

Date: April 7, 2026
File No: 0640-30-April 13, 2026
To: Mayor & Council
From: A. McGifford, CAO
Subject: **City of Port Alberni Tax Rates Bylaw No. 5139, 2026**

RECOMMENDATION

- a. THAT Council amend the "City of Port Alberni 2026 – 2030 Financial Plan Bylaw No. 5138" as follows:
 - Lower line 11111 - General Purpose – Taxes – from \$38,066,192 to \$37,663,621.
 - Lower line 28211 - Transfers to Reserve – Asset Management from \$ 1,143,571 to \$741,000.
- b. THAT "City of Port Alberni Tax Rates Bylaw No. 5139, 2026" be now introduced and read a first time.
- c. THAT "City of Port Alberni Tax Rates Bylaw No. 5139, 2026" be read a second time.
- d. THAT "City of Port Alberni Tax Rates Bylaw No. 5139, 2026" be read a third time.

PURPOSE

To present the proposed 2026 municipal tax rates, provide information on the allocation of tax rate shares across the classes and seek Council consideration of the required amendment to the Financial Plan Bylaw and first three readings of "City of Port Alberni Tax Rates Bylaw No. 5139, 2026".

BACKGROUND

Property taxation is the most important single source of municipal revenue. It is regulated by the province through the *Community Charter*. The revenue to be raised from property taxation is determined by Council through its financial planning process and reflected in the "City of Port Alberni 2026 – 2030 Financial Plan Bylaw No. 5138". Due dates, penalties, interest, and reporting dates fall under *Community Charter* regulations.

The property tax rates use the assessed values as the basis to calculate property tax revenue. Tax rates are expressed in dollars per thousand. Assessed property values are provided by BC Assessment, independent of a municipality. Sections 165 and 197 of the *Community Charter* legislates that a Council must pass a financial plan bylaw and a tax rates bylaw before May 15th of each year. Further, Council must adopt its "City of Port Alberni 2026 – 2030 Financial Plan Bylaw No. 5138" prior to adopting its tax rate bylaw.

Council does not have authority to set taxes for specific properties. The tax rates are applied to each class of property and are consistent for each property in each class. For example, if the tax rate for Class 1 Residential is \$6.1569, then all Class 1 Residential properties will be subject to this rate.

Within the *Community Charter* the City tax rates need to be established for municipal revenues that allow for the municipality to meet its taxing obligations. The "City of Port Alberni Tax Rates Bylaw No. 5139, 2026" includes the City's General Municipal taxes, off street parking and debt rates, but also includes taxes that are set by other organizations. These rates are within *Schedule "A"* and set out in the proposed bylaw:

- Alberni-Clayoquot Regional District
- Alberni-Clayoquot Regional Hospital District
- Vancouver Island Regional Library

There are other rates that are set by each of the following organizations and do not form part of the City's tax bylaw, but are provided and included on the annual tax notice:

- School taxes for the province
- Municipal Finance Authority
- BC Assessment

The other governments/jurisdictions provide either a tax rate or a dollar amount to support their tax requisitions. The single process of the City collecting the other tax authorities' tax requisitions is more efficient and economical than each of the jurisdictions sending out its own tax notices.

ALTERNATIVES/OPTIONS

1. THAT Council amend the "*City of Port Alberni 2026 – 2030 Financial Plan Bylaw No. 5138*" as follows:
 - a. Lower line 11111 - General Purpose – Taxes – from \$38,066,192 to \$37,663,621.
 - b. Lower line 28211 - Transfers to Reserve – Asset Management from \$ 1,143,571 to \$741,000.

THAT "*City of Port Alberni Tax Rates Bylaw No. 5139, 2026*" be now introduced and read a first time.

THAT "*City of Port Alberni Tax Rates Bylaw No. 5139, 2026*" be read a second time.

THAT "*City of Port Alberni Tax Rates Bylaw No. 5139, 2026*" be read a third time.

2. Provide any alternate direction and plan a special meeting(s) of Council to consider alternate direction.

ANALYSIS

BC Assessment provides each municipality with a Completed Assessment Roll at the start of the year, on which estimated property tax rates are calculated. Actual tax rates are calculated on the Revised Roll or the latest supplementary to the Revised Roll. The Revised Roll, received March 31, 2026, includes Property Appeal Review Panel decisions, and may include further adjustments or corrections as the appeal process continues for some properties.

The Revised Roll reflects a shift in the assessed values between Major Industry (Class 4) and Light Industry (Class 5), including a reduction in assessed value within Class 4. This change affects the distribution of tax burden among property classes and requires recalculation of the tax rates to maintain the intended tax levy.

If Council supports the recommendations, the asset management reserve contribution associated with non-market change (NMC) will be reduced by \$402,571 in 2026. As a result, an amendment to the "*City of Port Alberni 2026 – 2030 Financial Plan Bylaw No. 5138*", is required.

The estimated tax increase including NMC was 6.82%. Reducing the asset management reserve contribution by \$402,571 lowers the increase to 5.70% for taxation.

The proposed tax rates set out in “*City of Port Alberni Tax Rates, Bylaw No. 5139, 2026*”, are consistent with the amended Financial Plan and result in an overall 7.93% property tax levy increase for the Average Single-Family Residential property at this time.

IMPLICATIONS

The following table provides the detailed summary of each classification in 2026 for the City of Port Alberni from the updated Revised Roll provided by BC Assessment on March 31, 2026. These values have been used to calculate the tax rates as laid out in the “*City of Port Alberni Tax Rates, Bylaw No. 5139, 2026*”.

Table 1: 2026 Revised Roll Assessed Values and Proposed Tax Rates and Share

Class	2026 Revised Roll Class Values	Proposed Municipal Tax Rates	% of Tax Share
01 - Residential	3,805,575,300	6.15690	61.81%
02 - Utilities	3,240,500	35.48835	0.30%
03 – Supportive Housing	2	6.15690	0.00%
04 - Major Industry	91,675,600	63.41055	15.33%
05 - Light Industry	27,589,000	54.33458	3.95%
06 - Business & Other	432,442,275	16.21362	18.50%
08 - Rec/Non-Profit	6,366,300	6.15690	0.10%
09 - Farm	86,817	6.15690	0.00%

The following table compares the City’s tax burden by class in 2006 and 2026 and illustrates the long-term shift in taxation burden away from industrial classes toward other classes, primarily residential. In 2026, the combined tax burden for Major and Light Industry classes is 19.28% down from 21.49%, while the Residential class now represents 61.81% of the municipal tax levy.

Table 2 – Taxation Burdens in Port Alberni Comparing 2006 and 2026

Property tax breakdown per class	2006 Tax Burden Allocation	2026 Tax Burden Allocation	Change
Residential	40.60%	61.81%	21.21%
Utilities	0.50%	0.30%	-0.20%
Major Industry	40.60%	15.33%	-25.27%
Light Industry	0.90%	3.95%	3.05%
Business & Other	17.25%	18.50%	1.25%
Non-Profit	0.15%	0.10%	-0.05%
Farm	0.00%	0.00%	0.00%
Municipal and Debt Tax Levy Total	100.00%	100.00%	

COMMUNICATIONS

Finance and Communications will collaborate on a summary of the adopted Tax Rates Bylaw for public communications, including the property tax newsletter distributed with annual tax notices.

BYLAWS/PLANS/POLICIES

- Under Section 165 and 166 of the *Community Charter*, the City must develop a five-year financial plan and undertake a public consultation process before the plan is adopted
- "City of Port Alberni Tax Rates Bylaw No. 5139, 2026"
- "City of Port Alberni 2026 – 2030 Financial Plan Bylaw No. 5138"

SUMMARY

Council for the City of Port Alberni began its financial planning process in September of 2025. A number of meetings have been held throughout the past few months [RCM's & CoW's] to discuss, debate and allow for direct public consultation and input. Following receipt of the updated 2026 Revised Roll from BC Assessment, staff are recommending an amendment to the Financial Plab Bylaw to reduce the taxation requirement and the related transfer to the Asset Management Reserve.

Council is now asked to consider the amendment and provide three readings of the "City of Port Alberni Tax Rates Bylaw No. 5139, 2026" which establishes the tax rates required to support the amended Financial Plan.

ATTACHMENTS/REFERENCE MATERIALS

- Draft "City of Port Alberni Tax Rates Bylaw No. 5139, 2026"
- [Historical Tax Rate Information](#)

c: S. Darling, Director of Corporate Services