



2026 Property Tax Distribution

Council Workshop April 20, 2026

Agenda

- Tax competitiveness strategy
- Key considerations and impacts
- Recommendations and options

Tax Competitiveness Strategy

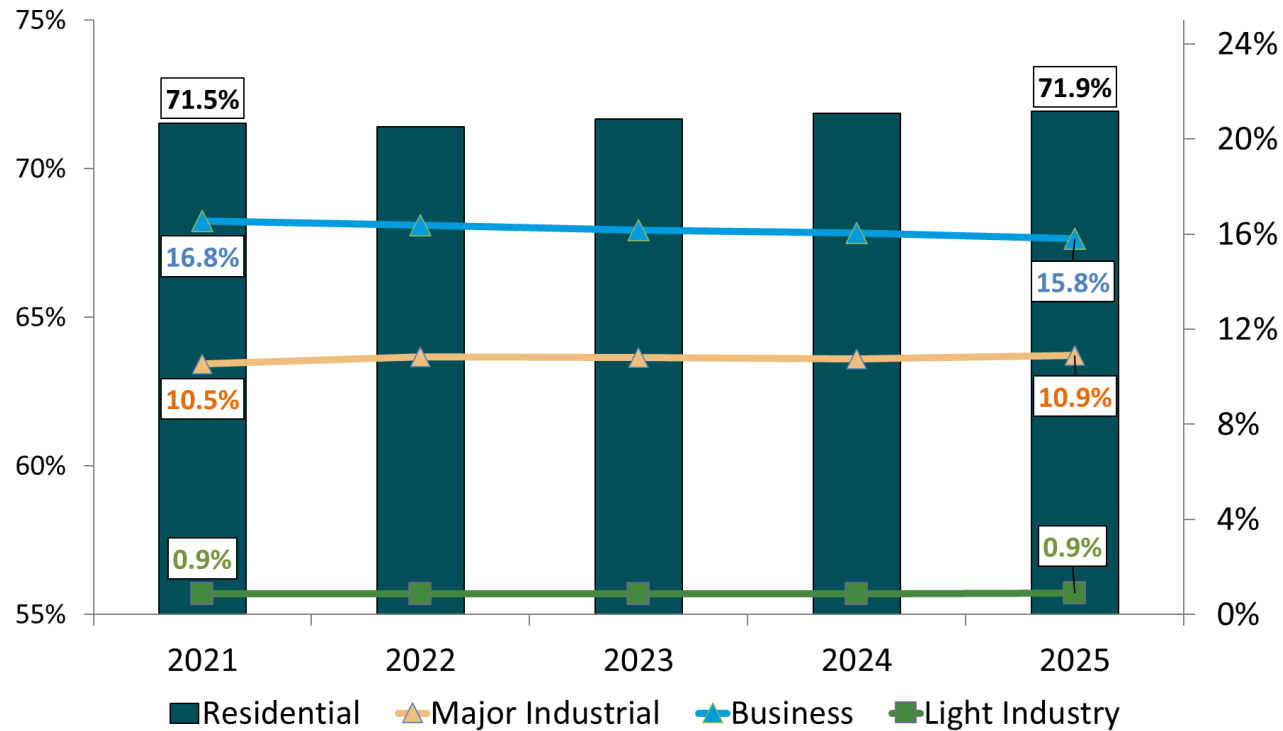
- Harmonizing tax rates with the regional average,
- Reinvesting tax growth within the class to reduce the tax rate if a tax rate is above the regional average,
- Shifting taxes between property classes to reduce the tax rate when tax growth alone is unable to reduce the tax rate.
- Ensure alignment with the Economic Development Strategy

Tax Share History

Minimal change in
tax distribution
since 2021

Residential Class (Bar Graph)

Non Residential Classes (Line Graphs)



Class 1 and 3, Residential

- Advocate to extend the tax deferral program to include utilities
- Assess how the Zoning Bylaw update may affect property values

At-a-Glance: Residential Property Classes

Property Class	Share of Property Taxes	Housing Units	Property Tax Exemptions	2025 Tax Rates	
				DNV	Region
1. Residential (a)	71.9%	39,010	\$ 248,100	\$ 1.71 	\$ 2.05
3. Supportive Housing	0.0%	10	\$ -	\$ - 	\$ -

(a) includes ~1,882 units of affordable housing, with estimated foregone tax revenue of \$1.9 million per year.

Property Tax Bill - Average Home

	2026	Change from 2025	
Property Value Assessment	\$ 1,638,358	\$ (58,738)	-3.46%
Municipal Property Taxes ⁽¹⁾	\$ 3,005	\$ 102	3.53%
Other Taxing Authorities:			
School Tax	\$ 1,631	\$ 81	5.23%
Other Property Taxes	\$ 740	\$ 47	6.78%
Total Property Taxes	\$ 5,376	\$ 230	4.48%

Notes:

1) Before deducting the Home Owner Grant

Class 5 and 6, Business

- Monitor implementation of development-potential relief (Bill 28)
- Align tax policy with District's Economic Development Strategy

At-a-Glance: Business Property Classes

Property Class	Share of Property Taxes	# Folios	Property Tax Exemptions	2025 Tax Rates	
				DNV	Region
5. Light Industry	0.9%	39	\$ -	\$ 6.23 	\$ 5.34
6. Business	15.8%	1,172	\$ 218,400	\$ 4.80 	\$ 5.01

Property Tax Bill – Median Business Property

	2026	Change from 2025	
Property assessed at	\$ 1,504,500	\$ (102,798)	-6.40%
Municipal Property taxes	\$ 7,982	272	3.53%
Other Taxing Authorities:			
School Tax ⁽¹⁾	6,078	356	6.22%
Other Property Taxes	1,978	45	2.33%
Total	8,056	401	5.24%
Total Property Taxes	\$ 16,038	\$ 673	4.38%

Class 4, Major Industry

- Consortium of host municipalities formed last September to pursue changes to the Ports Property Tax Act (PPTA)
- Bring forward a Union of British Columbia Municipalities (UBCM) resolution regarding the PPTA

At-a-Glance: Major Industry Property Class

Property Class	Share of Property Taxes	# Folios	Land Value per Acre m\$	PPTA Compensation m\$	2025 Tax Rates	
					DNV	Region
4. Major Industry (Uncapped)	5.9%	13	\$ 4.32	N/A	\$ 13.86 ?	\$ 24.58
4. Major Industry (Capped)	5.0%	7	\$ 0.41	\$ 1.09	\$ 27.50 ?	\$ 27.50

Major Industry “Capped” Tax Relief

Property Class	Acres of Land		Land Value per Acre m\$		New Investment m\$	
	2007	2026	2007	2026	2007 - 2026	Per Acre
Uncapped	111.4	111.3	\$ 0.40	\$ 4.32	\$ 107.2	\$ 0.96
Capped	232.4	248.8	\$ 0.28	\$ 0.41	\$ 83.0	\$ 0.33

The objectives of the Ports Property Tax Act was to attract investment and ensure BC’s ports system remained competitive, while keeping local governments whole. Actual results from the legislation show:

- **Investment in capped properties tracking lower on a per acre basis** (\$0.33m vs. \$0.96m per acre)
- Lower valuations and a capped tax rate has resulted in **lost tax revenue to the District estimated at \$4.6 million in 2026** (\$4.5 million in 2025). Uncapped land values are 10.7 times the capped values on a per acre basis.

Class 8 – Recreation

- Small property class with limited reinvestment
- Continue to gather additional information on the class to determine if changes are required

At-a-Glance: Recreation Property Class

Property Class	Share of Property Taxes	# Folios	Property Tax Exemptions	2025 Tax Rates	
				DNV	Region
8. Recreation	0.3%	21	\$ 100,700	\$ 4.13 ?	\$ 3.97

Option 1: Even Distribution

Property Class	Even Distribution	Tax Increase	2026 DNV Rates*	2025 DNV Rates*	2025 Regional Average*
1. Residential	3.53%	\$ 3,501,112	\$ 1.83	\$ 1.71	\$ 2.05
4. Major Industry	3.53%	\$ 285,411	\$ 15.98	\$ 13.86	\$ 24.58
5. Light Industry	3.53%	\$ 43,166	\$ 7.15	\$ 6.23	\$ 5.34
6. Business	3.53%	\$ 768,896	\$ 5.31	\$ 4.80	\$ 5.01
8. Recreation	3.53%	\$ 14,253	\$ 4.57	\$ 4.13	\$ 3.97

* Tax rates per \$1,000 of assessed property value

- Tax rates reasonably competitive compared to regional average
- Provides stability while other policy actions continue

Option 2: Reinvest Light Industry Growth

Property Class	Even Distribution	Reinvest Growth	Net Tax Increase	Final Distribution	2026 DNV Rates*	2025 DNV Rates*	2025 Regional Average*
1. Residential	3.53%		\$ 3,501,112	3.53%	\$ 1.83	\$ 1.71	\$ 2.05
4. Major Industry	3.53%		\$ 285,411	3.53%	\$ 15.98	\$ 13.86	\$ 24.58
5. Light Industry	3.53%	\$ (54,000)	\$ (10,834)	-0.89%	\$ 6.84	\$ 6.23	\$ 5.34
6. Business	3.53%		\$ 768,896	3.53%	\$ 5.31	\$ 4.80	\$ 5.01
8. Recreation	3.53%		\$ 14,253	3.53%	\$ 4.57	\$ 4.13	\$ 3.97

* Tax rates per \$1,000 of assessed property value

- Reinvest tax growth within Light Industry (\$54k) to move the tax rate closer to the regional average

Option 3a: 3-year Shift to Major Industry

Property Class	Even Distribution	Tax Shift	Net Tax Increase	Final Distribution	2026 DNV Rates*	2025 DNV Rates*	2025 Regional Average*
1. Residential	3.53%		\$ 3,501,112	3.53%	\$ 1.83	\$ 1.71	\$ 2.05
4. Major Industry	3.53%	\$ 106,646	\$ 392,057	4.85%	\$ 16.18	\$ 13.86	\$ 24.58
5. Light Industry	3.53%	\$ (106,646)	\$ (63,480)	-5.19%	\$ 6.54	\$ 6.23	\$ 5.34
6. Business	3.53%		\$ 768,896	3.53%	\$ 5.31	\$ 4.80	\$ 5.01
8. Recreation	3.53%		\$ 14,253	3.53%	\$ 4.57	\$ 4.13	\$ 3.97

* Tax rates per \$1,000 of assessed property value

- Shift \$107k per year over 3 years from Light Industry to Major Industry, align Light Industry tax rate with regional average

Option 3b: 3-year Shift to Residential

Property Class	Even Distribution	Tax Shift	Net Tax Increase	Final Distribution	2026 DNV Rates*	2025 DNV Rates*	2025 Regional Average*
1. Residential	3.53%	\$ 106,646	\$ 3,607,758	3.64%	\$ 1.83	\$ 1.71	\$ 2.05
4. Major Industry	3.53%		\$ 285,411	3.53%	\$ 15.98	\$ 13.86	\$ 24.58
5. Light Industry	3.53%	\$ (106,646)	\$ (63,480)	-5.19%	\$ 6.54	\$ 6.23	\$ 5.34
6. Business	3.53%		\$ 768,896	3.53%	\$ 5.31	\$ 4.80	\$ 5.01
8. Recreation	3.53%		\$ 14,253	3.53%	\$ 4.57	\$ 4.13	\$ 3.97

* Tax rates per \$1,000 of assessed property value

- Shift \$107k per year over 3 years from Light Industry to Residential, align Light Industry tax rate with regional average

Option 4: Shift to Business

Property Class	Even Distribution	Tax Shift	Net Tax Increase	Final Distribution	2026 DNV Rates*	2025 DNV Rates*	2025 Regional Average*
1. Residential	3.53%		\$ 3,501,112	3.53%	\$ 1.83	\$ 1.71	\$ 2.05
4. Major Industry	3.53%		\$ 285,411	3.53%	\$ 15.98	\$ 13.86	\$ 24.58
5. Light Industry	3.53%	\$ (43,166)	\$ -	0.00%	\$ 6.90	\$ 6.23	\$ 5.34
6. Business	3.53%	\$ 43,166	\$ 812,062	3.73%	\$ 5.32	\$ 4.80	\$ 5.01
8. Recreation	3.53%		\$ 14,253	3.53%	\$ 4.57	\$ 4.13	\$ 3.97

* Tax rates per \$1,000 of assessed property value

- Shift \$43k from Light Industry to Business, to begin harmonizing the Light Industry and Business Classes

Recommendation

- THAT the Committee of the whole recommend that Council endorse an even distribution of the 2026 municipal property tax levy;
- AND THAT the Committee of the whole recommend that Council direct administration to bring forward the 2026 Tax Rates Bylaw for adoption prior to the May 15, 2026, statutory deadline;
- AND THAT the Committee of the whole recommend that Council direct administration to prepare a resolution to the Union of British Columbia Municipalities (UBCM) regarding the Port Property Tax Act for consideration at the next regular council meeting for submission to the 2026 UBCM Convention.