



# 2023 – 2027 Financial Plan Overview

Jerry W. Dobrovolny  
Commissioner and CAO

Dean Rear  
Chief Financial Officer

**metro**vancouver

# 2023 – 2027 FINANCIAL PLAN OVERVIEW

Board direction from April workshop

## Manage household impact

- Begin to shift away from short-term focus and use of temporary levers
- Move to medium and longer term focus

## Maintain current goals and objectives

- Develop and incorporate strategic, asset-management, and long-range plans that include fiscal impact
- Build in impact of future rate structures
  - Development cost charges
  - Wet weather pricing for liquid waste
  - Seasonal water pricing
- Continue to ensure best value and efficient project delivery

## Realize new opportunities

- Partner on projects to increase affordable housing
- Intensify focus on pursuing grants and partnerships for affordable infrastructure

2020

2021

2022

2023

# 2023 – 2027 FINANCIAL PLAN OVERVIEW

## 2023 Budget – Bottom Line

10.1%	Prior Projection for 2023 Budget
\$59	Increase for the average household in 2023 (Water: \$8, Liquid Waste: \$41, Solid Waste: \$2, MVRD: \$8)
\$653	Average annual costs for all Metro Vancouver services
4.5%	Proposed 2023 Budget
\$26	Increase for the average household in 2023 (Water: \$2, Liquid Waste: \$15, Solid Waste: \$2, MVRD: \$7)
\$620	Average annual costs for all Metro Vancouver services

# 2023 – 2027 FINANCIAL PLAN OVERVIEW

2023 Budget – Pause for evaluation under current conditions

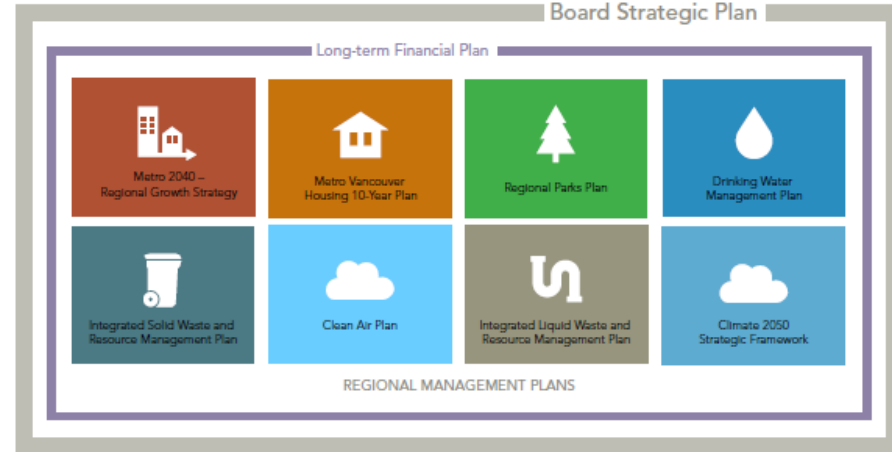
- Undertake strategic planning with incoming Board of Directors
- Consider full information and context to make effective and informed decisions (i.e. incorporating strategic, asset management, and long term fiscal impact)
- Understand resource alignment, mitigate risk, ensure resilience, and mitigate long term fiscal impact in evolving macro environment



# 2023–2027 FINANCIAL PLAN OVERVIEW

## 2023 Budget – Addressing Board Priorities

- Climate action
- Asset Management
- Metro 2050
- Regional Parks Land Acquisition
- Accelerated action on Invest Vancouver
- Indigenous Relations



# COMMITMENT TO CONTINUOUS IMPROVEMENT

- Ongoing work to seek more efficient/effective ways to conduct our business.
- We have a culture of continuous improvement which forms part of our annual planning process
- Each individual committee report contains examples of many of our initiatives & outcomes

# OVERALL HOUSEHOLD IMPACT 2023 – 2027

	2022	2023	2024	2025	2026	2027
Water District	\$175	\$177	\$191	\$215	\$240	\$270
Liquid Waste	\$280	\$295	\$360	\$432	\$503	\$579
Solid Waste	\$63	\$65	\$68	\$71	\$74	\$78
Regional District	\$76	\$83	\$90	\$91	\$93	\$94
Total Household Impact	\$594	\$620	\$709	\$809	\$910	\$1,021
% Change		4.5%	14.3%	14.1%	12.4%	12.1%
Prior Year Forecast		\$653	\$731	\$826	\$949	

# PROCESS AND TIMELINE

**Apr 2**

Council of  
Councils

**April 14**

Board Budget  
Workshop

**July**

Proposed capital  
plan for input

**October**

Recommended  
financial plan \*

**Oct 19**

Board Budget  
Workshop

**Oct 28**

Board  
meeting

**Q1 2023**

Long Term  
Financial Plan



\*10 Standing Committees and 3 Advisory Committees (RAAC, RFAC, REAC)

# Financial Plan Overview

Metrotown, Burnaby



# MITIGATING FINANCIAL RISKS

Financial Risk	Impact	Mitigation Strategy
Inflation	Cost	<ul style="list-style-type: none"><li>• Highlight for project timing</li><li>• Review escalation practices</li><li>• Examine procurement strategies</li></ul>
Interest Rates	Cost	<ul style="list-style-type: none"><li>• Consider short term borrowing</li><li>• Explore alternative investments through MFA</li><li>• Examine hedging strategies</li></ul>
Capital Planning	Cost/Timing	<ul style="list-style-type: none"><li>• Long-term financial planning</li><li>• Review timing of projects</li><li>• Examine Alternate revenue sources</li></ul>
Sustained Supply Chain Challenges	Timing	<ul style="list-style-type: none"><li>• Strategic sourcing</li></ul>
Attraction/Retention of workforce	Cost/Timing	<ul style="list-style-type: none"><li>• Expanding labour pool (Canadian Work Experience Program)</li></ul>

# 2023 – 2027 FINANCIAL PLAN OVERVIEW

## Key Results

- HHI is lower than inflation
- 2023 operating budget is \$23M less than forecast
- Reducing capital cash flow in near term
- Focus on ongoing operational needs
- Movement on contribution to capital

# METRO VANCOUVER OPERATING BUDGET

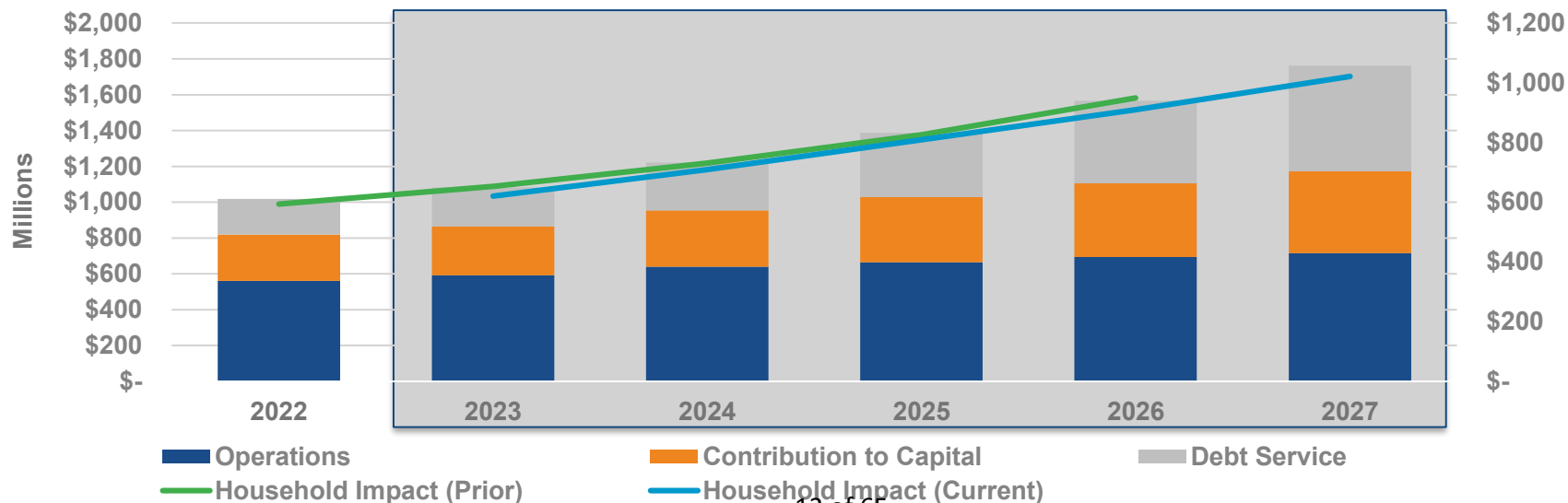
## Expenditures

### Overview:

- 2022 Operating Budget: \$1,025.5M
- 2023 Operating Budget: \$1,081.8M (5.5%)
- ~2.0% lower than previously projected for 2023

### Drivers:

- Increase in operations roughly inflationary over 5 years
- Debt servicing reflective of the capital program, but assumes higher interest rates
- Slight rise in contribution to Capital in 2023 – Increasing in 2024–2027



# METRO VANCOUVER OPERATING BUDGET

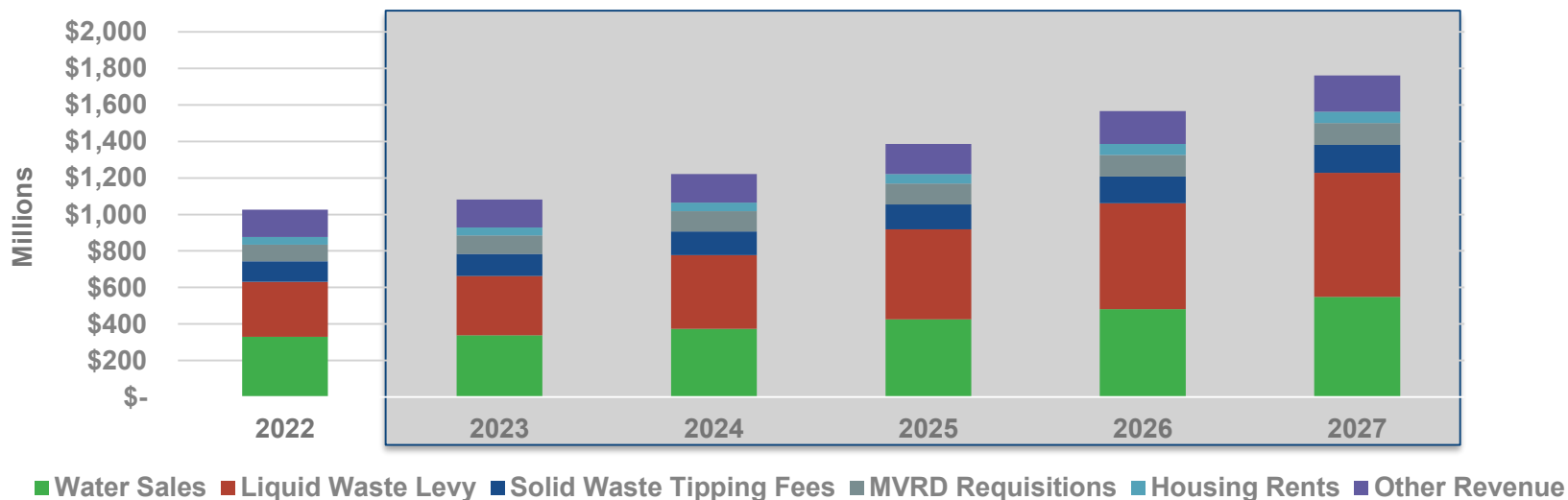
## Revenues

### Overview:

- Primary funding sources – water sales, sewer levy, tipping fees, rents, MVRD requisition
- Relative stability for primary sources

### Drivers:

- Anticipated water DCC revenue received and applied starting 2024, downward pressure on water rate
- Assumed partner funding for upcoming major capital projects, downward pressure on levies/rates



# METRO VANCOUVER CAPITAL PLAN

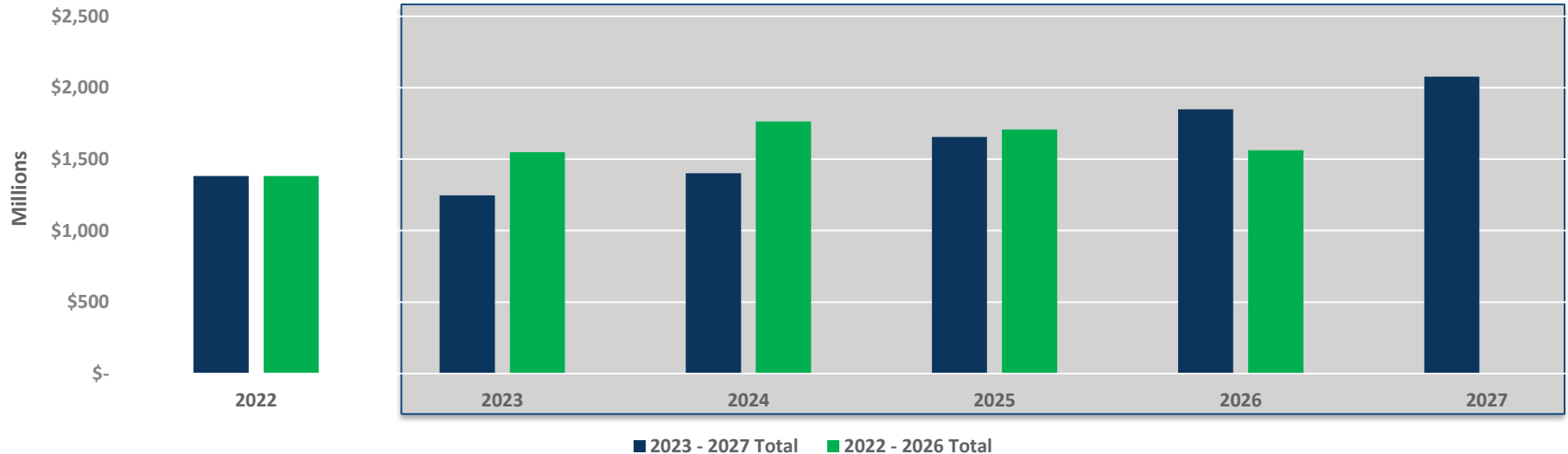
## 2023 - 2027 Capital Plan vs 2022 - 2026 Capital Plan

### Overview:

- 2022–2026 5 year capital cashflow \$8.0B
- 2023–2027 5 year capital cashflow \$8.2B

### Drivers:

- \$431M lower from prior year's 4 year cross over years
- Reflects project delays, macro challenges, and capacity issues to deliver projects





# METRO VANCOUVER CAPITAL PLAN

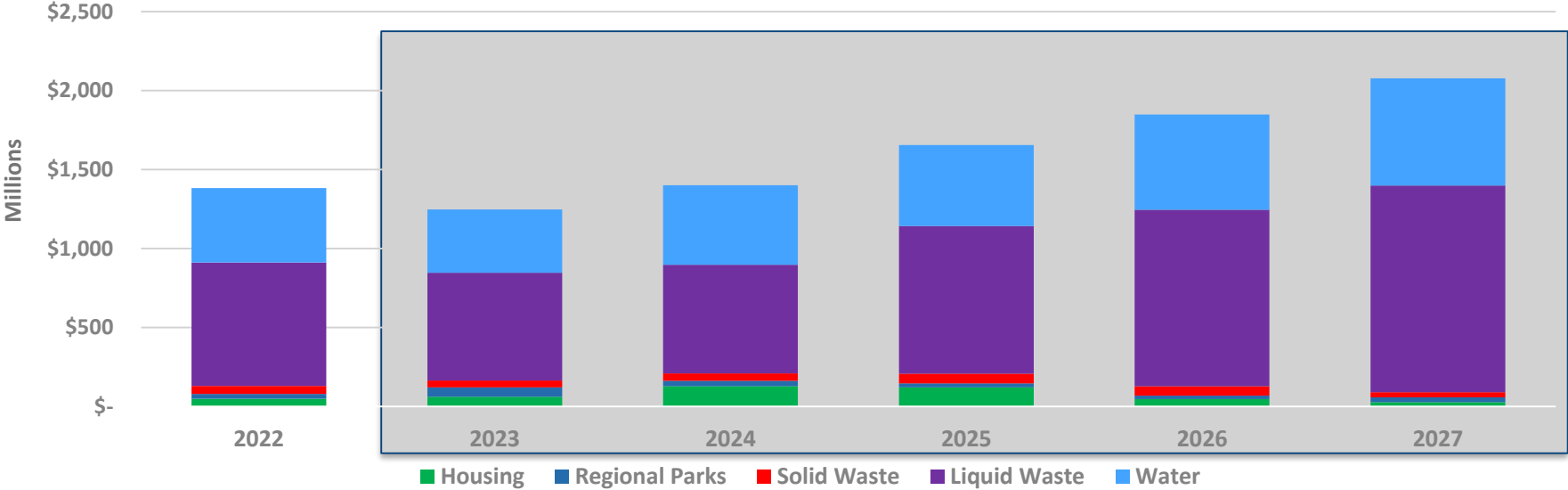
## Expenditures

### Overview:

- 2022 capital cashflow \$1.38B
- 2023 capital cashflow \$1.25B

### Drivers:

- Capital projects in progress carried forward
- Reflects risks and scope changes where known





Iona Island Wastewater Treatment Plant

# Questions?

16 of 65

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Together we make our region strong



Pacific Spirit Regional Park

# 2023 – 2027 FINANCIAL PLAN

## METRO VANCOUVER HOUSING

Heather McNeil

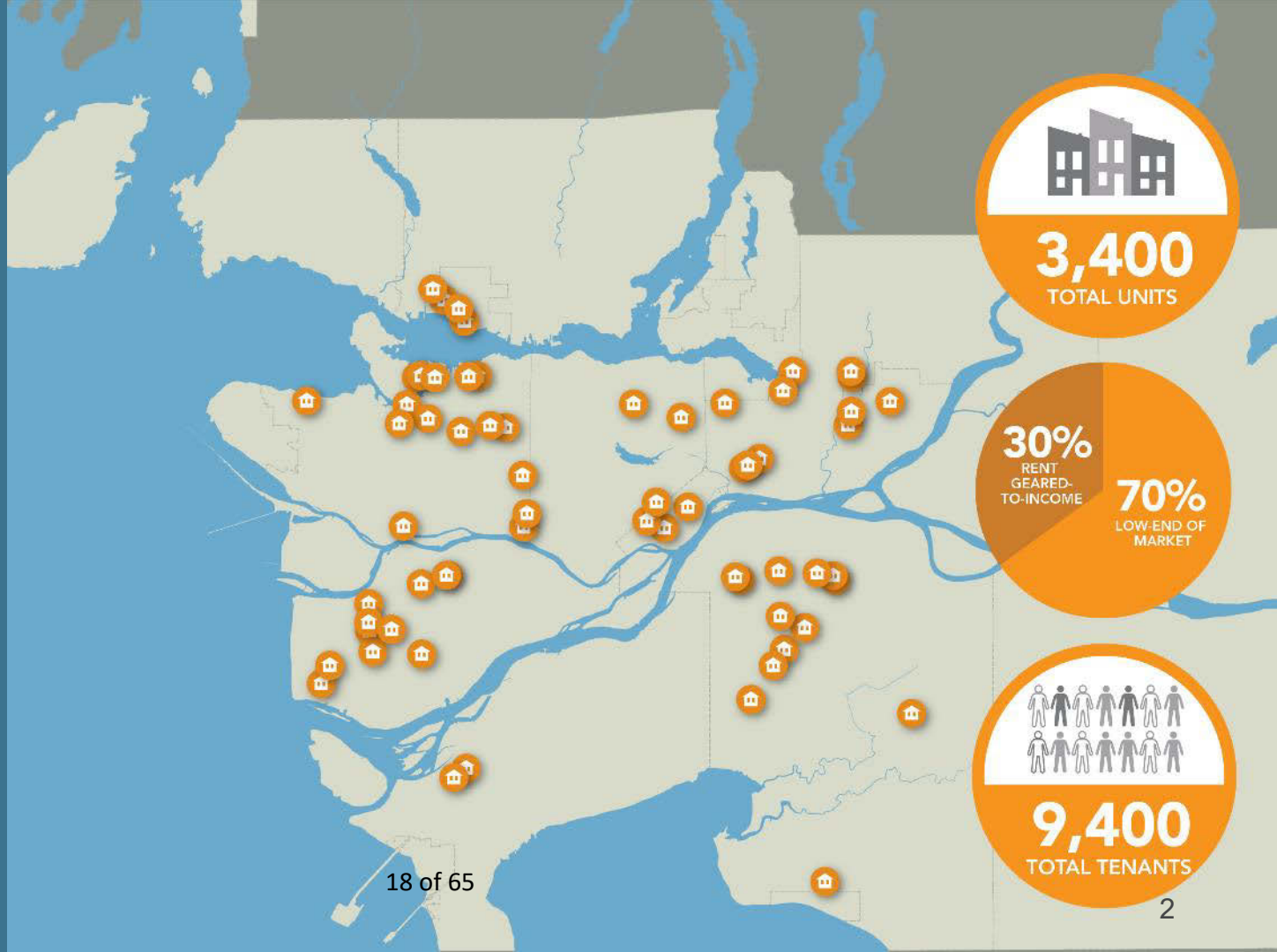
Deputy Chief Administrative Officer, Policy and Planning / General Manager Regional Planning and Housing Services

Corporate Planning Committee – September 6, 2022  
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17 of 65

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# Metro Vancouver Housing







## **PROVIDE**

**TENANT PROGRAMS  
COMMUNITY BUILDING**

## **PRESERVE**

**RENEW &  
REVITALIZE**

## **EXPAND**

**RE-DEVELOPMENT OF  
EXISTING SITES  
PARTNERHIPS**

**Metro Vancouver Housing 10 Year Plan**



## 10-Year Plan Targets



**Mixed-income**



**Diverse housing**



**Age-friendly**



**Well maintained**



**Low emission**



**Energy efficient**



**Grow and expand**

# Metro Vancouver Housing 10-Year Plan

## MVRD: Housing Planning & Policy

- \$6.3M
- Implement MVH 10 Year Plan
  - ID Redevelopment and Expansion Priorities
  - Manage redevelopment and expansion projects to pre-construction
- Partnerships and Funding applications
- MVHC Policy and Agreements
- Regional Policy, Data and Research

## MVHC

- \$60.5M
- Operations (49 sites)
- Capital maintenance
- Construct Development and Redevelopment Projects
- Tenant Programs
- Finance (Tenant Accounts and Subsidies)





Pacific Spirit Regional Park

# 2023 – 2027 FINANCIAL PLAN

## MVRD: HOUSING PLANNING & POLICY

**Heather McNeil**

Deputy Chief Administrative Officer, Policy and Planning / General Manager, Regional Planning and Housing Services

Corporate Planning Committee – September xx, 2022

22 of 65

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Welcher Avenue Redevelopment

# HOUSING PLANNING & POLICY OVERVIEW

Housing Planning & Policy over the next 5 years

Supports the implementation of the ***Metro Vancouver Housing 10-Year Plan*** and MVHC development projects as well as regional housing priorities and best practice research.

# PERFORMANCE METRICS

## Housing Planning and Policy

### % of Design Complete for MVHC Projects on Member Lands (pre-construction)

Key Performance	Past Performance (Average)	Expected Performance 2023
Southwynde (Burnaby)	Design 20%	Design 90%
Civic Centre (Pitt Meadows)	Design 20%	Design 100%
Feasibility study and concept for potential new site (District of North Vancouver)	0%	If progressing to project – Design 55% (feasibility to be confirmed through concept study underway)



# CONTINUOUS IMPROVEMENT

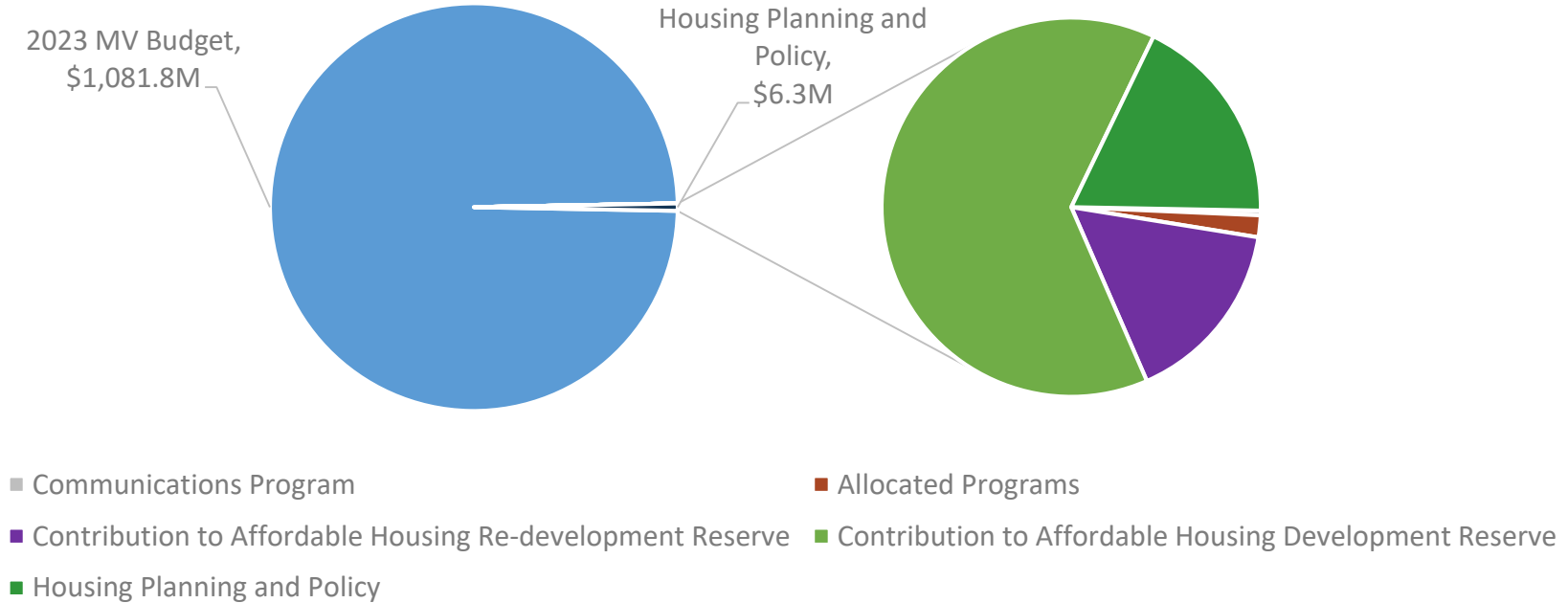
## Housing Planning & Policy

Initiative	Outcomes
Secure funding from provincial and federal governments	<ul style="list-style-type: none"><li>• Leverage MVHC investment to deliver more housing and/or deeper affordability</li></ul>
Create new templates, and procedures for tenant relocation of newly completed buildings	<ul style="list-style-type: none"><li>• Clear direction for staff to ensure consistent and quality support for tenants with clear, easy to understand information</li></ul>
Conduct research to explore regional affordable housing issues (e.g., Attainable Homeownership, Inclusionary Housing policies)	<ul style="list-style-type: none"><li>• Provide resources for member jurisdictions and others in the housing industry to advance shared goals to support affordable housing</li></ul>
Implement policies and procedures to introduce income testing for Low-End-of-Market tenants	<ul style="list-style-type: none"><li>• Improve accountability and ensure affordable housing supports those who need it most</li></ul>

# BUDGET OVERVIEW

## Housing Planning and Policy

### 2023 Operating Budget Breakdown – Housing Planning and Policy



# OPERATING EXPENDITURES

## Housing Planning and Policy Financial Plan

### Overview:

2022 Operating Budget: **\$6.7M**

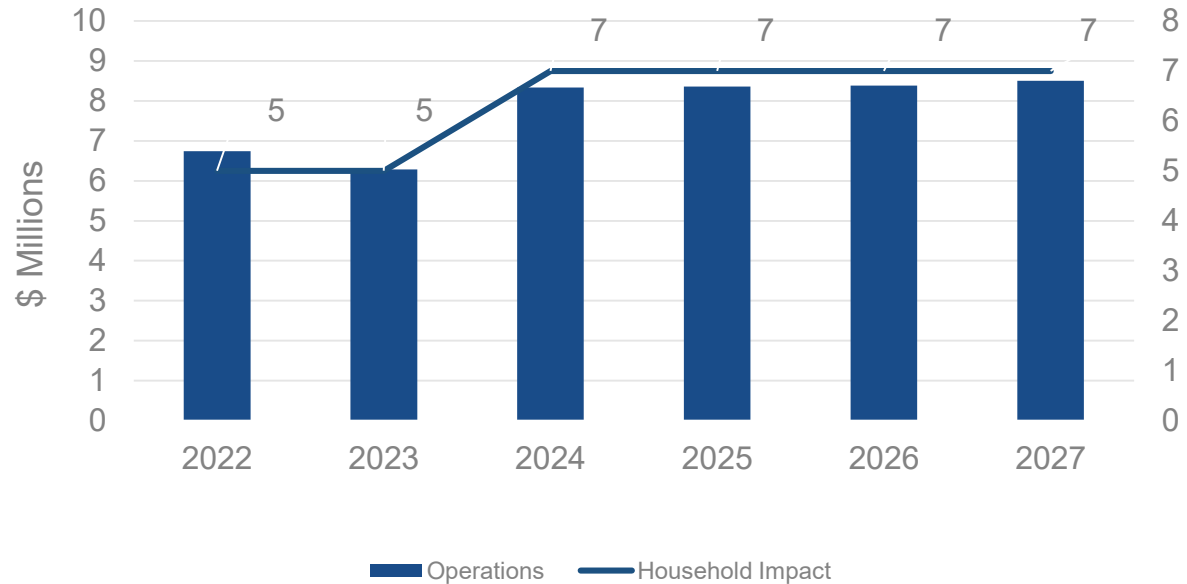
2023 Operating Budget: **\$6.3M**

**(6.9%) decrease**

### Drivers for Change:

- Decrease in SIF spending (projects completed)
- Increase tax requisition by \$2M to support new development (2024)

### 2022 – 2027 Housing Planning and Policy Financial Plan



# OPERATING FUNDING

## Housing Planning and Policy Financial Plan

### Overview:

2022 Operating Budget: **\$6.7M**

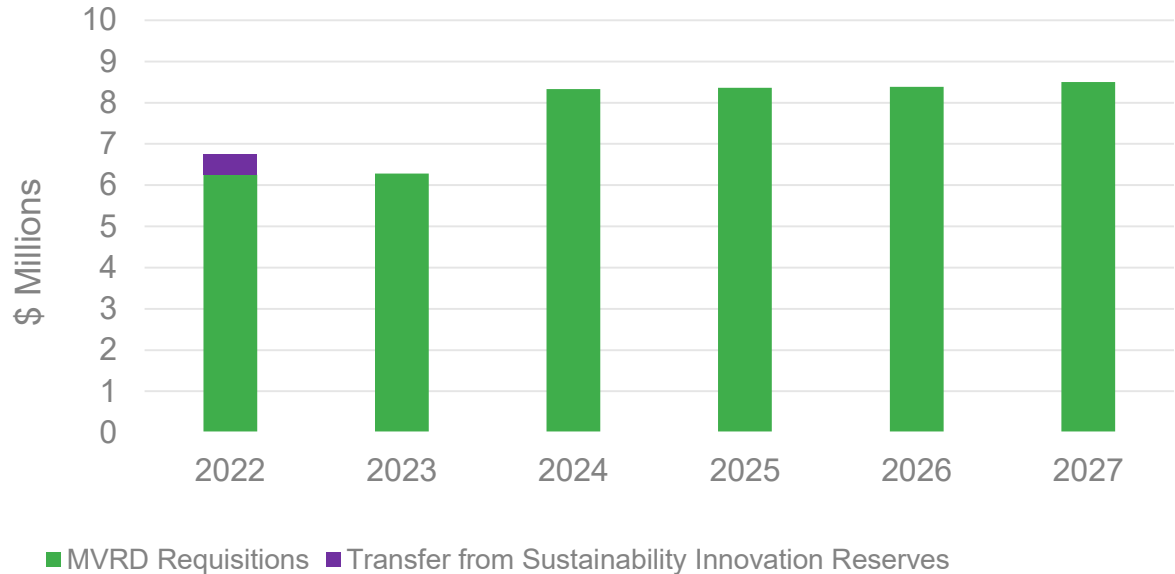
2023 Operating Budget: **\$6.3M**

**(6.9%) decrease**

### Drivers for Change:

- Decrease in SIF funding (projects completed)
- Proposed tax requisition increase (2024) to support more development via partnerships

### 2022 – 2027 Housing Planning and Policy Financial Plan



# OPERATING HIGHLIGHTS

## Housing Planning and Policy 2023 - 2027

Budget Year	Initiative	Description
2023	Development priorities	3 projects through design and approvals; 3 projects through construction
2024	Development priorities	3 projects through design and approvals; 2 projects through construction (plus 2 projects through rent up)
2025	Development priorities	1 project through design and approvals; 2 projects through construction (plus 2 projects through rent up)
2026	Development priorities	1 project through construction (plus 2 projects through rent up)
2027	Development priorities	1 project through construction

# HOUSING PLANNING AND POLICY FINANCIAL PLAN SUMMARY

	2022	2023	2024	2025	2026	2027
Total Expenditures (\$ Millions)	\$6.7	\$6.3	\$8.3	\$8.4	\$8.4	\$8.5
% Change		(6.9%)	32.6%	0.4%	0.3%	1.4%
MVRD Requisition (\$ Millions)	\$6.3	\$6.3	\$8.3	\$8.4	\$8.4	\$8.5
% Change		0.4%	32.6%	0.4%	0.3%	1.4%
Household Impact (\$)	\$5	\$5	\$7	\$7	\$7	\$7
% Change		(1.5%)	29.9%	(1.0%)	(1.1%)	0.0%
Prior Cycle Household Impact Change (%)		29.4%	(1.7%)	(1.2%)	0.1%	N/A



Pacific Spirit Regional Park

# 2023 – 2027 FINANCIAL PLAN

## METRO VANCOUVER HOUSING CORPORATION

Heather McNeil

Deputy Chief Administrative Officer, Policy and Planning / General Manager, Regional Planning and Housing Services

Corporate Planning Committee – September xx, 2022

31 of 65

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Somerset Gardens Complex

## MVHC OVERVIEW

### Metro Vancouver Housing over the next 5 years

Guided by the Metro Vancouver Housing's 10-Year Plan: **Provide** safe, inclusive, diverse and affordable homes in communities throughout the region; **Preserve** existing portfolio through capital maintenance to support affordability & improve sustainability and accessibility; **Expand** through redevelopment and partnerships with member jurisdictions and other levels of government.

# PERFORMANCE METRICS

## MVHC

Key Performance	Past Performance (Average)	Expected Performance 2023
Total RGI units rented to subsidized tenants	30% Target	30% Target
Vacancy percentage (based on number of rentable units)	0.1% (3-year average)	0.1%
Number of tenant programs offered in MVHC communities	107	130 (increase and diversify)

# PERFORMANCE METRICS

MVHC

Key Performance	Past Performance (Average)	Expected Performance 2023
Reduce GHG emissions	10.2 grams CO2 Emissions per square metre (2010 baseline)	7.45 grams CO2 Emissions per square metre
Kingston Gardens Phase I Redevelopment	2022: 40% construction	2023: 97% construction
Welcher Avenue Redevelopment	2022: 40% construction (actual is 0%)	2023: 97% construction

# CONTINUOUS IMPROVEMENT

## MVHC

Initiative	Outcomes
Add 807 new and redeveloped units within 5 Year Financial Plan Horizon	<ul style="list-style-type: none"><li>• Kingston Gardens Phase 1, Surrey – Construction 97%</li><li>• Welcher Avenue, Port Coquitlam – Construction 97%</li><li>• Heather Place B, Vancouver – Construction 5%</li><li>• Eastburn Square, Burnaby – Detailed design 100% and construction tender</li><li>• Malaspina Phase 1, Coquitlam – Detailed design 100%</li></ul>
Accelerate Delivery of Large Capital Rehabilitation Projects through Financing	<p>Front end projects to mitigate rising interest rates and commodity and service cost increases</p> <ul style="list-style-type: none"><li>• Strathearn Court, Vancouver – Construction 40%</li><li>• Minato West, Richmond – Construction 50%</li></ul>

# CONTINUOUS IMPROVEMENT

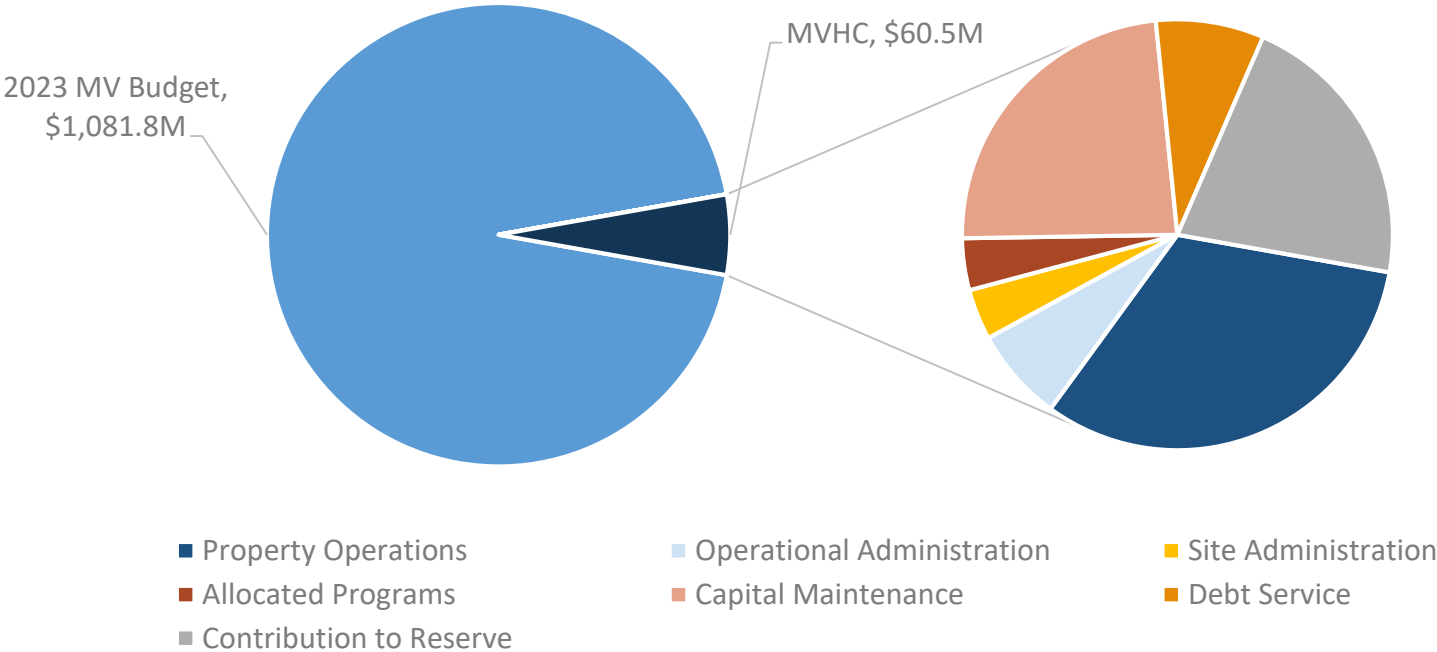
MVHC

Initiative	Outcomes
Pembina REFRAMED	<ul style="list-style-type: none"><li>• Develop replicable approach to whole-building retrofits to improve tenant comfort, well-being and safety, extend the life of the asset, reduce operational costs, improve energy efficiency, and reduce GHG emissions at 3 sites</li></ul>
Innovations in Technology to improve efficiency and service levels	<ul style="list-style-type: none"><li>• Implement work order system for capital maintenance projects to improve timelines &amp; decrease overall costs</li><li>• Develop online portal for tenants to submit documents and correspondence, 30% completion by end of 2023</li></ul>

# BUDGET OVERVIEW

## MVHC Financial Plan

2023 Operating Budget Breakdown – MVHC



# OPERATING EXPENDITURES

## MVHC Financial Plan

### Overview:

2022 Operating Budget: **\$54.8M**

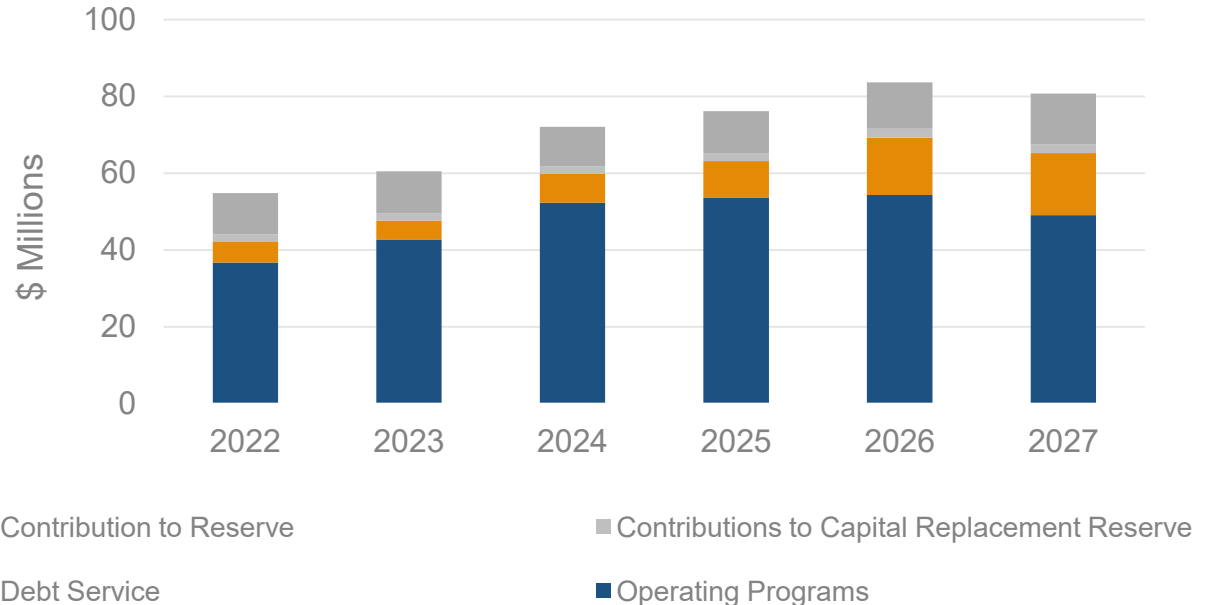
2023 Operating Budget: **\$60.5M**

**10.4% increase**

### Drivers for Change:

- Expand portfolio by 807 units
- Inflation for goods and services (7%)
- Increases for insurance costs, waste removal, fire prevention and utilities.

### 2022 – 2027 MVHC Financial Plan





# OPERATING FUNDING

## MVHC Financial Plan

### Overview:

2022 Operating Budget: **\$54.8M**

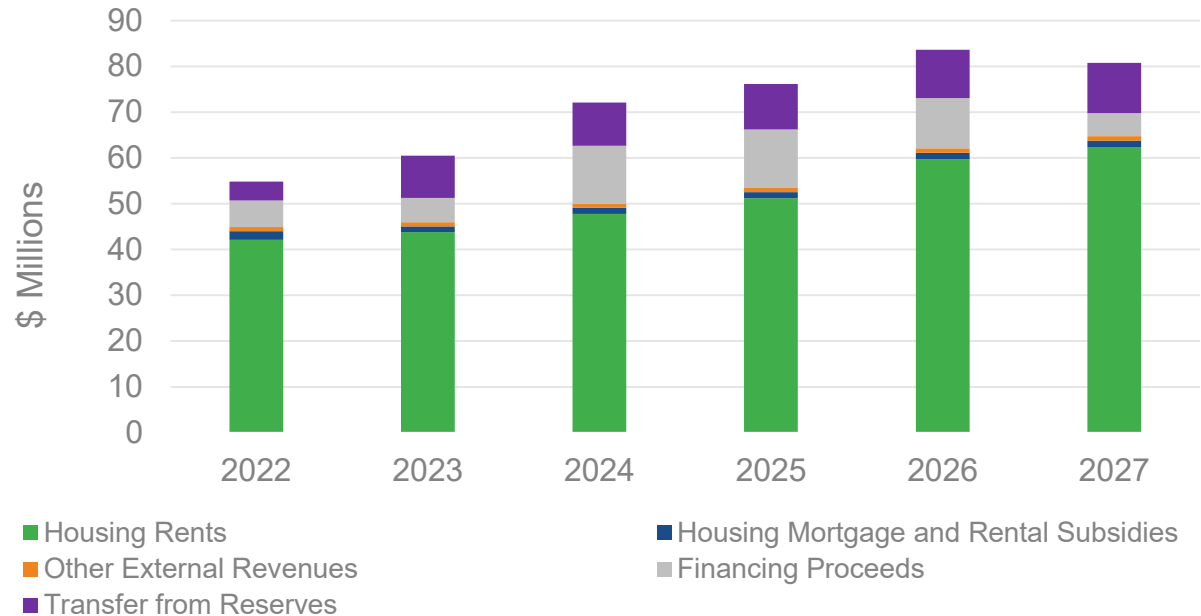
2023 Operating Budget: **\$60.5M**

**10.4% increase**

### Drivers for Change:

- Expand portfolio by 807 units
- Projected annual rent increase of 3%
- Increase in financing to fund rehabilitation projects

### 2022 – 2027 MVHC Financial Plan



# HOUSING CAPITAL MAINTENANCE

## 2023-2027 CAPITAL MAINTENANCE PLAN EXPENDITURES

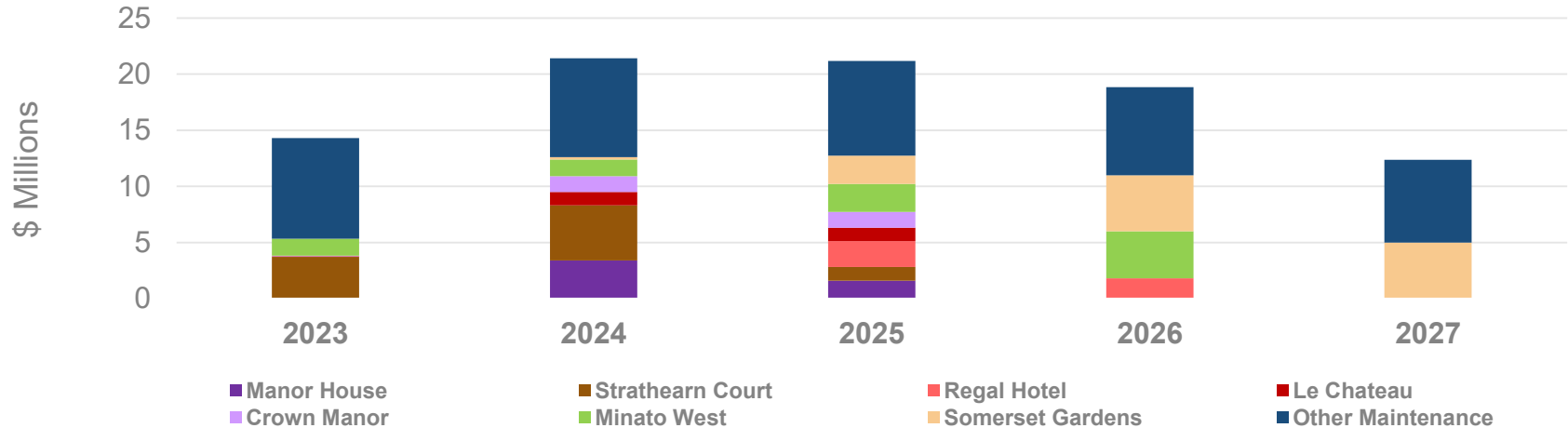
### Overview:

- 2023-2027 Maintenance Plan: \$88.1M
- 2023 Maintenance Cash Flow: \$14.3M

### Drivers:

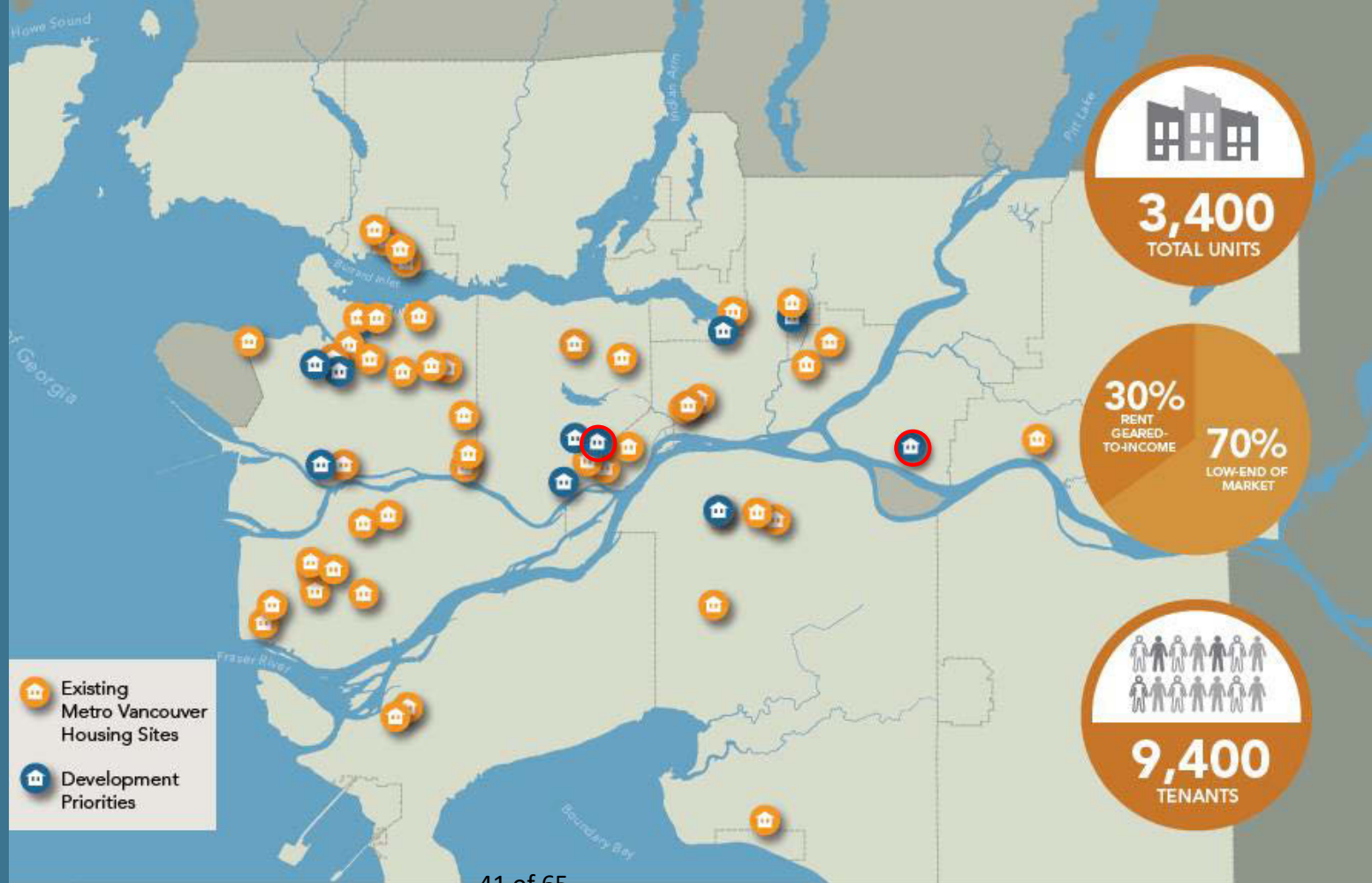
- Asset Facility Condition Index
- Preservation and revitalization of existing affordable housing
- Reduce GHG emissions by 45% (from 2010 levels) by 2030

### 2023 – 2027 Housing Capital Maintenance Plan



# Metro Vancouver Housing

## Development Priorities



# MVHC CAPITAL PROJECT BUDGET

## Overview:

- 5 redevelopment projects
- 2 partner projects with members
- 807 new and redeveloped units

## Drivers for Change:

- Greater than anticipated project escalation
- Projected interest rate increases

## 2023 MVHC Capital Budget

Heather Place B, Van	87 units	\$47,000,000
Kingston Gardens, Sur	85 units	\$44,700,000
Welcher Ave., PoCo	63 units	\$36,100,000
Eastburn Square, Bur	174 units	\$73,500,000
Malaspina Ph1, Coq	161 units	\$81,700,000
Civic Centre, Pitt Mea	115 units	\$74,700,000
Southwynde, Bur	122 units	\$64,500,000
Total	807 units	\$422,200,000

# CAPITAL EXPENDITURES

## MVHC Capital Plan

### Overview:

**2022 Capital Cash Flow: \$48.3M**

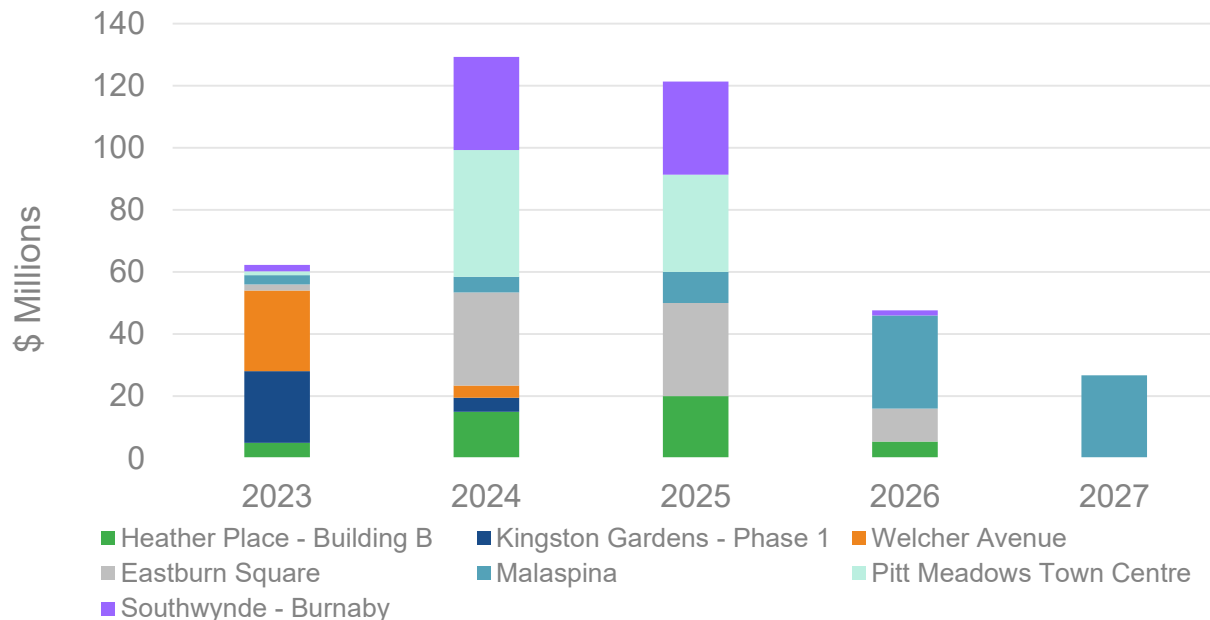
**2023 Capital Cash Flow: \$62.2M**

**28.8% increase**

### Drivers for Change:

- Support meeting critical need for affordable housing through redevelopment of existing sites
- Partnerships at municipal, provincial and federal level to deliver additional affordable housing sites

### 2023 – 2027 MVHC Capital Cash Flow





# CAPITAL DEVELOPMENT FUNDING

## MVHC Capital Plan

### Overview:

2022 Capital Cash Flow: **\$48.3M**

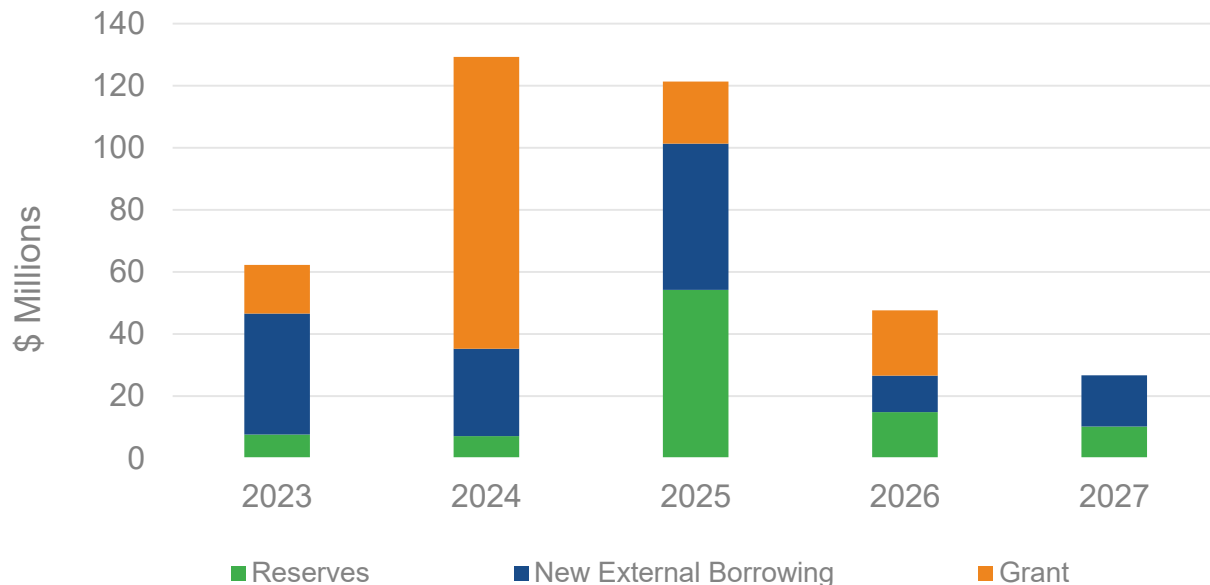
2023 Capital Cash Flow: **\$62.2M**

**28.8% increase**

### Drivers for Change:

- Project costs increases due to escalation
- Borrowing impacted by projected interest rate increases

### 2023 – 2027 MVHC Capital Funding



# TENANT OPERATIONS & COMMUNITY BUILDING

## Community Building

- Tenant Associations
- Events and Programs
- Tenant newsletters & information
- Crime Prevention
- Emergency Preparedness
- Community Gardens
- Healthy Living Programs
- Reducing Energy Use
- Free Food Program

## Tenant Operations

- Tenant Placement
- Tenant Support Services and Partnerships
- Tenant Relocation Support for Redevelopment



# OPERATING and CAPITAL HIGHLIGHTS

MVHC 2023 - 2027

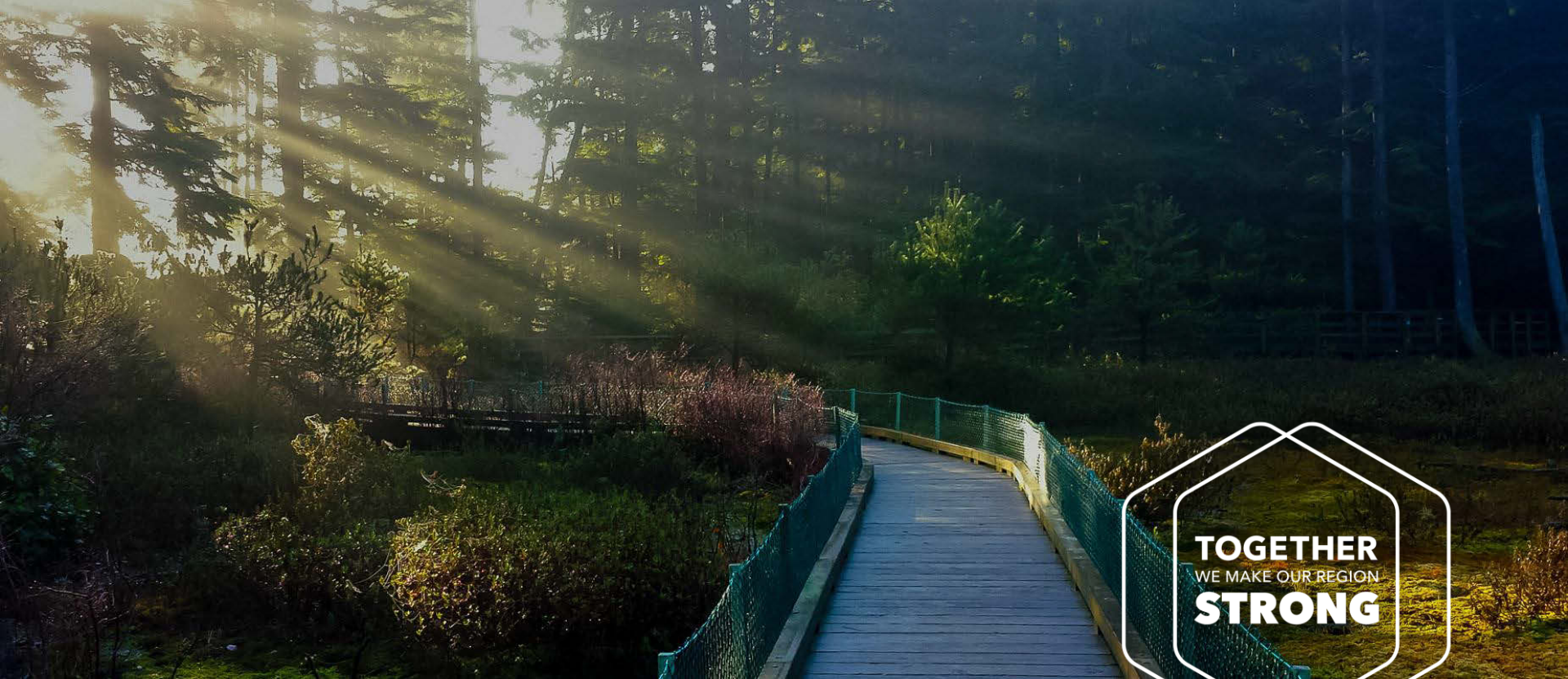
Budget Year	Initiative	Description
2023	Financing of rehabilitation projects	Accelerate preservation of portfolio through maintenance
2024	Rent up of 2 redevelopment projects: Kingston and Welcher	An additional 148 homes added to the Housing Portfolio
2025	Rent up of 2 redevelopment projects: Heather Place B and Civic Centre	An additional 202 homes added to the Housing Portfolio
2026	Rent up of 2 redevelopment projects: Eastburn and Southwynde	An additional 296 homes added to the Housing Portfolio
2027	Final stages of construction of 1 development project: Malaspina	An additional 161 homes added to the Housing Portfolio

# MVHC FINANCIAL PLAN SUMMARY

MVHC 2022 - 2027

	2022	2023	2024	2025	2026	2027
Total Expenditures (\$ Millions)	\$54.8	\$60.5	\$72.1	\$76.1	\$83.6	\$80.7
% Change		10.4%	19.2%	5.7%	9.8%	(3.4%)
Housing Rents (\$ Millions)	\$42.1	\$43.8	\$47.8	\$51.2	\$59.7	\$62.4
% Change		4.0%	9.2%	7.1%	16.8%	4.4%
Other Revenues*	\$12.7	\$16.7	\$24.3	\$25.0	\$23.9	\$18.4
% Change		31.6%	45.4%	2.9%	(4.5%)	(23.1%)
Total Capital Expenditures (\$ Millions)	\$48.3	\$62.2	\$129.2	\$121.3	\$47.6	\$26.7

\*includes subsidies, other external revenues, financing proceeds, transfer from reserves



Camosun Bog



Questions?





Adelaide Court Summer Event

# 2022 Tenant Programs & Services Update

Q3 & Q4 2022

Mary Ricci

Supervisor, Tenant Programs and Services

October 2022 Housing Committee Meeting  
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49 of 65

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# PLAY SPACE RE-IMAGINED AT HEMLOCK COURT

Frog Hollow Neighbourhood House “Make It” Program



Communities supporting communities

50 of 65

# HAND SANITIZER PROJECT

Port Moody Foundation



Heidi Maddrell (and daughter) of Port Moody Foundation with Mary Ricci and Sinead Hughes



# HEARING CLINIC

Somerset Gardens



Tamara Harrison of Carter Hearing

52 of 65

# NEW TENANT WELCOME

Making a House a Home

I sincerely want to thank you from the bottom of my heart for our beautiful new home. You went above and beyond to assist us. The children and I were struggling and this has given us the life preserver we need to rise up. We are forever grateful and look forward to many years of giving back in our Metro Vancouver home and community. You have forever changed the trajectory of our lives.

**Thank you!**

**Our sincere gratitude for helping us find our amazing home! We are over the moon!!**

We appreciate everything you have done for us. From all the forms, papers, documents' processing and approvals, we appreciated very much all your time and efforts and timely help.

We also thank the Building Manager for his kindness and support. He is very considerate and very professional in his work. We feel lucky to be here. Without everyone's support, we couldn't believe our dreams come true.

I just wanted to say thank you for your help throughout the process. I really appreciate it. It means a lot to me I am really overwhelmed with joy.

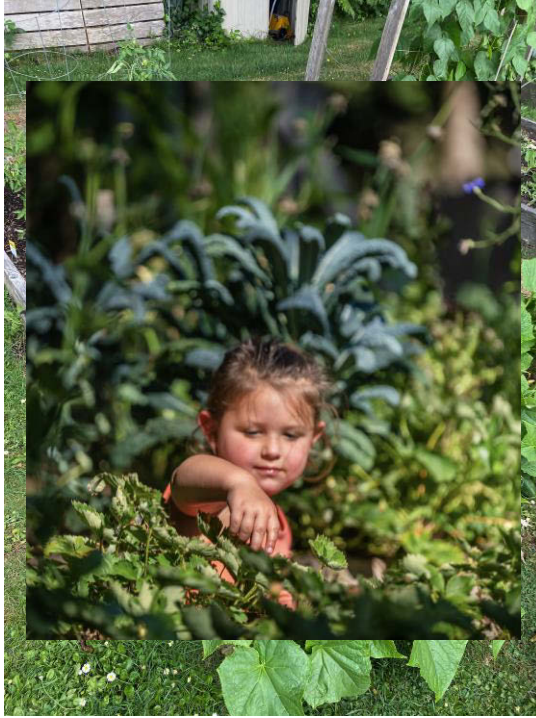
# DECORATIVE WRAPS

Sutton Place





# COMMUNITY GARDENS



# FREE FOOD PROGRAM

Immigrant Link Centre Society





# TENANT LED SUMMER EVENTS



# FIRE DRILL & FIRE SAFETY PRESENTATION

Richmond Fire Rescue

## SENIORS FIRE SAFETY

Planning and Knowing how to respond in an emergency is essential but often overlooked. Don't leave it to the last minute or until it's too late.

### Prepare

To adequately prepare for an emergency, a few steps must be taken. These include asking yourself a few questions. Have you thought of what you would need to prepare for an emergency?

#### Do you have insurance?

Insurance is essential because it will provide you with the replacement of items and/or a place to live if your home is ever uninhabitable.

#### Grab and Go Bag?

A Grab and go Bag has all the items you would need for up to 72 hours, insurance information, medications, clothing and food.

#### Emergency Contact?

An emergency contact is someone that you can call in an emergency to provide you with immediate assistance or someone who you can call to relay information to family/friends.

#### Medication?

You should always have a list of medications on your phone, in your grab-and-go bag, on your fridge and have an emergency supply incase you're out of home and pharmacies are closed.



Cedarwood. Residents participating in Fire Safety presentation with Kyrin M. (10/10/2021 6:01)  
Richmond Fire Rescue providing fire safety information for Cedarwood residents



# SEASONAL EVENTS

- Flu shots for seniors
- Halloween events
- Holiday events
- And more



2021 Pinewood Halloween Event

# KNIGHTSBRIDGE MAKEOVER DAY



60 of 65





Making a house a home

Thank you

61 of 65

**metrovancouver**  
Together we make our region strong



# HOUSING SITE TOUR

Kingston Gardens



62 of 65



15





# Capital Project Updates

## QUARTERLY UPDATE

Evergreen Downs – Deep Retrofit

Jade Hume, P.Eng., PMP

Division Manager, Maintenance and Capital Projects

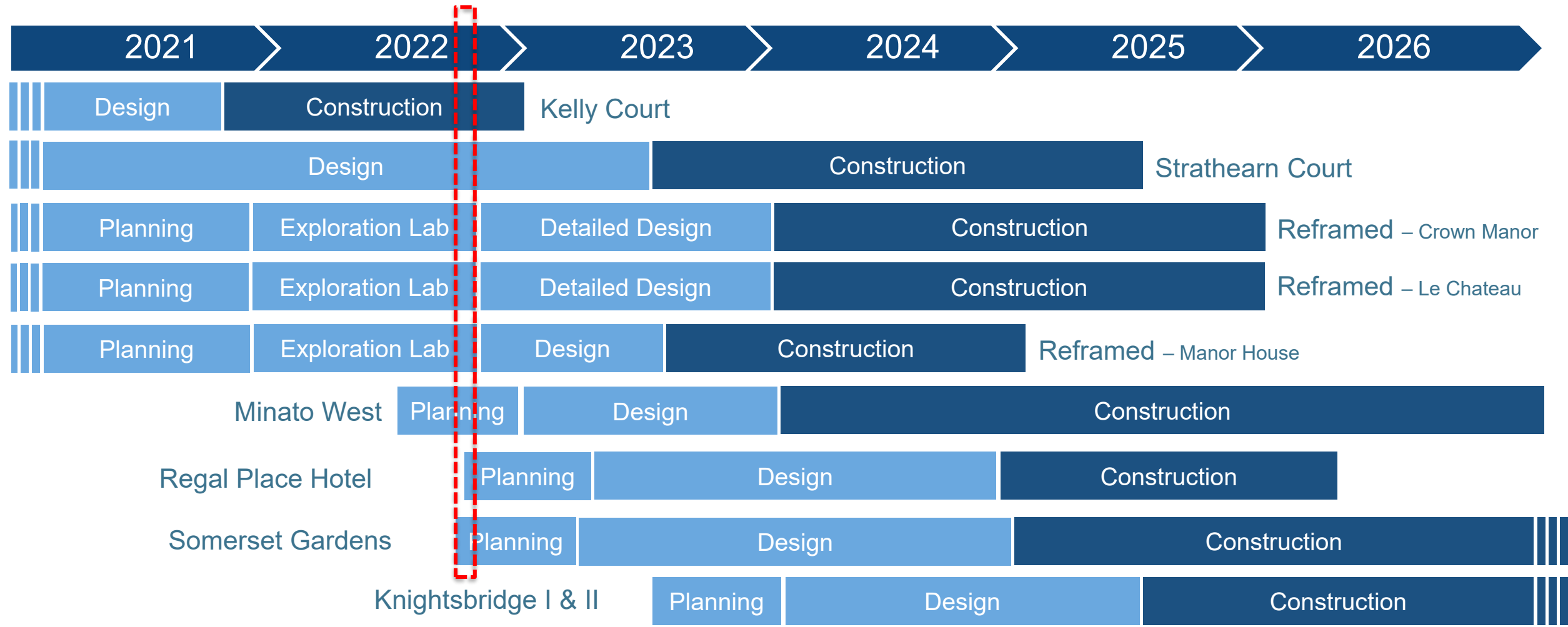
Metro Vancouver Housing

**metrovancouver**

Housing Committee, October 6<sup>th</sup>, 2022  
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63 of 65

# CAPITAL MAINTENANCE PLAN – DEEP RETROFITS



# CAPITAL DEVELOPMENT PLAN

