



## MINUTES - COMMITTEE OF THE WHOLE

October 10, 2024, 9:03 A.M.

COUNCIL CHAMBERS, CITY HALL, 1 CENTENNIAL SQUARE

The City of Victoria is located on the homelands of the Songhees Nation and Xwsepsum Nation

PRESENT: Mayor Alto in the Chair, Councillor Caradonna, Councillor Coleman, Councillor Dell, Councillor Gardiner, Councillor Hammond, Councillor Loughton, Councillor Thompson

PRESENT ELECTRONICALLY: Councillor Kim

STAFF PRESENT: J. Jenkyns - City Manager, S. Thompson - Deputy City Manager / Chief Financial Officer, C. Kingsley - City Clerk, S. Johnson - Director of Communications and Engagement, T. Zworski - City Solicitor, P. Rantucci - Director of Strategic Real Estate, T. Soulliere - Deputy City Manager, K. Hoese - Director of Sustainable Planning and Community Development, C. Mycroft - Manager of Intergovernmental & Media Relations, A. Johnston - Assistant Director of Development Services, S. Webb - Manager of Transportation, B. Roder - Senior Legislative Coordinator, A. Klus - Legislative Coordinator

### A. TERRITORIAL ACKNOWLEDGEMENT

Committee acknowledged that the City of Victoria is located on the homelands of the Songhees First Nation and Xwsepsum First Nation communities, and thanked them for their friendship and guidance in making the decisions that reflect the values of stewardship and reconciliation.

### B. INTRODUCTION OF LATE ITEMS

*There were no late items.*

### C. APPROVAL OF AGENDA

Moved and Seconded:

That the agenda be approved.

**CARRIED UNANIMOUSLY**

### D. CONSENT AGENDA

*There were no consent agenda items.*

## **E. STAFF REPORTS**

### **E.1 Development Potential Tax Relief Pilot Program**

Committee received a report dated September 27, 2024 from the Deputy City Manager/ Chief Financial Officer regarding the implementation of a pilot Development Potential Property Tax Relief Program for commercial and industrial properties that have experienced significant increases in assessed value due to their development potential.

*Committee discussed the following:*

- *Efficacy of the "highest and best use" methodology applied by BC Assessment*
- *Potential tax implications for businesses in other classes*
- *Determining measures of success for the pilot*

Moved and Seconded:

That Council:

1. Approve a pilot development potential tax relief (DPTR) program for eligible Light Industry (Class 5) and Business and Other (Class 6) properties in the Harris Green district of the Downtown neighbourhood in 2025 as authorized by s.198.1 of the *Community Charter*.
2. Approve that, for each eligible property in the Harris Green district, 20% of the Class 5 and Class 6 land value, up to a maximum of \$925,000, be taxed at the municipal tax rate that is 50% lower than the rates established for Classes 5 and 6 (tax rates to be finalized based on the 2025 Revised Assessment Roll).
3. Approve the additional City exclusions and additional eligibility criteria generally as outlined in Option 1 of this report.
4. Require that, subject to recommendation 1, upon receiving from BC Assessment the list of properties that meet the Provincial eligibility criteria for the 2025 tax year, the owners/agents of each property on the list within the Harris Green district provide a written declaration to the City, by February 7, 2025 that:
  - a. the property was in use from October 1 to December 31, 2024;
  - b. the primary use of the property does not fall into one or more of the City exclusions; and
  - c. the tenants of the property must be informed of any tax relief resulting from the 2025 DPTR Pilot Program
5. Require that properties whose owners/agents fail to provide such written declaration to the City by February 7, 2025 not be considered for the 2025 Pilot DPTR.
6. Include in the applicable bylaw that it is an offence, subject to a fine of up to \$10,000, to complete, file or provide a false declaration to the City.

7. Direct staff to bring forward the applicable bylaws in accordance with the above recommendations.

OPPOSED (1): Councillor Gardiner

**CARRIED (8 to 1)**

**Motion arising:**

Moved and Seconded:

As the bylaw is drafted, consider options to strengthen enforcement mechanisms and means of ensuring the property tax savings are passed on to the eligible tenants.

*Committee recessed at 10:46 a.m. and reconvened at 10:56 a.m.*

**On the motion arising:**

As the bylaw is drafted, consider options to strengthen enforcement mechanisms and means of ensuring the property tax savings are passed on to the eligible tenants.

OPPOSED (1): Councillor Gardiner

**CARRIED (8 to 1)**

**F. NOTICE OF MOTIONS**

*There were no notice of motions.*

**G. CLOSED MEETING, IF REQUIRED**

*There was no closed meeting.*

**H. ADJOURNMENT OF COMMITTEE OF THE WHOLE**

Moved and Seconded:

That the Committee of the Whole Meeting be adjourned at 11:05 a.m.

**CARRIED UNANIMOUSLY**

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CITY CLERK

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MAYOR

DRAFT