



Speaking Notes  
Acting Mayor Craig Hodge

Event: 2026 Budget – Introductory Remarks

Date: Monday, Dec. 8, 2025 – 7 p.m.

Location: Council Chambers, Coquitlam City Hall

***Check against delivery.***

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**Theme: Balancing Today to Strengthen Tomorrow**

Tonight, we hold one of our most important discussions of the year as we set the 2026 budget for the City of Coquitlam, and the 2026-2030 Financial Plan. The discussion tonight is the culmination of many months of work from staff, senior leadership, and Council. Unfortunately, Mayor Stewart is unwell this evening, and so I will be delivering these introductory remarks before turning the discussion over to my colleagues for their own statements.

I'd like to start by acknowledging my Council colleagues and our dedicated staff: thank you for the hard work that has shaped the plan before us today.

I also want to thank our community members who took time to participate formally in our budget engagement process, and those who have shared thoughts informally throughout the year. Your voices matter. They ground our decisions in the lived experience of the people we serve.

**Introduction – A Year of Challenge and Achievement**

As we reflect on 2025 and look ahead to 2026, it's clear that our community, like communities across this province, has been navigating a challenging period of rapid change.

Inflation has remained stubborn, especially for the things that matter in local government: construction materials, pipes and pavement, and the wages required to retain the skills needed to deliver the important services our community relies on.

These challenges do not show up the same way as the Consumer Price Index; they show up in concrete and steel, construction and labour markets – and they have had a profound impact on every municipality. While the annual Consumer Price Index – or the cost of things like housing, clothes groceries – is around 2%, the City's complex and diverse services have experienced an inflationary rate closer to 5%.

We have also continued to face shifting legislation from Victoria, much of it introduced hastily and without consultation. New responsibilities, new reporting requirements, new timelines, new housing targets, and changing development funding rules have all required cities to pivot. In fact, from 2021 to 2024, Provincial downloading has cost Coquitlam an estimated \$37.6 million, or an average of \$9.4 million per year.

But we have continued to adapt, because we have strong internal systems, a disciplined financial approach, and a team that excels.

In fact, we continue to be an employer of choice attracting top talent to serve our community. This includes being named as one of BC's Top Employers for the 8<sup>th</sup> year in a row, as well as a Greenest Employer. We are a leader in health and safety and, for the first time ever for any Canadian municipality – we received a Canadian Well-Being Workplace Award.

And it's because of our disciplined approach combined with our outstanding team that 2025 has been another year of tremendous progress.

We advanced major community priorities including:

- The completion of the **Sports Field Strategy**, charting the future of sports field capacity as well as the **Major Facilities Roadmap**, which will guide the next generation of civic, recreational and public safety buildings.
- We opened the renovated and expanded **Mundy Park Pool** and made significant progress on planning for the **Burke Mountain Community Centre and Burke Village Park** as well as for **future public amenities in the Fraser Mills Neighbourhood**.
- We continued to develop our **Climate Adaptation Plan** and **Urban Forest Management Strategy** to ensure we are building a sustainable and green community.
- We delivered park and transportation improvements across the City, reinforcing that green spaces are essential living rooms for a denser city and helping people move around quickly and safely.
- We advanced our partnership with **SUCCESS** to bring new affordable seniors' housing to Maillardville.
- And we continued the demanding work responding to the province's housing legislation—completing a housing needs assessment, establishing Small Scale Multi-Unit Housing compliance, advancing the Transit-Oriented Area regulations and meeting our housing targets.

We also completed foundational work to ensure existing taxpayers are not disproportionately burdened by the costs of growth, particularly during this time of significant affordability pressures.

Financing growth in today's challenging market conditions requires a shared investment approach, with meaningful collaboration among local, provincial, and federal partners. The City has acted within its span of control by updating the Development Cost Charges Program, establishing the Amenity Cost Charges Program, and renewing the Sustainable Infrastructure Funding Strategy, collectively securing important funding mechanisms to deliver the parks, pipes, road and mobility networks, and community amenities needed to support a growing population.

It is now time for other orders of government to step up and help fund the critical infrastructure and amenities required for our expanding communities

This is what responsible shared growth planning looks like.

**This budget is about stability and stewardship.**

It does not chase new initiatives or add unfunded ambitions. It focuses on sustaining the services that residents depend on every single day, while maintaining the infrastructure that holds our city together.

**1. Delivering Core Services with Stability and Accountability**

Coquitlam has long been recognized for financial discipline, transparency, and award-winning reporting. That foundation has served us well and continues to do so today as we work through these challenging economic times.

Our financial planning aligns with our Strategic Plan, our Business Plan – which will also be discussed tonight – and other supporting plans and strategies like our Major Facilities Roadmap and the Parks, Recreation and Culture Master Plan. This is integrated, intentional planning, something not every municipality is known for, but something I am deeply proud we have built here.

Still, the pressures we face are real. Construction inflation remains elevated. Labour markets are competitive. Utility levies from Metro Vancouver continue to rise. And provincial legislation along with new macro-economic conditions continue to reshape the development environment faster than revenue systems can adjust.

And, of course, our residents feel pressures of their own.

Groceries cost more. The cost to heat your home costs more. Businesses are facing tariffs and uncertainty. Unemployment is higher than it has been in previous years. Many residents are struggling to make ends meet.

So when we build a budget, we build it with that in mind.

The base budget increase is modest, aimed primarily at sustaining our current services. New requests have been carefully considered and, when appropriate, declined or delayed. We have expanded our internal efficiencies, modernized financial and risk-management systems, and improved our resource allocation tools.

And we have done this while maintaining the service levels that Coquitlam residents expect from their local government:

- Safe roads and reliable utilities
- Affordable, accessible recreation in clean, well-maintained facilities
- Strong public safety
- Responsive front-line services

These are the things our residents have told us time and again that they value. And we are committed to protecting them.

This is what being good stewards of public dollars looks like.

## **2. Investing in Infrastructure & Growth to Support Community and Affordability**

Our Financial Plan has three core components:

- A **General Fund Operating Plan**
- A **Utility Operating Plan**
- And a **Capital Plan** funded by a combination of sources including City reserves, grants, and development fees.

Together they ensure we can maintain the infrastructure we have, build the infrastructure we need, and do so without unfairly burdening today's residents as much as possible.

As our city grows, so do expectations for roads, parks, utilities, community centres and cultural spaces. And during economic uncertainty, residents rely on these services more than ever. Recreation centres become essential places for social connection; parks become community living rooms; and festivals and events become anchors of belonging.

This budget recognizes that reality. We are managing a balance by:

- Delivering required services to a growing population
- Determining where we can responsibly reduce spending
- Protecting the quality of life that makes Coquitlam one of the most livable cities in the region

Municipal governments face inflation just like households do. But unlike households, we can't defer resurfacing a road until it fails, or stretch out the lifespan of a water main.

Ignoring maintenance only increases costs and creates potentially devastating service interruptions to residents later.

Our investments have been thoughtful and prudent, still placing the Coquitlam in the middle of the pack when it comes to the total rate payer burden.

We invest within reason today to avoid far higher costs tomorrow and we do this by ensuring that these investments are made responsibly.

For 2026, the projected combined tax increase for a typical household is \$93 a year or 3.37%. With utilities included, it will be a total of \$137 a year.

This is calibrated. It is measured. And it reflects our commitment to affordability.

We rely on growth revenues, development charges, grants, and prudent use of reserves to fund major capital projects, so that we are not simply turning to existing homeowners to foot the bill for growth. That has been a core principle in Coquitlam for decades, and one we continue to uphold.

Our investments lead to safer roads, vibrant parks, accessible recreation, and infrastructure that supports families, seniors, and businesses. This is the value of thoughtful, long-term planning.

### **3. Affordability, Engagement and Shared Responsibility**

We know many households are struggling. We know tax increases are felt. And we've been intentional in limiting the impact as much as possible.

This year, based on what we heard from residents and businesses, we pursued targeted measures to reduce upward pressure on taxes by:

- Reducing annual capital allocations and shifting to a more pragmatic, needs-based approach for studies and programs.
- Accelerating debt retirement to redirect savings to the city's share of growth-related infrastructure.
- Adjusting our insurance policies to manage rising premiums.
- Making upfront investments—like LED traffic signal conversions and water conservation measures—that generate long-term savings.
- Managing vacancies strategically, eliminating non-essential vacant positions and repurposing existing resources.
- Increasing non-tax revenue by optimizing interest income.
- And realigning reserves through a comprehensive review, ensuring available funding supports our most pressing needs.

These are not flashy changes. They won't show up in headlines. But they matter. They protect taxpayers today and strengthen our financial position tomorrow.

And through all of this, we remain committed to transparency. We are committed to using a range of channels to continue to provide residents with clear, accessible details on where their dollars go and how their city is run.

Local government is, at its core, a partnership – a shared responsibility. And I encourage residents to stay engaged, ask questions, and help us shape the path ahead.

#### **4. Disciplined Financial Foundation**

As we head into 2026, we can feel proud of the disciplined financial foundation here in Coquitlam that has allowed us to weather storms that have shaken other communities.

We are in good stead because of years of careful planning.

We have responsible reserves.

We maintain our assets.

We invest proactively instead of reacting to crises.

And when challenges come, and they have, the City of Coquitlam is ready.

The pressures today are significant. Many come from outside our control. Provincial downloading has increased dramatically in the past decade. The province has taken over significant parts of land-use planning, something that has traditionally, and appropriately, been managed locally. And regional costs, especially those through Metro Vancouver, continue to rise.

Through all of this, Coquitlam has remained principled. We have insisted – rightly, I believe – that municipal governments and our residents should not bear the cost for growth. Senior orders of government must do their part to cover the costs of the population growth they drive. We should not offload those costs onto first-time homebuyers or struggle to maintain affordability for existing residents.

Every one of the members of Council at this table today have worked to build a culture of collaboration around the City's plans, priorities, and financial management. We debate (sometimes vigorously) but we work things out. We act in the best interest of residents.

And the partnership between Council and staff here in Coquitlam is extraordinary. Staff listen carefully to the direction of Council and Council values the expertise of staff. It's a relationship based on respect and it ensures that policies reflect community values and long-term vision.

#### **Conclusion**

The 2026 Budget and Financial Plan reflect who we are as a community: responsible, pragmatic, collaborative, and committed to the long-term well-being of Coquitlam.

We will continue delivering core services at the standards our residents expect.  
We will continue investing wisely in growth.  
And we will continue putting affordability and accountability at the centre of our decisions.

Coquitlam is in excellent hands with Council, with staff, and with the engaged residents who care so deeply about this place.

I want to thank everyone who contributed to this budget, and everyone who continues to support the work of this City.

Together, we will continue building one of the most livable, thriving, and well-managed communities in the entire region—a community where everyone shares in the success.

Thank you.