



**DOWNTOWN
VICTORIA**

20 YEARS • 20 ANNÉES



2025 REPORT ON DOWNTOWN

A WAKE UP CALL

LETTER FROM THE CEO

The 2025 Annual Report on Downtown is different. It reflects the urgency we hear from downtown businesses. While there are many positive features in our city's core, this year's report focuses on the challenges – and the serious consequences of continued inaction by all levels of government.

Much of the data in this report comes from our annual member survey. This year, we received a record number of responses: over 30% of downtown businesses completed the survey.

One of the most alarming findings: when asked if their lease was up imminently, would they renew based on current conditions downtown, 48% of businesses either said they would not, or weren't sure. Nearly half of our businesses would consider closing if they were not tied to their lease!

We also ask members to grade their experience doing business downtown. Over the past six years, an average of 19.13% gave downtown a B+, and 24.33% gave a B. This year, only 13.41% gave a B+, and 19.24% gave a B. The six-year average for an F grade was 5.8% – this year, 11.2% of businesses gave downtown a failing grade.

In past years, an average of 44% reported improved economic performance. This year, just 17.45%. Meanwhile, 39% reported a decline. Retail vacancy jumped from 3.1% in 2019 to 11% today. Office vacancy is up from 4.7% to 10.7%.

The Downtown Victoria Business Association is the lead marketer of downtown – and we believe Victoria has one of the best downtowns in North America. But the trends in this report cannot be ignored. A growing perception of an unsafe and unwelcoming downtown is driving real economic harm.

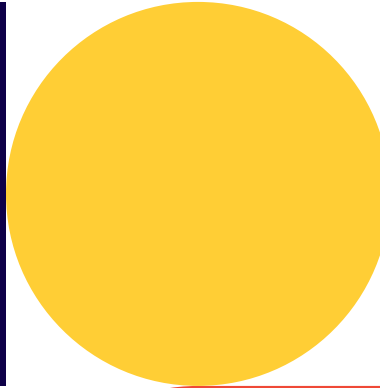
Our call is simple: all levels of government must act now. No more studies. No waiting on perfect solutions. The focus must shift to supporting business owners, their staff, and their customers. The data is clear: downtown businesses cannot wait three to five more years. We need bold, immediate action in 2025, or we risk a wave of closures, job losses, and a dramatic erosion of downtown's vitality.



Jeff Bray, Chief Executive Officer,
Downtown Victoria Business Association



Over 50% of business rated
downtown C+ or lower

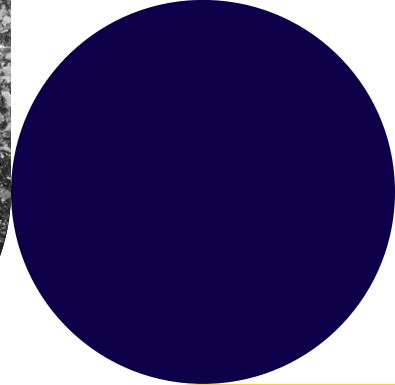


48%

of businesses would
consider closing if they were
not tied to their lease

11%

of retail store fronts in
downtown are vacant



39%

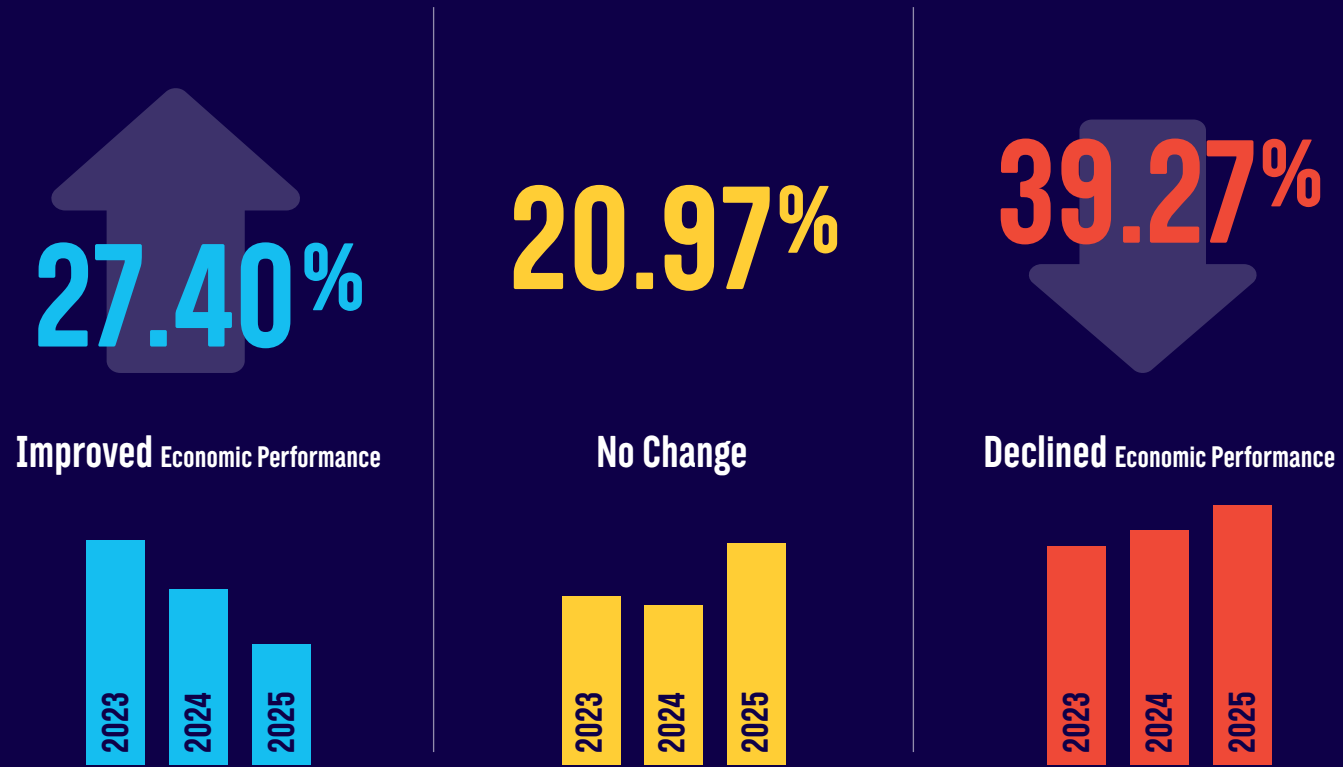
of businesses reported
a decline in economic
performance



DVBA MEMBER SURVEY RESPONSE DATA

The data in this section of the report comes from the DVBA member survey. With a record number of responses (627, ~30% of membership), we cannot ignore the downward trend in experiences operating downtown.

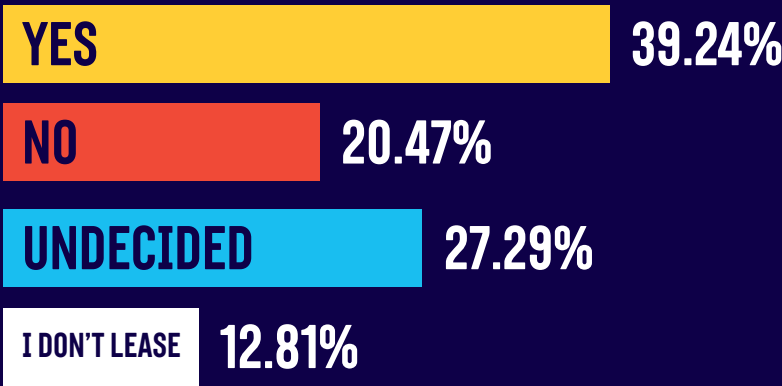
Business-reported changes in net profit year-over-year



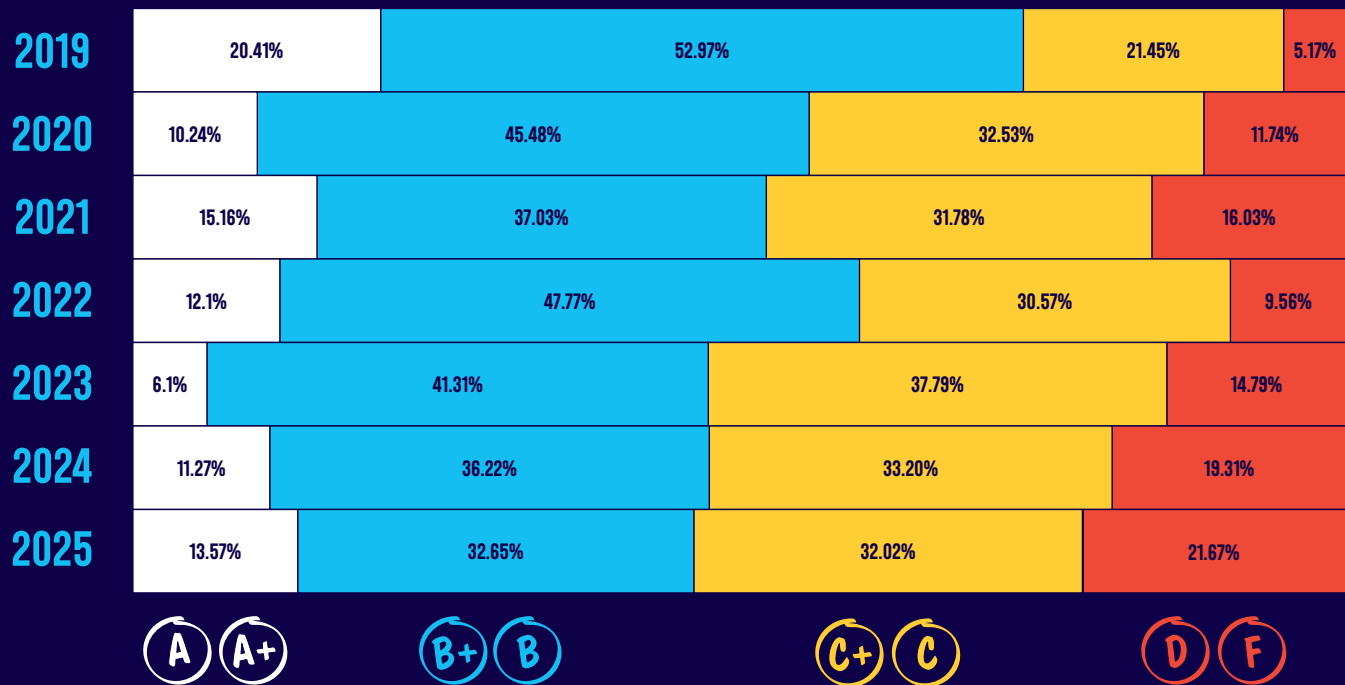
Business-reported plans for downtown operations (next two years)



Business-reported likelihood of renewing lease if up within the next 12 months



Letter grade for downtown Victoria as a place of business



11.2%

of respondents rated downtown an F

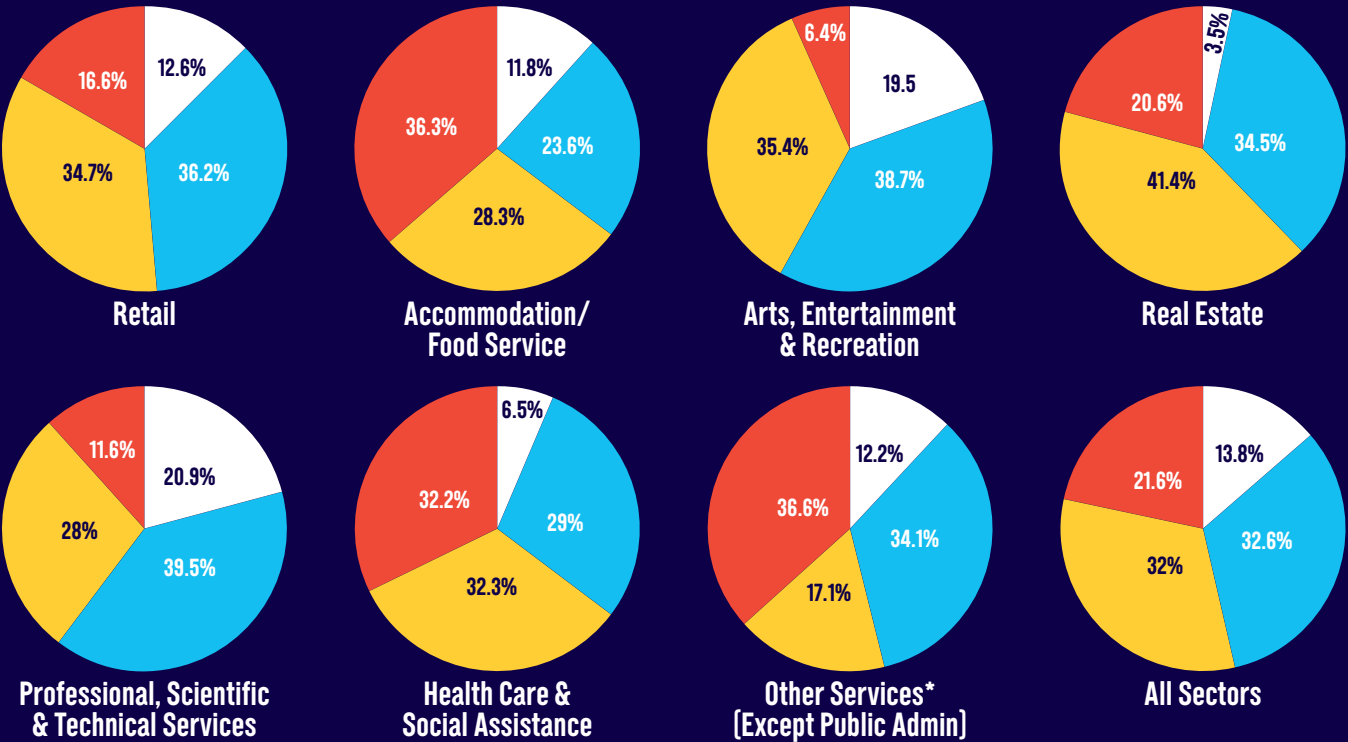


Nearly 54%

of respondents rated downtown a C+ or lower

In this section, survey responses demonstrate the perspectives of different sectors within downtown. Of particular note, 36% of Accommodation and Food Services give operating downtown a D or F rating. 32% of Health Care and Social Service entities gave downtown a D or F rating.

Business-reported grade for downtown Victoria as a place to do business, by sector.



36%

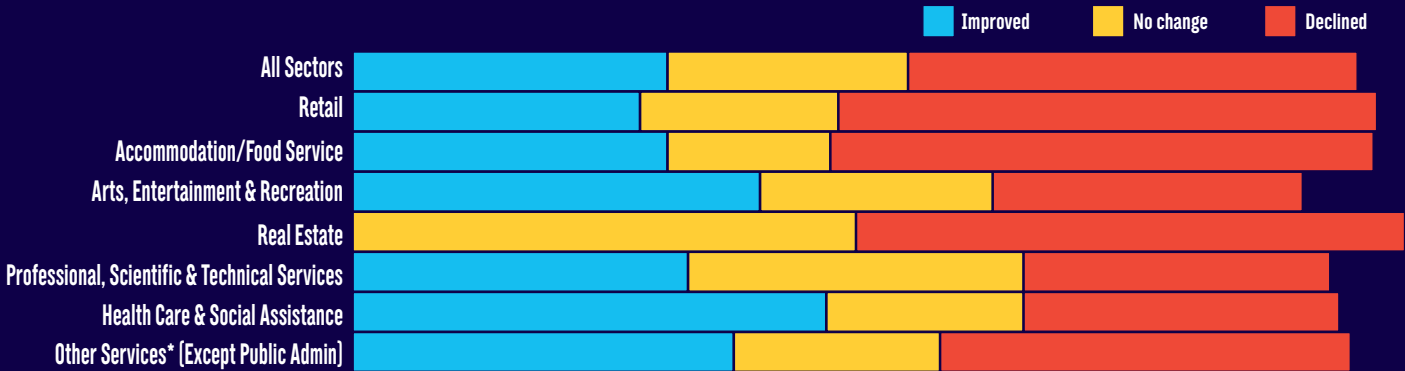
of Accommodation and Food Services give operating downtown a D or F rating

48%

of Accommodation and Food Services reported a decline in net profit



Business-reported changes in net profit year-over-year, by sector

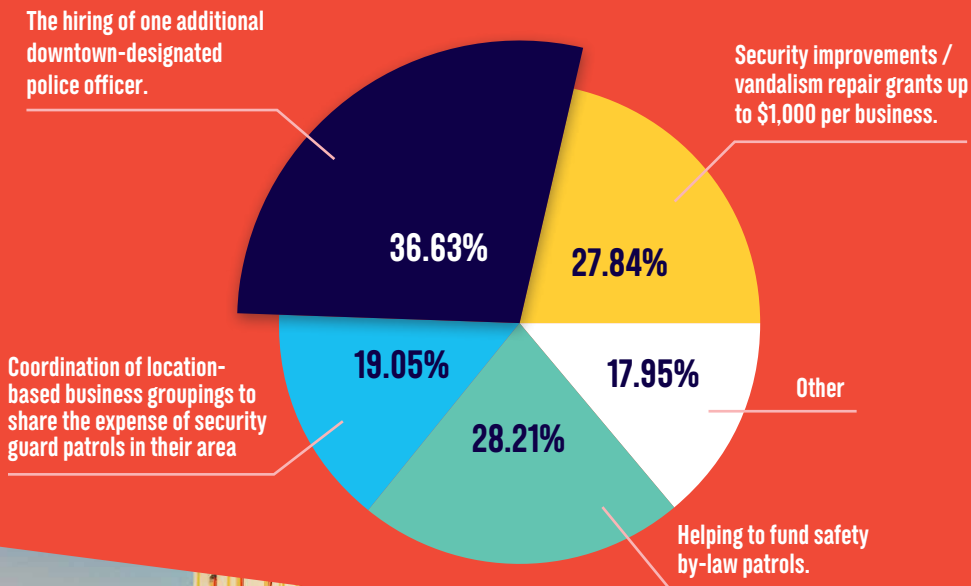


MAJOR ISSUES: PARKING VS. SAFETY

We asked businesses to select one realistic option for investment if the DVBA had \$150,000 available to improve parking downtown.



We also asked our members to select one realistic option for investment if the DVBA had \$150,000.00 available to improve safety downtown.



Members were then asked if they had to choose the DVBA either spend \$150,000 on improving safety OR improving parking, which would be most impactful to improving downtown

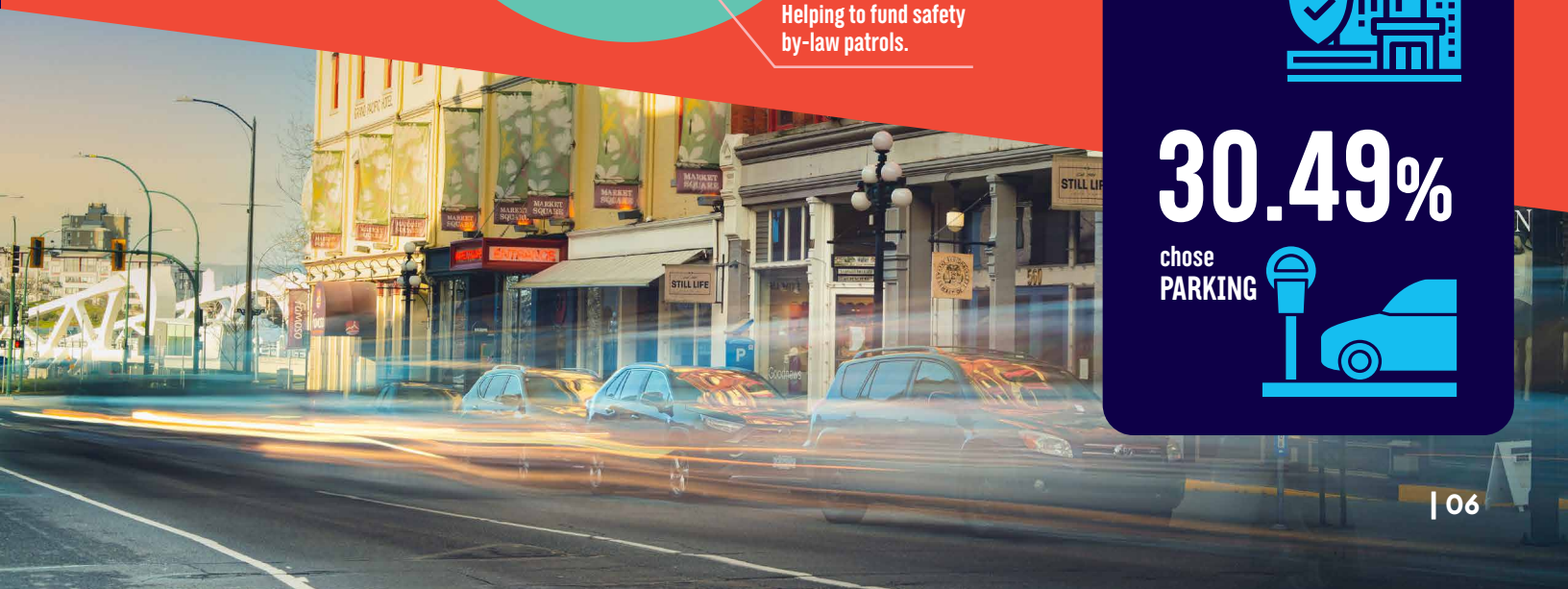
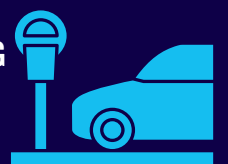
73.87%

chose
SAFETY



30.49%

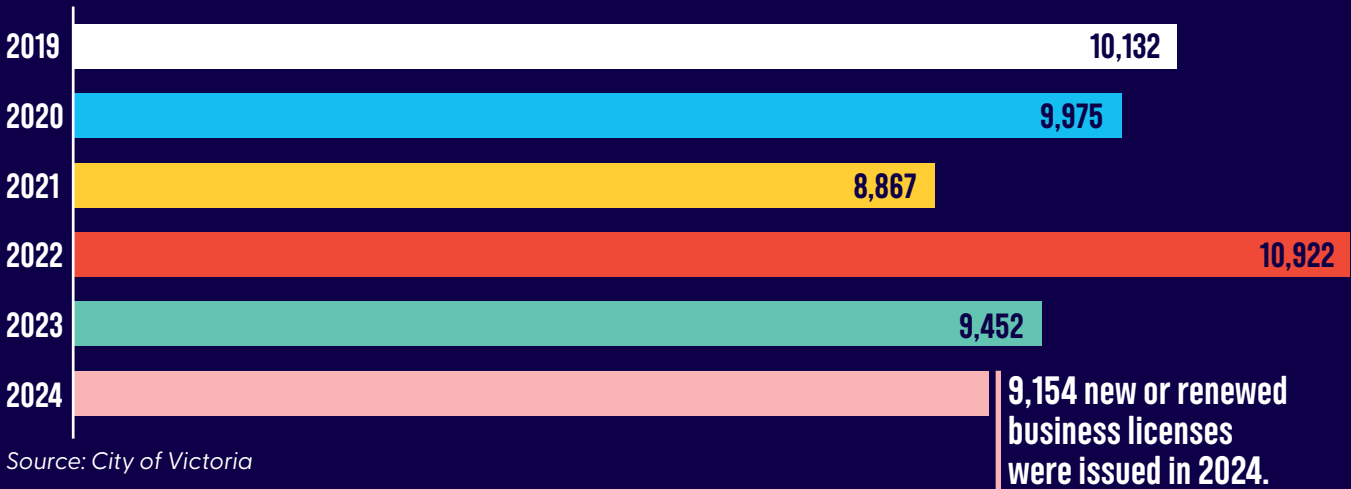
chose
PARKING



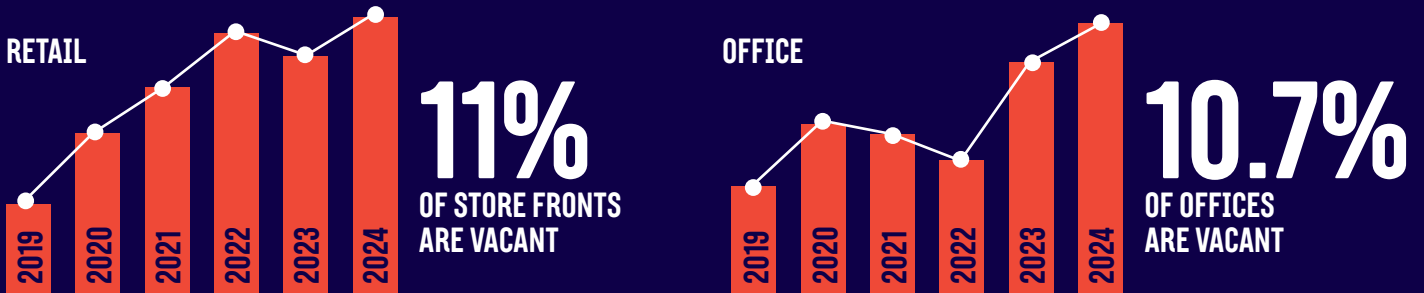
BEYOND THE SURVEY DATA: SIGNS OF STRAIN

Beyond the data collected from surveying business members, here are some more datapoints valuable in assessing the situation downtown.

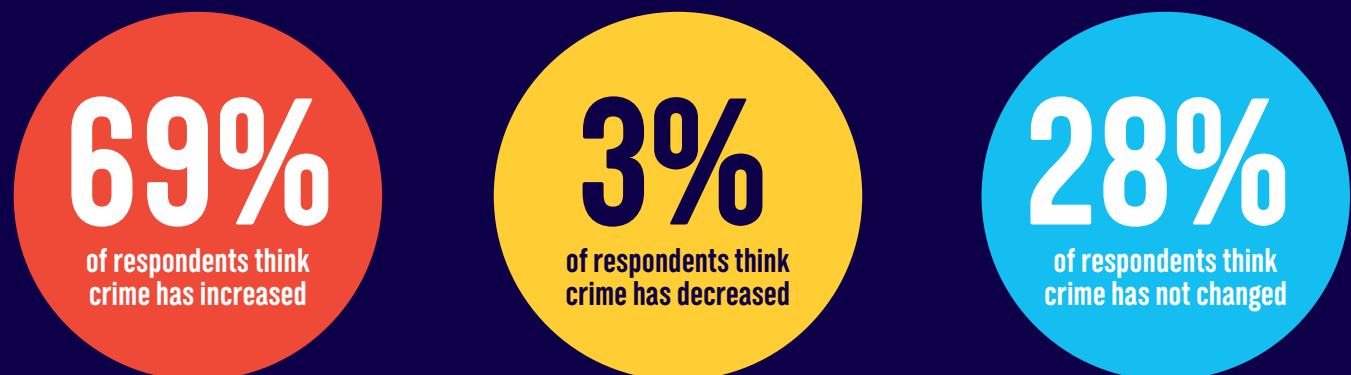
Number of business licenses issued by the City of Victoria



Downtown Commercial Vacancy Rates



Perception of Crime

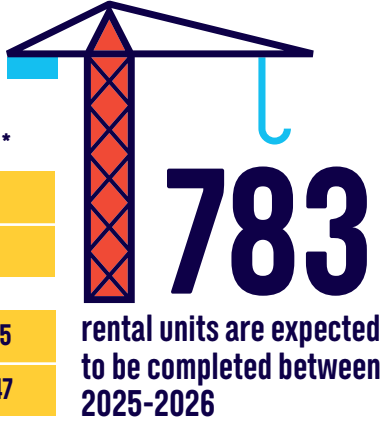


BEYOND THE SURVEY DATA: POSITIVE SIGNALS

Not all the data is negative, there are positive indicators that speak to some strength and resilience in downtown.

Downtown Victoria Large-Scale Development Activity

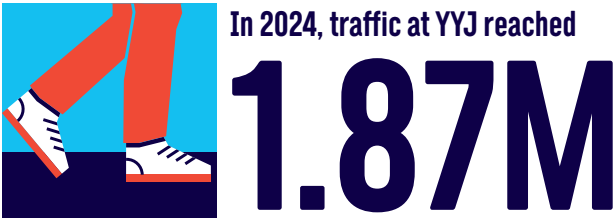
		2021	2022	2023	2024	2025*	2026**
RESIDENTIAL [# OF UNITS]	Condos	336	0	262	0	0	0
	Rentals	244	0	405	130	283	500
COMMERCIAL [SQ. FT.]	Retail	53,761	0	15,862	7,986	361	40,695
	Office	0	0	15,500	0	0	153,747



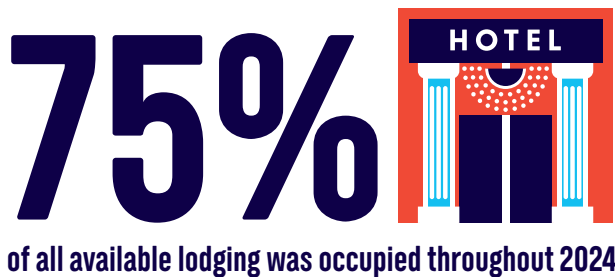
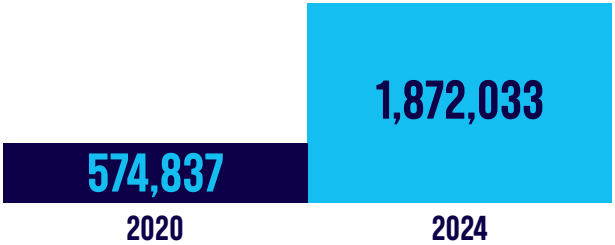
*Completed and expected to complete.

Tourism Stats

Source: Chemistry Consulting Group



YYJ PASSENGER TRAFFIC



AVERAGE ROOM RATE (\$)

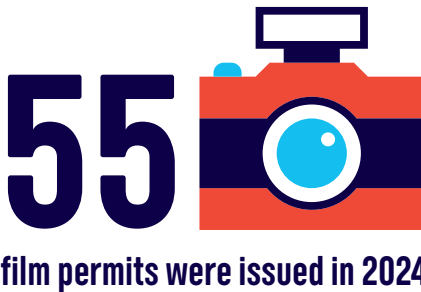


Event and Film Permits Issued by the City of Victoria

EVENT PERMITS



Source: City of Victoria



DVBA CALLS FOR ACTION

Our members are united: bold, immediate action is needed from all three levels of government. Businesses can't wait for more studies or ideal solutions, many won't survive another year without meaningful change.

The priority is clear: significantly reduce street disorder, including open drug use, camping in doorways and on sidewalks, and repeat criminal activity.

Based on member feedback, the following key advocacy priorities have been identified for the DVBA to address with all levels of government:

Municipal (City of Victoria)

1. Enforce Bylaws Immediately

Resume full-time Bylaw and VicPD patrols to strictly enforce the City's Sidewalks, Streets, and Boulevards Bylaw. Strengthen bylaws if necessary to address the disorder caused by individuals sitting or camping on sidewalks with belongings scattered around.

2. Increase Police Presence Downtown

Expand visible Victoria Police presence to deter disorder and support bylaw enforcement.

Provincial Government

1. Expand Mental Health and Addiction Services

Increase access to mental health and addiction treatment, including mandatory care where appropriate. While permanent facilities are developed, implement temporary solutions such as treatment portables in 2025. Reassign healthcare staff from other regions if needed to meet demand.

2. Strengthen the Justice System

Increase funding to fully staff Crown prosecutors, sheriffs, court services, and jail/remand facilities. Use temporary infrastructure if necessary to detain and prosecute repeat offenders driving the majority of criminal activity.

Federal Government

1. Reform Bail Legislation

Amend bail laws to allow the pretrial detention of repeat offenders charged with theft, violence, drug-related offences, and vandalism. This change could significantly reduce street disorder in Victoria and other urban centres.



Final Thoughts

Downtown Victoria is one of the best mid-sized downtowns in North America. However, the longstanding challenges we've discussed for years are rapidly reaching a tipping point. Immediate action is essential. While change may not be perfect or seamless, without meaningful improvements, we risk losing a significant share of our ground-floor and commercial office businesses.

This report presents data showing that these concerns are neither new nor anecdotal—they've been growing for years. The evidence is clear: downtown is at a crossroads, and 2025 is the time for decisive action.

VICTORIA
Chinatown
Museum
唐人街博物館



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