

AGENDA

COUNCIL WORKSHOP

Tuesday, February 3, 2026

5:00 p.m.

Committee Room, Municipal Hall

355 West Queens Road

North Vancouver, BC

Watch at <https://dnvorg.zoom.us/j/64484156494>

Council Members:

Mayor Mike Little

Councillor Jordan Back

Councillor Betty Forbes

Councillor Jim Hanson

Councillor Herman Mah

Councillor Lisa Muri

Councillor Catherine Pope



www.dnv.org

THIS PAGE LEFT BLANK INTENTIONALLY

COUNCIL WORKSHOP

5:00 p.m.

Tuesday, February 3, 2026

Committee Room, Municipal Hall,

355 West Queens Road, North Vancouver

Watch at <https://dnvorg.zoom.us/j/64484156494>

AGENDA

We respectfully acknowledge the original peoples of these lands and waters, specifically the səlilwətał (Tsleil-Waututh), Skwxwú7mesh Úxwumixw (Squamish), and xʷməθkʷəy̓əm (Musqueam), on whose unceded ancestral lands the District of North Vancouver is located. We value the opportunity to learn, share, and serve our community on these unceded lands.

1. ADOPTION OF THE AGENDA

1.1. February 3, 2026 Council Workshop Agenda

Recommendation:

THAT the agenda for the February 3, 2026 Council Workshop is adopted as circulated, including the addition of any items listed in the agenda addendum.

2. ADOPTION OF MINUTES

2.1. November 10, 2025 Council Workshop Minutes

p.7-11

Recommendation:

THAT the minutes of the November 10, 2025 Council Workshop are adopted.

2.2. November 25, 2025 Council Workshop Minutes

p.13-20

Recommendation:

THAT the minutes of the November 25, 2025 Council Workshop are adopted.

2.3. December 2, 2025 Council Workshop Minutes

p.21-26

Recommendation:

THAT the minutes of the December 2, 2025 Council Workshop are adopted.

3. REPORTS FROM COUNCIL OR STAFF

3.1. Council Priorities and Budget

p.29-56

File No. 2026 Budget

Report: General Manager – Finance and Chief Financial Officer, January 21, 2026

Attachment 1: Operating Budget Adjustments

Attachment 2: Capital Plan Adjustments

Attachment 3: PowerPoint Presentation

Recommendation:

THAT Budget Scenario 1, including a property tax increase of 3.5% (2.0% + 1.5% for asset renewal), based on the key budget strategies and adjustments shared, is supported;

AND THAT Staff prepare the Draft Financial Plan Workbook for introduction to Council and the public on February 17, 2026.

4. PUBLIC INPUT

(maximum of ten minutes total)

5. ADJOURNMENT

Recommendation:

THAT the February 3, 2026 Council Workshop is adjourned.

MINUTES

THIS PAGE LEFT BLANK INTENTIONALLY

**DISTRICT OF NORTH VANCOUVER
COUNCIL WORKSHOP**

Minutes of the Council Workshop for the District of North Vancouver held at 7:10 p.m. on Monday, November 10, 2025 in the Committee Room of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

Present: Mayor Mike Little
Councillor Jordan Back
Councillor Betty Forbes (7:26 p.m.)
Councillor Jim Hanson
Councillor Herman Mah
Councillor Lisa Muri
Councillor Catherine Pope

Staff: David Stuart, Chief Administrative Officer
Rick Danyluk, General Manager – Finance and Chief Financial Officer
Nicola Chevallier, General Manager – Engineering Public Works
Caroline Jackson, General Manager – Climate Action and Parks
Dan Milburn, General Manager – Planning, Properties and Permits
Saira Walker, General Manager – Corporate Services
Mike Danks, Fire Chief
Heather Turner, Director – North Vancouver Recreation and Culture Commission
Rhonda Schell, Deputy Corporate Officer
Ehab Taha, Section Manager – Transportation
Kaitlin Hebron, Confidential Council Clerk
Jillian Holden, Administration Clerk

Also in

Attendance: Christopher Paine, FIT Local Government Consulting

1. ADOPTION OF THE AGENDA

1.1. November 10, 2025 Council Workshop Agenda

MOVED by Councillor MURI

SECONDED by Councillor BACK

THAT the agenda for the November 10, 2025 Council Workshop is adopted as circulated.

CARRIED

Absent for vote: Councillor FORBES

2. ADOPTION OF MINUTES

Nil

3. REPORTS FROM COUNCIL OR STAFF

Councillor FORBES arrived at this point in the proceedings (7:26 p.m.)

3.1. 2026 Budget Outlook

File No. 2026 Budget

Rick Danyluk, General Manager, Finance and Chief Financial Officer, provided an introduction to the Council Workshop, noting staff are seeking direction from Council on potential budget adjustments and preferred budget scenarios that support Council's priorities. Mr. Danyluk provided an update on factors influencing the District's financial position and presented strategies to balance the 2026 budget.

Christopher Paine, FIT Local Government Consulting, discussed how the budget realities reflect significant pressures outside of the District's control, similar to the challenges municipalities across the country are currently facing.

Council discussion ensued and the following comments and concerns were noted:

- Emphasized not placing blame on the provincial government and avoiding political framing;
- Expressed general support for the overall direction;
- Highlighted external pressures such as North Shore Wastewater Treatment Plant costs, utilities, and cost of living increases;
- Noted costs related to engineering is the largest budget item;
- Suggested reviewing smaller infrastructure projects within the Capital Plan;
- Raised the idea of reducing expenses by adjusting service levels;
- Requested clearer information on how priorities are determined;
- Requested clarification on the difference between staff's prioritization of options and Council's prioritization;
- Requested additional information on housing and related issues;
- Inquired what bi-weekly garbage collection would entail, including potential service impacts;
- Highlighted the need for more information on priorities before making decisions;
- Queried about the potential impact of the federal budget on the District;
- Commented on the *Ports Property Tax Act*;
- Expressed concerns related to discussions involving service reductions;
- Noted the absence of climate action and the need to include climate related investments; and,

- Requested additional opportunities for public input throughout the budget process.

In response to a question from Council, staff advised that many factors affecting the budget occur outside their control.

In response to a question from Council, staff advised that regarding recent housing legislation costs, the full impact both current and future is not yet known.

In response to a question from Council, staff advised that they are finalizing outstanding requests in order to move forward on key items.

In response to a question from Council, staff advised that a 1% increase in the budget equates to approximately \$29 property tax increase for the average household.

In response to a question from Council, staff advised that there is some discretion to the response rate for District of North Vancouver Fire Fighters orange calls, however, any changes would need to align with the City of North Vancouver and District of West Vancouver.

In response to a question from Council, staff advised that budget related adjustments have been made evenly across departments, however, the Engineering Department carries the majority of the Capital Plan expenses.

In response to a question from Council, staff advised that reserves will not be used to lower the tax rate. Staff noted they continue to use utility rate stabilization reserves to buffer increases from Metro Vancouver utility charges.

In response to a question from Council, staff advised that they are seeking Council direction on key strategies and prioritization to continue developing the budget.

In response to a question from Council, staff advised that the impact of the new federal budget on the District is still being assessed.

In response to a question from Council, staff advised that regarding the Ports Property Tax, staff estimate that equalizing taxes for these businesses could generate approximately \$4.6 million annually.

In response to a question from Council, staff advised that they are working on profiling how climate change will affect budgets.

Mayor LITTLE left the meeting at 7:52 p.m. and Councillor POPE assumed the Chair.

Mayor LITTLE returned to the meeting at 7:53 p.m.

There was general consensus for staff to continue developing the budget with a 3.5% property tax increase scenario based on key strategies shared during the presentation, excluding adjustments to the fire service response to orange calls and maintaining community grants at 2025 levels. Staff will also bring back pay parking in high demand locations for further discussion in 2026.

In response to a question from Council, staff advised that they will incorporate Council's feedback in a revised budget scenario and bring it back in January.

4. PUBLIC INPUT:

4.1 Judith Brook:

- Highlighted the growing impacts of climate change;
- Emphasized the importance of making polluters pay;
- Opined there is a lack of visible action from Council on this issue;
- Noted 11 other local governments have climate action initiatives;
- Asked whether the KPI dashboard could include the status and progress of climate initiatives;
- Mentioned this suggestion was previously brought to Council; and,
- Opined that recycling and green waste should continue to be collected weekly.

4.2 John Lesow:

- Noted that congestion, safety issues, and traffic are daily challenges for residents;
- Opined that road and bridge infrastructure has not kept pace with population growth; and,
- Submitted a draft environmental impact statement for Council's review.

4.3 Corrie Kost:

- Noted that Metro Vancouver charges are largely outside the District's control;
- Expressed support for maintaining community grants and stated it would be unfair to increase rates;
- Expressed concerns related to bi-weekly garbage pickup, particularly related to bear activity; and,
- Expressed disappointment from the lack of details provided, making it difficult to offer meaningful comments.

4.4 Michelle Sheardown:

- Noted her preference for higher property tax rates if it means better services and stronger community support;
- Emphasized the importance of access to services;
- Suggested that a greater tax rate increase could lead to an improved community; and,
- Opined the District is a relatively wealthy community.

5. ADJOURNMENT

MOVED by Councillor MURI

SECONDED by Mayor LITTLE

THAT the November 10, 2025 Council Workshop is adjourned.

CARRIED
(8:09 p.m.)

Mayor

Corporate Officer

THIS PAGE LEFT BLANK INTENTIONALLY

**DISTRICT OF NORTH VANCOUVER
COUNCIL WORKSHOP**

Minutes of the Council Workshop for the District of North Vancouver held at 7:01 p.m. on Tuesday, November 25, 2025 in the Committee Room of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

Present: Mayor Mike Little (via Zoom)
Councillor Jordan Back (via Zoom) (7:08 p.m.)
Councillor Betty Forbes (via Zoom)
Councillor Jim Hanson (via Zoom)
Councillor Herman Mah (via Zoom)
Councillor Lisa Muri (via Zoom)
Councillor Catherine Pope (via Zoom) (7:06 p.m.)

Staff: David Stuart, Chief Administrative Officer
Nicola Chevallier, General Manager – Engineering Public Works
Dan Milburn, General Manager – Planning, Properties and Permits
Lisa Stalham, Section Manager – Administration and Continuous Improvement
Graeme Budge, Development Planner
Kaitlin Hebron, Confidential Council Clerk
Jillian Holden, Administration Clerk

1. ADOPTION OF THE AGENDA

1.1. November 25, 2025 Council Workshop Agenda

MOVED by Councillor HANSON

SECONDED by Councillor MAH

THAT the agenda for the November 25, 2025 Council Workshop is adopted as circulated.

CARRIED

2. ADOPTION OF MINUTES

Nil

Councillor POPE arrived at this point in the proceedings (7:06 p.m.)

Councillor BACK arrived at this point in the proceedings (7:08 p.m.)

3. REPORTS FROM COUNCIL OR STAFF

3.1. Proposed Changes to Development Permits, Minor Development Variance Permits, and Public Hearings

File No.

Dan Milburn, General Manager, Planning, Properties and Permits, provided an introduction to the Council Workshop, noting that at the November 3, 2025, Regular Council Meeting staff proposed changes to development permits, minor development variance permits and public hearings, and Council requested a workshop to review and discuss the proposed changes.

Graeme Budge, Development Planner, noted housekeeping and procedural improvements are proposed for the Development Approvals Process Review (DAPR) program through a series of amendment bylaws. Mr. Budge stated these changes focus on improvements across four key categories: improvements to the public hearing procedure, development permit delegation, development permit administrative improvements, and variance permit delegations. Mr. Budge noted that staff anticipate further proposals for procedural and housekeeping amendments will come forward to Council as the DAPR program continues.

Council discussion ensued and the following comments and concerns were noted:

- Emphasized the importance of treating the Official Community Plan (OCP) as a living document;
- Questioned the rationale for not holding a public hearing when they are not required by legislation;
- Queried how public input would be gathered;
- Expressed concerns regarding the adequacy of community engagement;
- Discussed opportunities to enhance the notification process and improve community outreach; and,
- Commented on the need for improved signage requirements.

In response to a question from Council, staff advised that regardless if Council resolves to hold or not hold a public hearing, the proposed procedure would result in time savings.

In response to a question from Council, staff clarified that the proposed approach is not being implemented because it is provincially mandated, rather, it applies only where a public hearing is optional and is intended to streamline the process.

In response to a question from Council, staff advised that decisions regarding whether public input is supportive would be based on the feedback received and staff's professional assessment of what information is relevant for Council's consideration.

In response to a question from Council, staff advised that where there is significant community concern, staff would bring the matter forward for Council's consideration, including the decision to hold an optional public hearing.

In response to a question from Council, staff advised that no changes are being recommended to existing engagement practices that occur in advance of a staff report being prepared.

In response to a question from Council, staff confirmed that the recommended guidelines do not affect Council's discretion.

In response to a question from Council, staff advised that if an issue were identified that could negatively affect the climate or environment, staff would recommend that Council hold a public hearing.

In response to a question from Council, staff advised that changes of use on industrial properties are typically minor, however, where applications propose significant changes to industrial lands, staff would recommend that an optional public hearing be held.

In response to a question from Council, staff advised that public notification would continue to mirror public hearing requirements with notice occurring before first reading rather than at the time of a public hearing.

In response to a question from Council, staff advised that public notification would include signage, mailouts and newspaper notification, with no change to the existing standards.

In response to a question from Council, staff advised that while Council could consider enhanced notification, any enhancements should be applied consistently to all applicable applications.

Mr. Budge discussed proposed improvements to the development permit delegation procedure.

Council discussion ensued and the following comments and concerns were noted:

- Queried whether a list exists identifying what constitutes minor form and character changes;
- Commented on the ongoing evolution of the OCP;
- Commented on comprehensive development proposals;
- Expressed a desire to better understand the potential impacts on the community; and,
- Commented on underutilized sites.

In response to a question from Council, staff provided an example of a form and character development permit on an industrial site that could fall under staff's delegated authority, noting that such permits are relatively uncommon.

In response to a question from Council, staff advised that all applications would be reviewed to ensure consistency with the applicable form and character guidelines.

In response to a question from Council, staff advised the number of industrial development permits in a typical year varies, encompassing both heavy and light industrial sites.

In response to a question from Council, staff advised that many smaller-scale permits occur more frequently and are already delegated to staff, while larger-scale permits are relatively rare.

In response to a question from Council, staff clarified that applications involving intensification or a change in zoning would continue to be decisions made by Council.

In response to a question from Council, staff advised that many industrial properties within the District are currently underutilized and not developed to the full extent permitted under existing zoning.

In response to a question from Council, staff confirmed that rezoning decisions would continue to be made by Council.

In response to a question from Council, staff advised that form and character development permits do not provide authority to regulate air quality measures.

In response to a question from Council, staff advised that there is no additional public notice when a development permit is considered by Council as it is not a public hearing but rather an item on the agenda, however, the current public engagement practice for development permit applications would continue.

In response to a question from Council, staff advised that the term intensification can be interpreted differently, particularly when comparing light and heavy industrial sites.

In response to a question from Council, staff advised that where development is proposed on an industrial site, staff would assess the application against the Council approved OCP guidelines and issue a development permit where those guidelines have been met.

Mr. Budge discussed proposed development permit administrative improvements.

Council discussion ensued and the following comments and concerns were noted:

- Queried on the definition of what constitutes as minor;
- Discussed delegated authority;
- Commented on the exercise of discretion and the importance of reasonableness in decision making;
- Commented on the placement and location of heat pumps; and,
- Queried the extent of time savings achieved through the proposed approach.

In response to a question from Council, staff advised that parking requirements may be varied, including on-street parking requirements.

In response to a question from Council, staff advised that matters of significant concern would be referred to Council.

In response to a question from Council, staff advised that more specific criteria for what constitutes a minor variance generally apply where a development permit includes a minor variance associated with it.

In response to a question from Council, staff advised that under the *Local Government Act* (LGA), Council is required to define the criteria for what constitutes a minor variance, which is set out in the Development Procedures Bylaw.

In response to a question from Council, staff advised that this authority would not be delegated to front line staff, but rather to the General Manager of Planning, Properties and Permits or General of Development Planning.

In response to a question from Council, staff advised that heat pumps and solar panels are addressed through the building permit approval process.

In response to a question from Council, staff advised that for applications on District-owned lands, Council has additional tools available, such as Temporary Use Permits, and staff would bring forward recommendations for industrial projects as appropriate.

Mr. Budge discussed proposed improvements to the variance permit delegation procedure.

Council discussion continued and the following comments and concerns were noted:

- Commented on matters related to industrial zones;
- Requested additional examples to better illustrate the issues under discussion, including examples of zero lot line developments;
- Queried the requirements for referring matters to Council;
- Queried how this information would be presented to the public at a Regular Council Meeting;
- Queried the applicable guidelines and the collective reasonableness and consistency of staff decision making;
- Emphasized the need for clear and well-defined guidelines to ensure consistency;
- Expressed general support for the process moving forward;
- Requested a document such as a flowchart, outlining the process and associated timelines; and,
- Queried the treatment and application of parking variances.

In response to a question from Council, staff advised that within industrial zones, the size of a building does not trigger a change in density. Staff noted the size referenced relates to dimensional size rather than density.

In response to a question from Council, staff advised that the LGA identifies the regulations that may be varied through a minor development variance permit.

In response to a question from Council, staff advised that setbacks may be varied depending on the circumstances. Staff stated in residential applications, setback variances are typically not supported, particularly where reductions below four feet from a lot line could have significant impacts on neighbouring properties and raise fire separation concerns.

In response to a question from Council, staff advised that setback variances are approached cautiously.

In response to a question from Council, staff advised that many zero lot line developments exist, particularly within industrial zones and light industrial parks.

In response to a question from Council, staff advised that with respect to Baden Park, the setback requirements vary based on building height, resulting in different setbacks to different lot lines within that development.

In response to a question from Council, staff advised that variance requests are more common with existing development and typically less common for new development.

In response to a question from Council, staff advised that delegated variances would follow the same public notification procedures as non-delegated variances.

In response to a question from Council, staff advised that where an application relates to public infrastructure or District-owned lands, referral to Council for a decision is typical, and that should staff deny an application for variance with delegated authority, the applicant would have the ability to appeal to Council for reconsideration.

In response to a question from Council, staff advised that the public hearing relates to the OCP amendment bylaw, and that presentations at the public hearing would be confined to the OCP bylaw amendments.

In response to a question from Council, staff advised that amendments to the Development Procedures Bylaw would not require a public hearing.

In response to a question from Council, staff advised that this item would return to a Regular Council Meeting prior to being referred to a public hearing.

In response to a question from Council, staff advised that the matter is expected to return to Council for consideration in early 2026.

In response to a question from Council staff advised that they would provide Council with a clear definition of what constitutes minor.

In response to a question from Council, staff advised that parking variances are already delegated under existing processes.

4. PUBLIC INPUT:

4.1 Corrie Kost:

- Commented on short term rentals and parking spots;
- Opined it is inappropriate to allow parking spots on public boulevards; and,
- Opined it is a safety issue.

5. ADJOURNMENT

MOVED by Councillor MURI

SECONDED by Mayor LITTLE

THAT the November 25, 2025 Council Workshop is adjourned.

CARRIED
(9:17 p.m.)

Mayor

Corporate Officer

**DISTRICT OF NORTH VANCOUVER
COUNCIL WORKSHOP**

Minutes of the Council Workshop for the District of North Vancouver held at 5:01 p.m. on Tuesday, December 2, 2025 in the Committee Room of the District Hall, 355 West Queens Road, North Vancouver, British Columbia.

Present: Mayor Mike Little
Councillor Jordan Back
Councillor Jim Hanson
Councillor Herman Mah
Councillor Lisa Muri
Councillor Catherine Pope

Absent: Councillor Betty Forbes

Staff: David Stuart, Chief Administrative Officer
Nicola Chevallier, General Manager – Engineering Public Works
Peter Cohen, General Manager – Engineering Infrastructure Services
Dan Milburn, General Manager – Planning, Properties and Permits
Tina Atva, Director, Community Planning and Housing
Genevieve Lanz, Director – Legislative Services and Corporate Officer
Yan Zeng, Manager – Development Planning
Tamsin Guppy, Senior Development Planner
Jason Smith, Community Planner
Kevin Zhang, Senior Development Planner
Kaitlin Hebron, Confidential Council Clerk
Jillian Holden, Administration Clerk

1. ADOPTION OF THE AGENDA

1.1. December 2, 2025 Council Workshop Agenda

MOVED by Councillor BACK

SECONDED by Councillor MAH

THAT the agenda for the December 2, 2025 Council Workshop is adopted as circulated.

CARRIED

2. ADOPTION OF MINUTES

Nil

3. REPORTS FROM COUNCIL OR STAFF

3.1. Proposed Single-Family Zoning Changes Workshop

File No. 09.3900.30/003.001

Kevin Zhang, Senior Development Planner, provided an introduction, noting that in June of this year staff proposed changes to single-family zoning, and Council requested a workshop to review and discuss the proposed changes.

Council discussion ensued and the following comments and concerns were noted:

- Expressed concerns regarding groundwater issues in fully buried basements;
- Discussed the differences between flat and sloped lots;
- Commented on potential impacts on neighbouring properties;
- Requested additional examples of three-storey developments on non-sloped lots;
- Queried how existing covenants would apply once Small-Scale Multi-Unit Housing (SSMUH) restrictions come into effect;
- Requested clarification on the District's flexibility to guide and shape development;
- Queried what types of renovations would be permitted;
- Queried how the District's approach compares to the City of North Vancouver, including permitted heights; and,
- Expressed general support for the direction being proposed.

In response to a question from Council, staff advised that the proposed changes would make most regulations slightly more permissive, which may reduce the number of non-compliant homes. Staff noted this would make it easier for homeowners to live in, renovate, and adapt their homes, including adding secondary suites.

In a response to a question from Council, staff advised that homes are not permitted to expand to a fourth storey without a variance. Existing four-storey homes may remain.

In response to a question from Council, staff advised that property owners could take advantage of increased height either by building upward or downward, depending on site conditions.

In response to a question from Council, staff advised that existing non-conforming buildings are those that complied with regulations at the time they were built but no longer meet current siting, size, or dimensional requirements.

In response to a question from Council, staff advised that non-conforming buildings may continue to exist and may be maintained, altered, or extended provided the non-conformity is not increased.

In response to a question from Council, staff advised that maintenance does not include full replacement.

In response to a question from Council, staff advised that additions to non-conforming buildings may require an application to the Board of Variance.

In response to a question from Council, staff advised that non-conforming status can be retained following repairs, including damage caused by fire, flood, or natural disasters, as long as the structure can be maintained and the non-conformity is not increased.

In response to a question from Council, staff advised that if a structure must be removed or fully replaced, such as when a damaged foundation requires replacement, the non-conforming status would be lost.

In response to a question from Council, staff advised that the proposed floor space calculations on sloped sites include all floor area, while patios and decks of certain heights may be excluded from floor space calculations, similar to existing regulations.

In response to a question from Council, staff advised that draft zones have been prepared and staff are seeking Council's direction before returning with bylaws.

In response to a question from Council, staff advised that floor space ratio (FSR) exemptions include up to 269 square feet for accessory structures such as sheds, gazebos, cabanas and garden sheds, but not for a detached garage.

In response to a question from Council, staff advised that for garages, allowing parking space to count toward total floor space, and increasing the overall allowable floorspace accordingly, provides flexibility for homeowners to choose whether the space is used for parking or living space, including when replacing garages with coach houses.

In response to a question from Council, staff advised that, under current regulations, in-ground structures, including basements more than four feet below grade, as well as garages and sheds, are exempt from FSR calculations, with limitations.

In response to a question from Council, staff advised that, under current regulations, P1 and P2 calculations consider the grade around the perimeter of a basement, and any portion of a basement more than four feet below the lesser of natural or finished grade is excluded from FSR calculations.

In response to a question from Council, staff advised that building height on sloped sites is determined by comparing pre-construction and post-construction grades and measuring from the lesser grade.

In response to a question from Council, staff advised that the District's approach is generally aligned with the City of North Vancouver where typical permitted house heights range from 36 to 38 feet, with similar setbacks and consistent language to maintain comparable building forms.

In response to a question from Council, staff advised that a key difference is that the District only allows third-storey elements within the traditional footprint of the main house.

In response to a question from Council, staff advised that the proposed landscaping area requirement is intended to preserve and enhance lush character of the community by retaining garden space on lots.

In response to a question from Council, staff advised that all communities are currently evaluating SSMUH implementation.

Council discussion ensued and the following comments and concerns were noted:

- Discussed coach houses and secondary suites;
- Commented on the feasibility of constructing coach houses;
- Queried how the proposed regulations would apply across the full range of lot sizes;
- Expressed concerns regarding significant surcharges associated with development;
- Queried how FSR is calculated;
- Requested additional and varied examples to better illustrate potential development outcomes;
- Queried the anticipated impacts of SSMUH regulations; and,
- Inquired about utility capacity and servicing, including electricity, water and sewer.

In response to a question from Council, staff advised that coach houses are not currently permitted outside the urban containment boundary. The proposed regulations retain this prohibition.

In response to a question from Council, staff advised that in order to proceed with investigating permitting coach houses outside the urban containment boundary, staff would require a motion from Council directing them to return with options for permitting coach houses outside the urban containment boundary.

In response to a question from Council, staff advised the timing of this work would be based on Council's direction and the matter could be addressed either as part of the current review, or through a separate bylaw for Council's consideration.

Councillor POPE left the meeting at 6:30 p.m. and returned at 6:34 p.m.

In response to a question from Council, staff advised that the bylaw is anticipated to be introduced in April 2026 with the intent of completing adoption before the summer break.

In response to a question from Council, staff advised that the majority of residents who participated in the open houses in spring of 2025 were interested in accommodating family members.

In response to a question from Council, staff advised that that the potential scale-related challenges are being managed through existing regulations, including a maximum cap on house size.

In response to a question from Council, staff advised that combined safety systems such as smoke detectors are permitted. However, most homeowners choose to install separate systems for the primary dwelling and secondary suite in accordance with Building Code requirements.

In response to a question from Council, staff advised that FSR is calculated by dividing the total countable building square footage by the lot size, and that calculation method would continue to apply.

In response to a question from Council, staff advised that a Council Workshop to further discuss SSMUH regulations will be held on January 19, 2026.

4. PUBLIC INPUT:

Nil

5. ADJOURNMENT

MOVED by Councillor MURI

SECONDED by Mayor LITTLE

THAT the December 2, 2025 Council Workshop is adjourned.

CARRIED
(6:58 p.m.)

Mayor

Corporate Officer

REPORTS

THIS PAGE LEFT BLANK INTENTIONALLY

AGENDA INFORMATION	
☐ Regular Meeting	Date: _____
☒ Other: Workshop	Date: February 3, 2026

_____ Dept. Manager	_____ GM/ Director	 _____ CAO
---------------------------	--------------------------	--

The District of North Vancouver REPORT TO COUNCIL

January 21, 2026
File: 2026 Budget

AUTHOR: Rick Danyluk, GM, Finance & CFO

SUBJECT: Council Priorities and Budget 2026

RECOMMENDATION:

THAT Budget Scenario 1, including a property tax increase of 3.5% (2.0% + 1.5% for asset renewal), based on the key budget strategies and adjustments shared, is supported, AND

THAT Staff prepare the Draft Financial Plan Workbook for introduction to Council and the public on February 17, 2026.

SUMMARY:

Staff are seeking direction on the key budget strategies and adjustments, including the updated Capital Plan, before introducing the Draft Financial Plan on February 17.

At the Budget Outlook workshop on November 10, staff provided an update on the factors influencing the District's financial position and presented strategies to balance the 2026 Budget. The budget aims to address public concerns about affordability, follow Council's direction to keep property tax rate increases low, and deliver the programs and infrastructure the community wants and needs. Council expressed support for the overall direction.

Scenario 1: Some Reduction in Services	
Adjusted base budget *	2.0%
Asset renewal	1.5%
Property tax increase **	3.5%

* Uncontrollable cost increases less adjustments

** 1% tax increase = \$29 on the average home

Since then, staff have refined the operating budget adjustments and updated the Capital Plan, based on Council directions, the capital prioritization framework, and budget Scenario 1.

BACKGROUND:

Council expressed a desire to moderate tax increases in 2026 and beyond after high tax increases in prior years, and has provided the following direction to guide development of the 2026 Budget and Financial Plan:

- [2025 Budget Approval](#) (starting on page 5, [Minutes](#)): on March 17, 2025 Council directed staff to review and identify options to include at least one gravel field conversion in the five-year capital plan.
- [2025 State of Assets Reporting](#) (starting on page 23): on June 16, 2025, staff reviewed the current infrastructure portfolio at a Council workshop, highlighting that a significant portion of the portfolio is due or coming due for renewal, and the importance of maintaining existing infrastructure in good condition to meet levels of service. The report was received for information.
- [Budget Outlook Workshop](#) (starting on page 7, [Council voting decisions](#)): on November 10, 2025, Council provided general support for staff to continue developing the budget with a 3.5% property tax increase, excluding adjustments to “community grants” and “DNVFRSs orange call responses”.
- [Utilities Workshop](#) ([Council voting decisions](#)): an update on the utility rate study process and major initiatives was provided on November 17, 2025. Council directed staff to bring back the 2026 Utility Rates for approval.

In addition, Council adopted the following bylaws that have a direct impact on the 2026 Budget and Financial Plan.

- [Financial Plan Amendment](#) (starting on page 99): bylaw adopted October 20, 2025.
- [Fees and Charges Bylaw](#) (starting on page 73): general increase of 5.5%, bylaw adopted December 8, 2025.
- [Utility Rates Bylaws](#) (starting on page 147): a combined utility rate increase of 7.4% (\$177.90) for a single-family home. Bylaws were adopted December 8, 2025.
- [OCP Update 2025 – OCP Bylaw Amendments](#) (starting on page 105): amendments to the OCP Bylaw were adopted on December 8, 2025. Additional amendments are planned for the first half of 2026, including implementing Small Scale Multi Unit Housing (SSMUH). There will be significant financial impacts from these changes, and it will take time to complete a full assessment. As a starting point, staff will update the population-based financial estimates used during the last update to development charges. Impacts will be reflected in the 2027-2030 Financial Plan.

EXISTING POLICY:

The Financial Plan supports sustainable financial planning through a set of guiding financial principles that aim to bring the plan into balance each year and over the long term. When emerging needs arise, new strategies are developed following the guiding financial principles.

The Financial Planning Framework supports the development of options for Council’s consideration during the annual budget process. This Framework was introduced through the 2024 Budget Deliberations meeting to address budget challenges over the near term.

Work on the 10-year Rolling Financial Plan also continues, including providing updates to the Finance and Audit Standing Committee on financial policies, sustainable infrastructure funding, and development charges in 2026.

ANALYSIS:

The 2026 budget balances affordability through a low tax rate increase while still maintaining important community programs and services.

Staff updated the forecast for 2026 and included a new section in the Budget Outlook to highlight factors inside and outside our control, along with the list of key budget drivers.

More than \$4 million in reductions were identified and implemented in the previous 2025 budget process. For the

2026 budget, staff recommended additional options for Council's consideration expected to generate the greatest financial impact with the least service impact in this 2026 budget cycle. Staff proposed six key strategies, within the Financial Planning Framework, to reduce the property tax increase from 7.5% to 3.5% (2.0% + 1.5% for asset renewal) and balance the 2026 Operating Budget. See Attachment 1 for additional details.

Financial Planning Framework	Key strategies for 2026 Budget
Maintain services as the community grows	Update the annual funding gap
Leverage opportunities and mitigate risks	1. Address the growing infrastructure deficit 2. Achieve additional efficiencies, given the changing work environment 3. Create more value out of District services and assets 4. Reduce and adjust services to match demand and resources
Advocate for senior government support and legislative changes	5. Respond to senior government downloading 6. Pursue changes to legislation (ongoing)
Improve understanding of the budget	Introduce new tools to highlight investments planned for the community
Set performance and affordability targets and report progress	Introduce key performance measures

Capital Plan

Since receiving Council support for Budget Scenario 1 at the Budget Outlook Workshop, staff has updated the Capital Plan based on:

- Council directions as outlined above,
- Capital Prioritization Framework, and
- Affordability limits resulting from Budget Scenario 1.

Under this scenario, key capital projects move forward to construction in the near term with many projects slowed down, reduced in scope, or deferred in the outer years to stay within available funding limits. See attachment 2 for additional details on the capital plan.

Outer Years and Risk Management

Looking beyond 2026, current estimates indicate that additional savings in the range of 1% to 2% per year will be required to maintain property tax rates at the proposed level (inflation plus 1.5% for asset renewal). Should Council identify additional projects that it wants to move

forward, reductions to the plan will either be required or the property tax rate will need to be revisited. Staff will continue to monitor estimates and develop opportunities to reduce future years' rate increases.

Given increasing uncertainty from factors such as revenue shortfalls, changing senior government legislation, rising construction costs, climate change, rapidly changing technology, and tariffs, the municipality will need to set aside additional funding to manage these financial risks. Staff continue to monitor potential impacts and emerging issues.

**Timing/Approval Process:**

The Council Priorities and Budget workshop will be followed by the introduction of the draft budget and five-year financial plan on February 17, 2026. The key milestones for this year's budget process are shown below, with Council approval of the final budget planned for March.

**Concurrence:**

This report has been developed with input from senior management.

Public Input:

In September 2024, at Council's direction, staff undertook [public engagement](#) (starts on page 17) through an online survey to hear directly from interested community members regarding the budget, including about tax tolerance.

The public survey is scheduled to be held biennially, with the next survey scheduled for early in the next Council's term. Results are intended to provide a solid foundation for financial decisions throughout the term.

This workshop is open to the public and there will be additional opportunities for public input through the remainder of the 2026 budget process.

Conclusion:

The key budget strategies and adjustments, including the updated Capital Plan, reflect Council directions and bring the property tax increase closer to inflation while maintaining a balanced budget, as required.

Staff are seeking direction on these strategies and adjustments to enable the introduction of draft budget and five-year financial plan on February 17, 2026.

Options:

1. THAT Budget Scenario 1, including a property tax increase of 3.5% (2.0% + 1.5% for asset renewal), based on the key strategies and adjustments shared, is supported.
2. OR Council provides an alternative direction.

Respectfully submitted,



Rick Danyluk
GM, Finance & CFO

Attachment 1 Operating Budget Adjustments

Attachment 2 Capital Plan Adjustments and Highlights

Attachment 3 Presentation

REVIEWED WITH:

☐ Sustainable Community _____
☐ Development Services _____
☐ Utilities _____
☐ Engineering Operations _____
☐ Parks _____
☐ Environment _____
☐ Facilities _____
☐ Human Resources _____

☐ Clerk's Office _____
☐ Communications _____
☐ Finance _____
☐ Fire Services _____
☐ ITS _____
☐ Solicitor _____
☐ GIS _____
☐ Real Estate _____

External Agencies:

☐ Library Board _____
☐ NS Health _____
☐ RCMP _____
☐ NVRC _____
☐ Museum & Arch. _____
☐ Other: _____

THIS PAGE LEFT BLANK INTENTIONALLY

Staff worked collaboratively on options expected to generate the greatest financial impact with the least service impact. The full list of adjustments provided Council some flexibility in determining its preferred budget scenario. On November 10 Council expressed general support for the adjustments summarized below.

Key Strategies	Service Impact	Estimated Financial Impact
Address the growing infrastructure deficit	Continue to renew aging infrastructure, while realizing some savings through updated maintenance standards. Opportunities to “divest assets with lower public benefits” will be brought forward to the Finance and Audit Standing Committee in July 2026.	\$0.3 million
Achieve additional efficiencies, given the changing work environment	While productivity improvements are expected, savings under this strategy are realized by staffing adjustments, which requires careful prioritization to deliver this year’s workplan effectively.	\$2.3 million
Create more value out of District services and assets	Grow and diversify revenue by aligning user fees (+5.5%) with rising costs and exploring new revenue opportunities.	\$1.0 million
Adjust services to match demand and resources	Modest adjustments to library, parks, and recreation services. Staff will continue to monitor changes in demand for all services and integrate this information into the planning cycle.	\$1.1 million
Respond to senior government downloading	New revenue from short term rentals, through the Municipal Regional District Tax, maintains funding for affordable housing while easing pressure on taxpayers. External funding is being sought to continue the DNVFRS high school CPR program.	\$0.3 million
Pursue changes to legislation (ongoing)	Continue taking a proactive and coordinated approach to advancing the District’s strategic interests. Advocacy and partnership efforts continue to focus on changes to the Ports Property Tax Act (PPTA) and impacts from the North Shore Wastewater Treatment Plant.	<i>Not reflected in the plan at this time</i>
Total savings		\$5.0 million

Staff have provided additional details on the adjustments, including estimated financial impact and priority, below. The priority scale ranks items from 1 to 5, with items generating the greatest financial impact and least service impact ranking higher. Three of the items require further discussion with Council and are not currently required to balance the budget.

Budget Strategy		\$ Impact	Priority
Address the growing infrastructure deficit	✓ Extend asset life and adjust standards	349,273	2-3
	□ Divest assets with lower public benefits (Finance and Audit Committee July 2026)	TBD	3
Achieve additional efficiencies, given the changing work environment	✓ Restructure call centres / Invest in AI	151,000	1
	✓ Limit RCMP budget to inflation	270,000	2
	✓ Consolidate the District fleet	28,000	2
	✓ Staffing adjustments	1,294,000	3
	✓ Reduce support services and consulting	537,000	3
Create more value out of District services and assets	✓ Ensure growth pays for related staff work	113,000	1
	✓ Diversify revenue and increase user fees	861,000	2
	□ Increase pay parking revenue in high demand locations	TBD	2-3
Adjust services to match demand and resources	✓ Adjust Parks Services	671,000	3
	✓ Adjust Recreation and Culture Services	356,000	3
	✓ Refocus Library services	103,727	3
	□ Move to bi-weekly garbage collection (Q1 2027)	TBD	3
Respond to senior government downloading	✓ Identify external funding for DNVFRS high school CPR program	25,000	1
	✓ Adjust Affordable Housing / Inclusionary Zoning	250,000	2
Pursue changes to legislation (ongoing)	✓ Address NSWWTWP & the Ports Property Tax Act	TBD	1
Total savings		5,009,000	

Priority scale:

1. Savings with little to no visible impact on services
2. Minor or internal impact on services
3. Noticeable but manageable impact on services
4. Clear service reduction
5. Safety, legality, or service failure

Prioritizing Capital Projects

The District has a long-standing practice of prioritizing projects in a limited funding environment. The framework on the right ensures projects already underway can be completed and existing service levels can be maintained before new investments are considered.

To provide greater transparency on capital demands, staff first prepared the 2026 - 2030 Capital Plan based on work that should be completed over the next five years (priority 1-3), which resulted in a plan \$107 million higher than available funding. Staff then considered impacts on existing services and focused on adjustments in the outer years to bring the plan into balance. Some development related work, including in transportation, was also deferred, pending a full assessment of the impacts from growth on infrastructure.

Work on the 10-year Rolling Financial Plan and State of the Assets Report, including strategies to address this growing funding gap, will be brought forward to the Finance and Audit Standing Committee in Q1 and Q2 of 2026.

Staff will continue to monitor external funding opportunities, including new grant opportunities through the federal budget, and bring forward updates as new information is received.



THIS PAGE LEFT BLANK INTENTIONALLY

2026 – 2030 Capital Plan Adjustments

millions \$		Total	Adjustments ¹	
	Active Transportation	35.2	-1.0	Pedestrian Infrastructure (defer 10% of program)
	Roads & Bridges	49.0	-1.3	Transportation Planning (outer years)
	Transit	52.1	-	
	Affordable Housing	24.8	-	
	Other Capital	18.1	-2.3	Lynn Valley Village (outer years) ²
	Climate Action	11.8	-3.2	Forest Resiliency and Wildfire Mitigation (outer years)
	Utilities	113.7	-	
	Child Care	3.0	-1.1	Renewal of facilities (outer years) ²
	Community Facilities, Arts, and Culture	30.1	-60.5	Major renewal and replacement of facilities ²
	Parks and Open Spaces	64.4	-24.4	Parks facilities and infrastructure renewal ²
	Public Safety	39.1	-6.1	Fire Station renewal and replacement planning ²
	Civic Facilities and Equipment	55.2	-42.4	Major renewal and replacement of facilities ²
			35.3	Add: Provision for Strategic Facilities Plan ³
	Technology	17.3	-	
Total		513.8	-107.0	

Notes:

1. The Capital Plan was reduced \$107 million based on the Capital Prioritization Framework and affordability limits.
2. Adjustments include \$88.3M in facilities work that should proceed following asset management best practices and currently being prioritized through development of a Strategic Facilities Plan.
3. A provision for funding interim work and advancing the design and construction of high priority renewal work in alignment with strategic facility plan is included. This work will be brought back to the Finance and Audit Standing Committee in July 2026. Staff will seek direction from Council before proceeding with detailed design and construction of any major facility project.

Service Category	Capital Plan (M\$)	Highlights
Active Transportation	35.2	Investing in safer active transportation choices for people that connect our key centres and destinations
Roads and Bridges	49.0	- Improvements to neighbourhood streets - Vehicle bridge upgrades and street infrastructure renewal
Transit	52.1	Provisions for Transit Corridors and Circulation improvements (study to be completed)
Affordable Housing	24.8	Social and supportive housing projects at East Keith, Lillooet West, and Riverside Drive, and provisions for additional units.
Other Capital	18.1	Real estate holdings, capital contingency and overhead
Climate Action	11.8	- Investments in risk reduction through the hazard tree management, shoreline restoration, geohazard and wildfire mitigation programs - Investments in public EV charging stations
Utilities	113.7	- Major culvert replacement program - Pump station and lift station renewal programs - Utility main replacement programs
Child Care	3.0	Provision for future child care spaces (developer funded)
Community Facilities, Arts, & Culture	30.1	- Feasibility and scoping for community centre expansion and replacement in Lynn Valley and Seymour - Scoping and early design work for renewal within Archives, Libraries, and Community Facilities. - Ongoing investments in public art (through development)
Parks and Open Spaces	64.4	- Asset renewal and facility upgrades in community, district level, and neighbourhood parks - Completion of Handsworth and Inter River Park artificial turf fields (ATF) and conversion of gravel field to ATF
Public Safety	39.1	- Replacement and expansion of Firehall #5 in Lions Gate / Lower Capilano - Priority renewals in Fire Station #4 (Parkgate) - Scope, early design and interim works for renewal or replacement of remaining Fire Stations - Fire truck replacements
Civic Facilities & Equipment	55.2	- Feasibility, scoping, early design, and interim works for renewal or replacement of priority buildings from the Strategic Facilities Plan - Scoping and early design for DNV Hall and Operations Centre renewal or replacement - Fleet Vehicle Replacements
Technology	17.3	Business application upgrades and digital transformation
Total	513.8	

Priorities and Budget

Workshop, February 3, 2026

Goals of Workshop



- Provide an update on the strategies and adjustments required to balance the 2026 Budget.
- Receive direction on the preferred budget scenario that supports Council's priorities.

Agenda

- Timeline
- Environmental Scan
- Budget Scenarios and Strategies
- Outer Years and Financial Risks
- Financial Health Indicators
- Next Steps



Timeline



Environmental Scan



Budget Drivers



- + Climate change and resilience
- + Housing & development finance legislation
- + Protective services costs
- + Regional collective agreement patterns
- + Technology and software cost increases
- + Growing infrastructure deficit
- + NS Wastewater Treatment Plant
- **4% Operating Budget Adjustments**
- = **3.5% property tax increase, 7.4% utility rate increase**

Budget Scenarios

Key Budget Strategies	1. Some Reduction in Services (3.5%)	2. Maintain Services (7.5%)	3. Expand Services (7.5%+)
1. Address the growing infrastructure deficit	<i>Requires savings equal to 4% on the tax levy (\$5 million)</i>		
2. Achieve additional efficiencies, given the changing work environment			
3. Create more value out of District services and assets			
4. Adjust services to match demand and resources			
5. Respond to senior government downloading			
6. Pursue changes to legislation			
Net (balanced budget = \$0)	\$ -	\$ -	\$ -

Note: Scenario 1 brings the tax increase closer to general inflation (+2%) and addresses the infrastructure deficit by adding +1.5% for asset renewal.

Key Budget Strategies for 2026

Options expected to generate the greatest financial impact with the least service impact. See attachment 1 for details.

Key Strategies	Estimated Financial Impact
Address the growing infrastructure deficit	\$0.3 million
Achieve additional efficiencies, given the changing work environment	\$2.3 million
Create more value out of District services and assets	\$1.0 million
Adjust services to match demand and resources	\$1.1 million
Respond to senior government downloading	\$0.3 million
Pursue changes to legislation (ongoing)	<i>Not reflected in the plan at this time</i>
Annual savings on the tax levy	\$5.0 million

Capital Plan Adjustments

Capital spending reduced \$107 million - most adjustments made in the outer years of the five-year plan to bring it into balance. See Attachment 2 for details.

millions \$	Total	Adjustments
 Active Transportation	35.2	-1.0
Roads & Bridges	49.0	-1.3
Transit	52.1	-
 Affordable Housing	24.8	-
 Other Capital	18.1	-2.3
 Climate Action	11.8	-3.2
Utilities	113.7	-
 Child Care	3.0	-1.1
Community Facilities, Arts, and Culture	30.1	-60.5
Parks and Open Spaces	64.4	-24.4
Public Safety	39.1	-6.1
 Civic Facilities / Strategic Facilities Plan	55.2	-7.1
Technology	17.3	-
Total	513.8	-107.0

Capital Plan Highlights



Continue to provide choice through investment in pedestrian, cycling and transit infrastructure, prepare for TransLink's Metrotown to North Shore BRT, and continue to invest in street network infrastructure.



Social and supportive housing projects (100 units per year)



Risk reduction through hazard tree management, shoreline restoration, and geohazard and wildfire mitigation programs.



Handsworth and Inter River artificial turf fields (ATFs), conversion of gravel field to ATF, parks infrastructure renewal and upgrades.

Capital Plan Highlights



Replacement and expansion of Firehall #5 on existing site, replacement of fire trucks.



Studies for the replacement of facilities, including community recreation centres, and scoping and early design work for the renewal of high priority civic facilities.



Provision for funding interim work and advancing the design and construction of high priority renewal work in alignment with strategic facility plan.



Business application modernization, hardware asset refresh, and ongoing digital transformation.

Outer Years and Risk Management

- Future savings required to keep the property tax increase at inflation plus 1.5% for asset renewal
- Given increasing uncertainty, additional funding is needed to manage risk in the near term (reallocation of reserves)
- Continue work upgrading our utility networks to accommodate growth and climate-related impacts
- OCP Update will drive new investments in infrastructure, requiring annual updates to the Capital Plan and development charges



Financial Health Indicators

- Competitive property tax rates
- Increase in municipal taxes, 10-year average
- Flexibility to address future capital needs
- Infrastructure funding gap (existing infrastructure)
- Ability to achieve service vision (10-year Rolling Financial Plan)

Next Steps



- Introduce Draft Financial Plan Workbook February 17
- Public Input begins February 18
- Budget Deliberations March 9

Direction

- THAT Budget Scenario 1, including a property tax increase of 3.5% (2.0% + 1.5% for asset renewal), based on the key strategies and adjustments, is supported.
- OR Council provide an alternative direction.



**355 West Queens Road
North Vancouver, BC
V7N 4N5**

604-990-2311

