

HIGHLIGHTS

Updated 2026 Draft Budget

In early November, staff presented the 2026-2030 Draft Financial Plan (2026 Draft Budget) to Council. It proposed a **13.31 per cent tax** increase in 2026 – **8.29 per cent** for the City portion of the budget and **5.02 per cent** for the Victoria Police portion of the budget.

As requested by Council, staff also outlined options to achieve a tax increase of **4 per cent** for the City's portion of the tax increase in 2026.

Initial budget deliberations took place over a series of Council meetings in fall 2025.

Proposed 2026 Property Tax Increase

Informed by Council's initial budget deliberations, the City's 2026-2030 Draft Financial Plan (2026 Draft Budget) has been updated and is now ready for public input.

A **5.42 per cent tax increase** is currently proposed for the City's portion, investing **\$384.1 million** in operating costs and **\$84.5 million** in capital improvements.

When combined with the **5.02 per cent** requested increase from the Victoria Police, the **total proposed tax increase for 2026 is 10.44 per cent**.

What to Know

- Read the highlights below.
- Dig deeper by reading the [updated 2026-2030 Draft Financial Plan](#) (Draft 2026 Budget).
- Read the [2026 Draft Budget Public Engagement Summary Report](#), [Engagement Overview](#), findings of the [random Ipsos telephone survey](#) and [community conversations with six local equity-deserving groups](#).
- Read [VicPD's 2026 Provisional Budget](#).
- Read [Greater Victoria Public Library's 2026 Budget and Five-Year Financial Plan](#).
- Watch Council's initial budget deliberations at engage.victoria.ca.

City Budget 101

Each year, the City of Victoria establishes funding priorities through its annual budget, which identifies the expected revenues and planned expenses required to deliver the over 200 programs and services our community relies on.

Through a series of budget discussions, City Council sets service levels and allocates funding for all City services, programs, projects and initiatives.

Council budget decisions are informed by strategic and master plans, Council priorities, financial forecasts, legislative requirements and community input.

Revenues

Similar to most Canadian municipalities, property taxes are the largest source of revenue for the City of Victoria (54 per cent in 2025). Additional revenue comes from water, sewer, solid waste and stormwater utility fees, as well as parking, the Victoria Conference Centre, development services and property leases.

Expenses

The City's budget is divided into two types of expenses.

The **operating budget** includes daily or regular expenses to keep things running smoothly. This includes garbage collection, clean water and the maintenance of facilities and community centres, to name a few.

The **capital budget** includes one-time purchases or upgrades to invest in the future. This includes things like road improvements, park upgrades or new equipment to maintain roads or respond to emergencies.

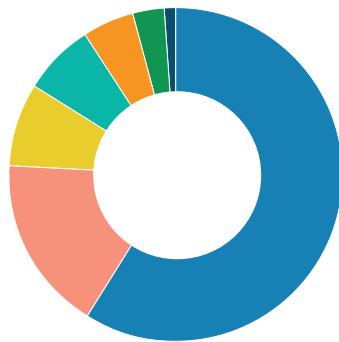
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Operating Revenues by Type

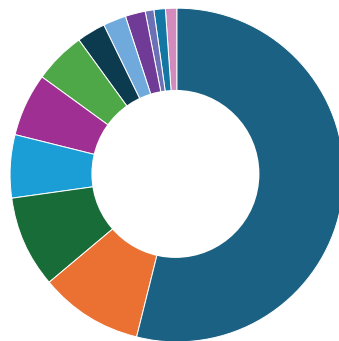
- Taxation – 59%*
- User Fees and Charges – 17%
- Parking Fees and Fines – 8%
- Other Income – 7%
- Cost Recovery – 5%
- Grants – 3%
- Reserves – 1%



*Taxation includes property taxes, boulevard tax and payment in lieu of taxes.

Operating Expenditures by Type

- Salaries and Benefits – 54%
- Material and Supplies – 10%
- Contracted Services – 9%
- Transfers to Reserves – 6%
- Transfers to Capital Budget – 6%
- Transfers to Utility Reserves and Capital Budget – 5%
- Debt Principal and Interest – 3%
- Equipment – 2%
- Greater Victoria Public Library – 2%
- Fiscal – 1%
- Other Personnel Costs – 1%
- Grants – 1%



Highlights

The City of Victoria is committed to investing in core services and to being responsive to ever-changing circumstances, whether they are environmental or economic, while ensuring the best value for your tax dollars.

Some highlights of the **updated 2026 Draft Budget** include:

Truth and Reconciliation

- In the City’s ongoing work towards reconciliation, the 2026 Draft Budget continues its annual Reconciliation Grant of \$200,000 for the Songhees Nation and the Xwsepsum Nation, and the City’s Reconciliation Contribution Fund.

Community Safety and Wellbeing

- \$77.99 million, Victoria’s share of the Police Budget.
- \$24.4 million for fire services and \$8.25 million for bylaw services.
- \$750,000 for the OUR DWTN revitalization program to invest in the downtown core with a focus on beautification, programming, cleaning, enhanced safety and the activation of downtown spaces.
- \$500,000 for streetlight replacement and enhancement.

Underground Infrastructure

- \$22.5 million to rehabilitate Victoria’s underground infrastructure, including replacing and upgrading water, stormwater and sewer mains.

Roads and Multi-Modal Improvements

- \$8.3 million for road restoration and rehabilitation.
- \$450,000 for traffic calming measures; installing speed humps, prioritizing installation on streets adjacent to schools, parks and streets with higher speeds and volumes. The investment also supports curb extensions or medians to enhance pedestrian crossings and safety.
- \$998,000 to expand the City’s pedestrian network of accessible sidewalks and pathways to support a welcoming experience for walking and rolling. An additional \$323,000 to replace and widen existing sidewalks.

- \$736,000 to create new crosswalks and upgrade crossing locations.
- \$106,000 to begin remediating under-sidewalk basements downtown to ensure public safety.

Infrastructure Projects and Upgrades

- \$209.2 million invested in the ongoing design and construction of the Crystal Pool and Wellness Centre.
- \$6.8 million to upgrade Royal Athletic Park which will include enhanced seating, washroom renovations and improved accessibility throughout the facility.
- \$1.1 million for lifecycle renewal repairs to Save-On-Foods Memorial Centre.
- \$750,000 for Ship Point seawall and shoreline repairs.
- \$750,000 to upgrade and make public washrooms more accessible.

Climate Action

- \$1.3 million to advance the City’s low-carbon fleet to meet the municipality’s greenhouse gas emission reduction targets. This investment also includes installing electric vehicle charging infrastructure and expanding the EV charging network.
- \$90,000 to replace more than 400 waste bins with zero-waste stations that separate organics, recycling and garbage on busy streets and in City parks, and to install more cigarette butt recycling canisters.

Community Planning

- \$2.7 million of the City budget is dedicated to city-wide and area-based planning, housing, urban design, heritage, social planning and equity and tenant assistance.

City Grants

- \$5.5 million in community-driven initiatives and economic activity with the City’s suite of grant programs that include Direct Award Grants, Festival Investment Grants, Community Garden Volunteer Grants and My Great Neighbourhood Grants.

Have Your Say

Here’s how to provide feedback on the **updated 2026 Draft Budget**:

Submit written comments:

- Email: legislativeservices@victoria.ca
- Mail to: Legislative Services, City of Victoria, 1 Centennial Square, Victoria, BC V8W 1P6
- Drop off: to the Ambassador in the City Hall foyer or the drop box outside the Pandora Avenue entrance

Submit a pre-recorded video:

- Email: legislativeservices@victoria.ca for instructions on how to upload your pre-recorded video up to five minutes in length. You will be asked for your first and last name, the subject (Draft Budget) and your home address.

Submit by: 11:59 p.m. on Friday, January 23, 2026

All public input collected will be analyzed and shared with Council. Budget deliberations will continue in February 2026.

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