</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Grand Total</b>	<b>\$5,958</b>	<b>\$14,270</b>	<b>\$21,750</b>	<b>\$18,790</b>	<b>\$16,870</b>

The following is an overview of the major Capital programs proposed for the years 2025 to 2028.

## **INFRASTRUCTURE PROGRAM**

### **Flood Protection and Dike Improvements (2025–2028: \$47,184,000)**

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 works 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 (2025: \$9,234,000)**

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, with all work to be completed by 2028.

### **Pressure Reducing Valve Upgrades (2025: \$2,250,000)**

Pressure Reducing Valve (PRV) stations reduce potable water supply pressures from Metro Vancouver's transmission system to more workable pressures before it is distributed to Richmond residents and businesses. PRV stations also play a key role in the City's pressure management system, which reduces system pressure during periods of low demand to reduce water leakage and ease stress on the City's watermains. The Ferguson PRV station, located on Sea Island, is approaching the end of its service life, and will be replaced under this project.

### **Richmond Park Sanitary Pump Station Upgrade (2025: \$2,767,000)**

This project will upgrade the Richmond Park Sanitary Pump Station to support the potential for future local redevelopment. The scope of work for this project will include major upgrades of the station's ageing mechanical and electrical components. The pump station upgrade will be designed to service the projected 2041 OCP population in the catchment area, and the project requirements will be determined in a technical assessment to be carried out in 2024.

### **Capstan Station Integration Capital Works (2025 - \$2,000,000)**

Development and implementation of the Capstan Station integration features is based on four general directions (i.e. Mobility Belt, Signature Elements, Supportive Infrastructure, and Coordinated Activation Zones). The designs will integrate the public realm, transit plaza, guideway park, City-owned park, and neighbourhood park with the Canada Line Capstan Station. The Capstan Integration Study will identify the implementation strategy anticipated in Q2 2024.

Major integration features include, but is not limited to, weather protection, seating, bike parking and interactive elements.

## **BUILDING PROGRAM**

### **Hugh Boyd Community Facility and Fieldhouse (2025: \$17,000,000)**

On February 13, 2018, staff presented a report to Council titled “Hugh Boyd Field House Feasibility Study” from the Interim Director, Parks and Recreation dated January 5, 2018, which proposed a fieldhouse of approximately 6,300 sq. ft. with a concept level cost estimate of \$5.3 million (2018 dollars). In response, Council carried a motion to add “a community facility of up to 10,000 sq. ft., which would incorporate a soccer fieldhouse” to the previously approved list of Phase 2 Major Facility Projects (2016–2026).

The addition of a community facility in Hugh Boyd Community Park would support the provision of community programs and the daily use of sport groups while also serving as a tournament hub capable of hosting both provincial and national level events. In order to progress this project, the program and concept design need to be updated and costed for a facility of up to 10,000 sq. ft.

The engagement plan and timeline for the delivery of a community facility and soccer fieldhouse in Hugh Boyd Community Park was received by Council for information in June 2023. Staff will prepare a report with the concept design and budget to Council for consideration.

### **Works Yard Replacement (2025–2028: \$80,000,000)**

In July 2023, Council approved the replacement of the Works Yard at 5599 Lynas Lane. This project will be executed in phases to ensure uninterrupted operations at the existing Works Yard. The plan includes demolishing current facilities, designing and constructing a new administration building, yard buildings, storage facilities, and parking structures.

## **PARKS PROGRAM**

### **Lulu Island Park Design and Construction (2025–2028: \$13,000,000)**

These capital requests follow the master planning phase beginning in 2024, and will allow the City to begin to secure funding for the design and construction phase for Lulu Island Park. 2025 will see the commencement of design, detailed design, and preparation of a five-year budget. 2026 will see the initiation of phase 1 construction.

The concept for Lulu Island Park was approved by Council in 2007 and was incorporated in the City Centre Area Plan in 2009. Lulu Island Park is envisioned as the City’s premier downtown park and a crucial part of its waterfront, supporting formal and informal recreation, cultural events, enhanced ecological values and heritage interpretation. Sustained population growth in the City Centre demonstrates the need for this park, which is expected to serve as a catalyst for development in the adjacent commercial zone. The City has been acquiring the properties that will make up the park since 2005 and to date has completed the acquisition of 23.29 acres.

### **Playground Replacement Program (2025–2027: \$1,500,000)**

This capital program addresses playgrounds that are at the end of their useful life and do not meet the current safety guidelines (according to the industry standard, the Canadian Standards Association’s “Children’s Playspaces and Equipment”), or can no longer be maintained to meet the guidelines due to obsolescence or vandalism. The program is directed towards replacing all or part of a playground and includes replacement of playground equipment, playground infrastructure (e.g., resilient surfacing, borders, drainage) and landscape features.

## **LAND PROGRAM**

### **Strategic Real Estate Acquisition (2025–2028: \$40,000,000)**

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 and avoid costs incurred to repay the Revolving Fund.

**EQUIPMENT PROGRAM****Vehicle and Equipment Reserve Purchases (Public Works and Corporate Fleet) (2025–2028: \$14,867,156)**

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 (2025–2028: \$3,435,630)**

The City maintains the best practice of replacing ageing computer hardware on a defined schedule to mitigate the effects of equipment failure. For our desktop and laptop environment, this schedule is based on a five-year refresh cycle. These assets are depreciated and written off 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 perform the scheduled replacement of end-of-life City computer hardware, which includes desktops, laptops, monitors (desktop and video conferencing enabled), docking stations, cellular phones and iPads.

2MVA	2 Mega-Volt Ampere
5YFP	5 Year Financial Plan
AC	Air Conditioning
APS	Accessible Pedestrian Signal
AI	Artificial Intelligence
AVL	Automatic Vehicle Location
CCTV	Closed Circuit Television
CN	Canadian National (Railway)
ALC	Agricultural Land Commission
CEEP	Community Energy and Emission Plan
CMBC	Coast Mountain Bus Company
CPI	Consumer Price Index
DCC	Development Cost Charges
DDC	Direct Digital Control
EV	Electrical Vehicle
FSCM	Financial Supply Chain Management
GCL	Garden City Lands
GASB	Governmental Accounting Standards Board
GHG	Greenhouse Gas
GM	General Manager
GPS	Global Positioning System
HAF	Housing Accelerator Fund
HD	High Definition
HPS	High Pressure Sodium
HVAC	Heating, Ventilation, and Air Conditioning
ICBC	Insurance Corporation of British Columbia
ITSM	Information Technology Service Management
IPS	Infor Public Sector
KPI	Key Performance Indicator
LED	Light-Emitting Diodes
MCC	Motor Control Center
MPI	Municipal Price Index
MRN	Major Road Network
MUP	Multi-Use Pathway
NIC	Neighbourhood Improvement Charges
OBI	Operating Budget Impact
OCP	Official Community Plan
OIC	Officer In Charge
PCC	Position Complement Control



PDF	Portable Document Format
PPE	Personal Protective Equipment
PRV	Pressure Reducing Valve
PTO	Power To Off
PW	Public Works
RCC	Roller Compacted Concrete
RCMP	Royal Canadian Mounted Police
REDMS	Richmond's Electronic Document Management Software
RFP	Request for Proposal
RFR	Richmond Fire-Rescue
RFT	Regular Full Time
RPL	Richmond Public Library
RSA	Rate Stabilization Account
RT	Review Team
RTV	Recreational Terrain Vehicle
RWIS	Road Weather Information System
SCADA	Supervisory Control and Data Acquisition
SSO	Single Sign-On
TMC	Traffic Management Centre
UPS	Uninterruptable Power Supply
VFD	Variable Frequency Drive



# City of Richmond

## Report to Committee

**To:** Finance Committee

**Date:** November 20, 2023

**From:** John Irving, P.Eng., MPA  
General Manager, Engineering and Public Works  
Chief Executive Officer, Lulu Island Energy  
Company

**File:** 01-0060-20-LIEC1/2023-  
Vol 01

Jerry Chong, CPA, CA  
General Manager, Finance  
Chief Financial Officer, Lulu Island Energy  
Company

**Re:** Lulu Island Energy Company – 2024 Operating and Capital Budgets

### Staff Recommendation

That the Lulu Island Energy Company report titled “Lulu Island Energy Company – 2024 Operating and Capital Budgets”, dated November 20, 2023 from the Chief Executive Officer and Chief Financial Officer, Lulu Island Energy Company be received for information.

John Irving, P.Eng., MPA  
General Manager, Engineering and Public Works  
Chief Executive Officer,  
Lulu Island Energy Company  
(604-276-4140)

Jerry Chong, CPA, CA  
Director, Finance and  
Chief Financial Officer,  
Lulu Island Energy Company  
(604-276-4064)

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

## Report

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**DATE:** October 20, 2023

**TO:** LIEC Board of Directors

**FROM:** Alen Postolka, P.Eng, Manager, District Energy

**Re:** **Lulu Island Energy Company – 2024 Operating and Capital Budgets**

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### Staff Recommendation

1. That the 2024 operating budget for Lulu Island Energy Company as presented in the staff report titled “Lulu Island Energy Company – 2024 Operating and Capital Budgets”, dated October 20, 2023 be approved.
2. That the 2024 capital budget for Lulu Island Energy Company and funding as presented in the staff report titled “Lulu Island Energy Company – 2024 Operating and Capital Budgets”, dated October 20, 2023, totalling \$2,225,000 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). A summary of LIEC’s District Energy Utility (DEU) services is detailed in Attachment 1. The City of Richmond identified DEUs as a leading strategy to achieve its greenhouse gas (GHG) reduction goals. To date, it is estimated that LIEC’s district energy system has resulted in a reduction of over 12,980 tonnes of GHG emissions.

On September 22, 2022, LIEC executed 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 will be executed by Corix under the Project Agreement.

The purpose of this report is to present LIEC’s 2024 operating and capital budgets to the board for their approval. If approved by the board, staff will present LIEC’s 2024 operating and capital budgets to City Council for information in order to follow the City’s reporting process.

### 2024 Operating Budget

All capital and operating costs are recovered through revenues from metered billings, ensuring that the business is financially self-sustainable.

Although LIEC's district energy utilities (DEUs) are at different stages of their operational life, they are still relatively new utilities. Hence, the operating costs are estimated using previous years' operational and maintenance expenses for electricity and natural gas utilities, while taking into consideration new assets in the upcoming year. Customers' energy use and building performance are estimated based on historical metered energy consumption, average building performance in a region, and energy modeling reports from the developer's engineers when actual data is unavailable.

The 2024 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 2024 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 2024 operating budget alongside a comparison to the 2023 submission.

Table 1: 2024 Operating Budget under IFRS

	<b>2024 Budget</b>	<b>2023 Budget</b>	<b>\$ Changes</b>	<b>% Change</b>
<b>Revenues</b>				
Metered Billings (Quarterly)	\$8,843,699	\$7,819,757	\$1,023,942	13%
Service fee	981,486	981,486	-	-%
	9,825,185	8,801,243	1,023,942	12%
<b>Cost of Sales</b>				
Contracts	2,384,880	1,830,377	554,503	30%
Utilities	2,714,879	1,975,414	739,465	37%
Amortization	1,923,980	1,951,433	(27,453)	(1%)
	7,023,739	5,757,224	1,266,515	22%
<b>Gross margin</b>	<b>2,801,446</b>	<b>3,044,019</b>	<b>(242,573)</b>	<b>(8%)</b>
<b>General and Administration Expenses</b>				
Salaries and benefits	1,038,072	1,008,550	29,522	3%
Administration expenses	417,741	402,521	15,220	4%
Insurance	418,160	334,722	83,438	25%
Professional Fees	465,282	199,000	266,282	134%
	2,339,255	1,944,793	394,462	20%
<b>Net income before other items</b>	<b>462,191</b>	<b>1,099,226</b>	<b>(637,035)</b>	<b>(58%)</b>
<b>Contributions and Financing expense</b>				
Developer contributions	557,442	505,084	52,358	10%
Energy modeling review fee	27,000	27,000	-	-%
Net financing expense	(684,616)	(1,037,586)	352,970	(34%)
	(100,174)	(505,502)	405,328	(80%)
<b>Net Income</b>	<b>\$362,017</b>	<b>\$593,724</b>	<b>(\$231,707)</b>	<b>(39%)</b>
<b>Earnings before interest, taxes and amortization (EBITA)</b>				
Net income per above	\$362,017	\$593,724	(\$231,707)	(39%)
Net financing expense	684,616	1,037,586	(352,970)	(34%)
Amortization expense	1,923,980	1,951,433	(27,453)	(1%)
<b>EBITA</b>	<b>\$2,970,613</b>	<b>\$3,582,743</b>	<b>(\$612,130)</b>	<b>(17%)</b>

## Revenues

The budgeted revenues are based on the projected building connection timings and customer energy usage. The 2024 budgeted metered billings are expected to increase in 2024 by \$1,023,942 to \$8,843,699 (2023 – \$7,819,757) due to:

- An increase of \$661,910 from additional energy use as a result of servicing three developments that were connected in 2023 (Onni Riva 4, One Park, and ASPAC 17), alongside anticipated partial year connection of one new building in 2024 (Richmond Centre Phase 1b); and
- An increase of \$362,032 due to the annual utility rate increase as approved by LIEC board.

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 12,980 tonnes of GHG emissions.

The overall budgeted revenue is expected to increase by \$1,023,942 to \$9,825,185 (2023 – \$8,801,243).

## 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 amortization expenses. The total contracts expense, which includes maintenance, operating labour, and asset management costs, has increased by \$554,503 to \$2,384,880 (2023 - \$1,830,377). This increase is due to the additional operation and maintenance activities required to service additional buildings in the CCDEU service area, as well as the on-site low carbon energy plants (LCEP) in 2024.

Utility expenses are projected to increase by \$739,465 to \$2,714,879 (2023 – \$1,975,414). This increase is due to utility (electricity and natural gas) rate increases, and increased energy demand. The growth in energy demand – due to the additional connections – and operation of on-site LCEPs, will result in higher overall use of electricity and natural gas to run thermal energy distribution equipment to deliver energy to customer buildings.

The amortization expense is projected to decrease due to the timing of assets being capitalized and a change in accounting estimate that came into effect last year. Overall, the cost of sales is expected to increase by \$1,266,515 to \$7,023,739 (2023 – \$5,757,224).



The gross margin as a percentage of revenue has decreased to 28.5% (2023 – 34.6%) due to the initial operation and maintenance costs necessary to service new developments, and overall increase in the operations costs, while the revenues collected from new buildings are expected to increase as they are fully occupied.

### General and Administration Expenses

The general and administration expenses are expenditures incurred to support business activities, such as salaries and benefits, administration, professional fees, insurance, and others. The expenditures have increased in comparison to 2023 due to the increase in operation and administration costs associated with the CCDEU project implementation, as well as the costs required to administer low-interest financing from CIB. As more customers are connected to the utility, the general and administration expenses in relation to the revenue will become trivial when compared to the scale of the CCDEU project.

Table 2: Percentage of Revenue

<b>Percentage of Revenue</b>	<b>2024</b>	<b>2023</b>
Gross margin	28.5%	34.6%
Salaries and benefits	10.6%	11.5%
Administration expense	4.3%	4.6%
Insurance expense	4.3%	3.8%
Professional fees	4.7%	2.3%
Total general and administration expense	23.8%	22.1%
Net income	3.7%	6.7%
EBITA	30.2%	40.7%

The budgeted general and administration expenses are projected to increase by \$394,462 to \$2,339,255 (2023 – \$1,944,793) due to:

- Salaries and benefits – The increase of \$29,522 to \$1,038,072 (2023 – \$1,008,550) is due to estimated adjustments to existing salaries and fringe benefits based on the City’s forecasted annual increases. Salaries and benefits also include additional staffing levels as approved by the Board on November 20, 2023;
- Administration expense – the administration expense has increased by \$15,220 to \$417,741 (2023 – \$402,521) mainly due to the increase to Project Agreement administration expenses which include overhead costs to administer Corix’s special purpose entity, LIEC reporting, and CIB reporting and financing administration requirements. It also includes administration and overhead fees that LIEC pays to the City for day-to-day support and coordination on district energy projects. This cost is estimated to be \$58,644 in 2024 (2023 – \$56,936);
- Insurance – The increase of \$83,438 to \$418,160 (2023 - \$334,722) is due to the additional capital assets being insured, insurance rate increases, and the additional insurance coverage (comprehensive environmental liability) and deductions required under the CCDEU Project Agreement; and

- Professional fees – the professional fees expense has increased by \$266,282 to \$465,282 (2023 – \$199,000) due to the audit, bank account, collateral agent and insurance trustee fees for Corix’s special purpose entity and the cost for completing engineering studies under the CCDEU Project Agreement. The LIEC audit expense is projected to increase due to the additional audit work surrounding the CCDEU project and increase in the financial position.

Overall, general and administration expenses as a percentage of revenues are at 23.8% for 2024, slightly higher than last year (2023 – 22.1%).

### Contributions and Financing Costs

The contributions and financing costs represent other sources of revenue and financing for the business, which include:

- Developer contributions – This revenue refers to all the distribution piping systems, energy transfer stations, and construction costs within a development property line. These costs are paid by developers. LIEC owns these capital assets, and recognizes a contribution from developers for the amount reimbursed. Developer contributions are projected to increase for the next year due to an additional contribution;
- The energy modeling review fee is estimated to be 2% of building permit fees collected by the City. It is estimated that an additional 13 permits will be reviewed and issued in 2024, which is the same as the 2023 projections; and
- Net financing expense – This represents the net amount of the financing costs for the Project Agreement liabilities, offset by interest income and other recoveries. The financing costs are incurred by LIEC under the CCDEU Project Agreement with low-interest debt funding from CIB and equity funding from Corix. This funding is used to finance the construction of LIEC capital assets, which will result in an increase in the total amount of fixed assets appearing on LIEC’s balance sheet. The net financing cost is expected to decrease by \$352,970 to \$684,616 (2023 – \$1,037,586). The decrease is due to higher interest rates on investments, which have brought down the financing costs from the Project Agreement in the CCDEU service area.

### Net Income and Earnings Before Interest, Taxes and Amortization (EBITA)

Net income is expected to decrease in 2024 to \$362,017 (2023 – \$593,724). EBITA, used to evaluate LIEC’s financial performance, is expected to decrease by \$612,130 to \$2,970,613 (2023 – \$3,582,743) for the budgeted year due to the operation and administration setup costs necessary for the CCDEU project infrastructure expansion and operation. This is expected and has been encountered in the past with the existing OVDEU and ADEU projects. As more customers are connected to the system over the years, revenues and EBITA will increase. EBITA as a percentage of revenue is projected to be 30.2% for 2024 compared to 40.7% in 2023.

LIEC’s financial sustainability and future growth must be taken into consideration when reviewing its EBITA 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. Future capital investments are expected to be financed either through existing cash on hand, partnership agreements or external borrowing. Other important factors are the planning of future projects, which includes research and development, and exploratory reviews of future technology and opportunities. Consistent with the corporation's financial plan objectives, any net income will be maintained in LIEC's equity in order to fund future capital replacements and to ensure long term rate stability for rate payers.

## 2024 Capital Budget

As a result of general inflationary pressures caused by the pandemic, international sanctions, supply chain issues, and lack of skilled local labour and trades availability, LIEC projects are experiencing cost increases in materials, equipment, and labour. Staff are diligently working with Corix and third-party cost consulting professionals to verify project budgets, evaluate tender prices, and provide input on the developing market conditions for the upcoming years to mitigate impacts on projects. Staff are also seeking opportunities for alternative funding and grants such as Metro Vancouver funding for the Sewer Heat Recovery project.

Richmond continues to see sustained growth through development activity; however, the rising interest rates and high inflation costs have resulted in a slight decrease in activity compared to last year. LIEC staff, in collaboration with the City, continue to monitor development activity, and have established a "just in time" approach to infrastructure build-out, where 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 development timings.

Table 3: Estimated DEU Service Area (2024 – 2028):

Current Service Areas	2024	2025	2026	2027	2028
Alexandra DEU (ft <sup>2</sup> )	-	142,000	251,000	223,000	-
City Centre DEU (ft <sup>2</sup> )	437,316	1,750,696	3,573,392	2,512,168	3,531,227
Total (ft <sup>2</sup> )	437,316	1,892,696	3,824,392	2,735,168	3,531,227
Cumulative, including existing service area (ft <sup>2</sup> )	7,049,394	8,942,090	12,766,482	15,501,650	19,032,877

By 2028, it is estimated that LIEC will be servicing more than 19 million square feet of floor area with district energy. This figure is more than 2.5 times the total area currently serviced in 2023. This growth requires expansion of the existing district energy infrastructure in order to service new developments. Therefore, continuous and ongoing investment in the optimization of the existing infrastructure is required to maintain service levels and protect the assets.

This growth also requires advanced planning and continuous improvement of new and existing district energy networks, which in turn allows LIEC to investigate, and take advantage of, new technologies and practices 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 2024 Capital Projects**

### **Alexandra DEU**

There are currently 13 buildings connected to the central energy plant (Attachment 2). Some minor capital upgrades included in the 2023 capital budget to improve the system's controls and monitoring are ongoing, in addition to work associated with one new connection, which will be carried over into 2024.

#### ***New Connections***

There are no new connections scheduled for 2024. Staff continue to monitor development activity and work closely with developers in the service area to ensure a timely connection.

#### ***Minor Capital***

Minor capital upgrades aimed at increasing the system's resiliency and reliability are planned for 2024. The upgrades include:

- Installation of a transfer switch to allow the central plant to connect to a backup power generator in case of an extended outage;
- Updating various programmable logic controllers (PLCs) and instrumentation at the Energy Transfer Stations (ETSS); and
- Replacement of equipment at the main plant which has reached its end of life.

The estimated cost for the capital upgrades is \$200,000, and the cost is inclusive of project management costs to oversee the execution of the work.

### **City Centre DEU**

In September 2022, LIEC, Corix, and CIB executed the Project Agreement and Credit Agreement for the City Center District Energy Utility Expansion Plan. As part of the Project Agreement, Corix is required to submit an Annual Plan to LIEC outlining the anticipated capital expenditures, operations, and maintenance work based on up-to-date development timelines within the CCDEU and OVDEU service areas (see Attachment 3 and 4). These capital projects are financed by low-interest debt funding from CIB and equity funding from Corix. Corix has submitted the 2024 Annual Plan to LIEC, which is currently being reviewed by staff. Once the review process is completed, staff will bring it forward to the board in December for approval.

#### ***Minor Capital***

In addition to the approved capital projects which will be designed, built, financed, operated, and maintained by Corix, staff will need to coordinate, oversee, and manage Corix's delivery of the capital projects and operations, administer the Project Agreement, and coordinate with the developers and their design teams for future connections to the system.

The scope of work includes the following:

- LIEC's staff time required for the oversight and administration of the CCDEU Project Agreement with Corix, CCDEU projects coordination, as well as working with the developments within the CCDEU service area to ensure their timely and successful connection to the system; and
- Professional fees to conduct third-party review of the Annual Plan, provide support on interpretation of the Project Agreement terms, and costs associated with external counsel services to amend the terms of the Project Agreement based on funding received from the Greater Vancouver Sewer and Drainage District for the Sewer Heat Recovery project.

The cost for the above work will require \$625,000 to be approved as part of the capital budget.

#### *Sewer Heat Recovery Central Energy Plant (SHR CEP) CleanBC Grant*

In 2021, LIEC secured a \$6,200,000 CleanBC Communities Fund grant to implement the SHR CEP facility and provide service to customers by utilizing renewable sewer heat recovery technology. This facility will aid in achieving the City of Richmond Community Energy & Emission Plan 2050 to reach net zero emissions by 2050.

The SHR CEP project is being delivered under the CCDEU Project Agreement. Costs associated with the project are financed by CIB, Corix and CleanBC Communities grant funding, and are presented in each Annual Plan submission for board approval. Due to CleanBC requiring payment certification prior to reimbursing LIEC for the grant fund, upfront funding from LIEC is required to progress the project prior to reconciling the costs with the province on a quarterly basis, and Corix immediately thereafter.

It is anticipated that \$1,400,000 will be expended in 2024 to complete preliminary engineering and commence the detailed design stage for the project.

The internal LIEC budget is recommended to finance the 2024 capital projects. Staff have completed a five-year financial analysis of the projected cash flow and the analysis shows that LIEC can fund the 2024 capital projects internally. The summary of the 2024 LIEC Capital Projects are presented in Table 4 below.

Table 4: 2024 Capital Projects and Funding Summary


<b>Capital Projects</b>	<b>Total Capital Budget</b>
<b>Alexandra DEU</b>	<b>\$200,000</b>
Minor Capital	\$200,000
<b>City Centre DEU</b>	<b>\$2,025,000</b>
Minor Capital	\$625,000
SHR CEP	\$1,400,000
<b>Grand Total</b>	<b>\$2,225,000</b>

## Conclusion

The 2024 Operating and Capital Budgets are based on staff's projections and assumptions available at the time of writing. The recommended capital budget for 2024 is \$2,225,000. Staff recommend that the 2024 Operating and Capital Budgets be approved.



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Att. 1: District Energy Utility Services

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

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 <sup>2</sup>	4.4M ft <sup>2</sup>
City Centre District Energy Utility <sup>(1)</sup>	17	4,256	4.9M ft <sup>2</sup>	54.4M ft <sup>2</sup>
<b>Total Connected Floor Area</b>			<b>7.3M ft<sup>2</sup></b>	<b>58.8M ft<sup>2</sup></b>

(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 three years.

Table 2: Development Timing in ADEU Service Area

Development	Anticipated Occupancy
9300 Cambie Road	2025
4008 Stolberg	2026
9291 Alexandra Road	2026
9080 Odlin Rd	2027

### 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, 17 developments are connected to the CCDEU with several new connections planned for the next year.

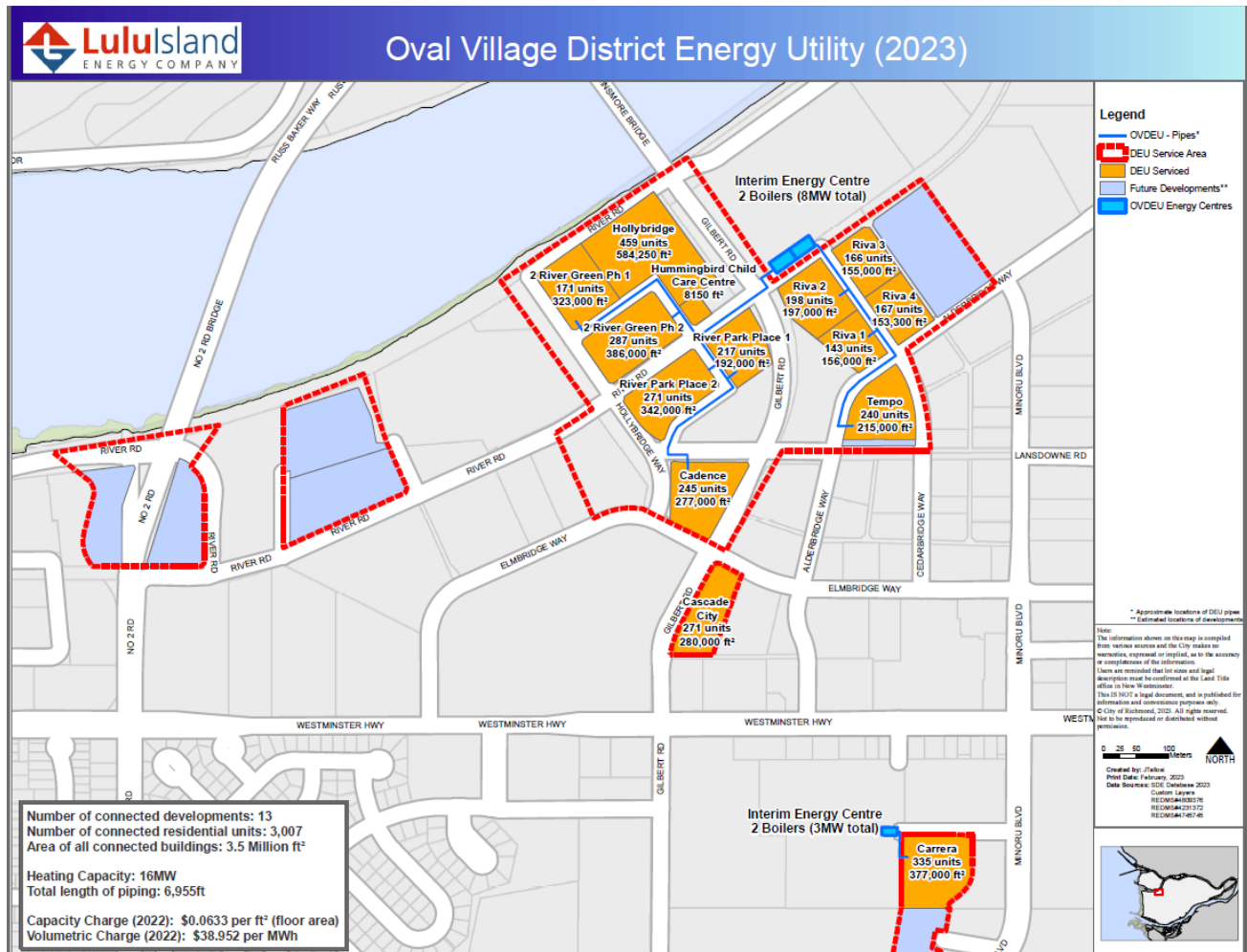
Table 3 represents anticipated development connection timelines in CCDEU for the next three years.

Table 3: Development Timing in CCDEU Service Area

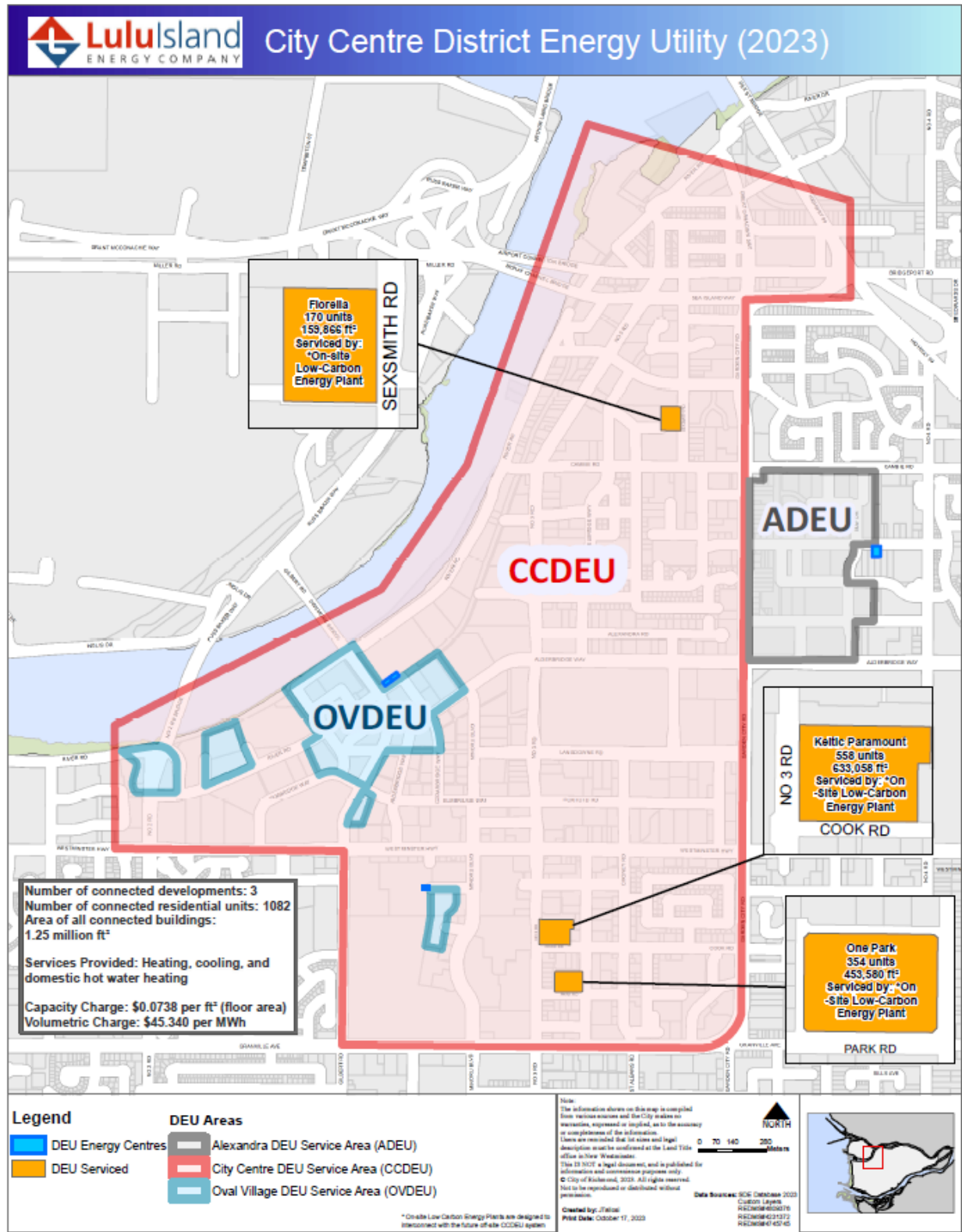
<b>Development</b>	<b>Anticipated Occupancy</b>
Richmond Centre Phase 1b – 6788, 6808 Minoru Boulevard, and 7557 Cst. Jimmy Ng Road	2024
Richmond Centre Phase 1a – 6200-6600 Minoru Boulevard	2025
Onni Riva 5 – 7811 Alderbridge Way	2025
8880 Cook Road	2025
8108 Lansdowne Road	2025
Pathways – 5491 No. 2 Road	2025
Park Residences Phase 2 (Towers D&E) – 6355 Mah Bing Street	2025
Luxe Towline – 5593 No. 3 Road	2025
Onni Riva 6 – 7028 River Parkway	2026
South Street – 5333 No. 3 Road	2026
Duck Island – 8351 River Road	2026
Richmond Centre Phase 1c – 6551 No. 3 Road	2026
Park Residences Phase 2 (Tower C) – 6333 Mah Bing Street	2026
2980 No. 3 Road	2026
Polygon Talistar A – 3488 Ketcheson Crescent	2026
Polygon Aurora D – 3588 Ketcheson Road	2026



# Oval Village Neighbourhood and OVDEU Service Area Informational Map



## City Centre Area and CCDEU Service Area Informational Map



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