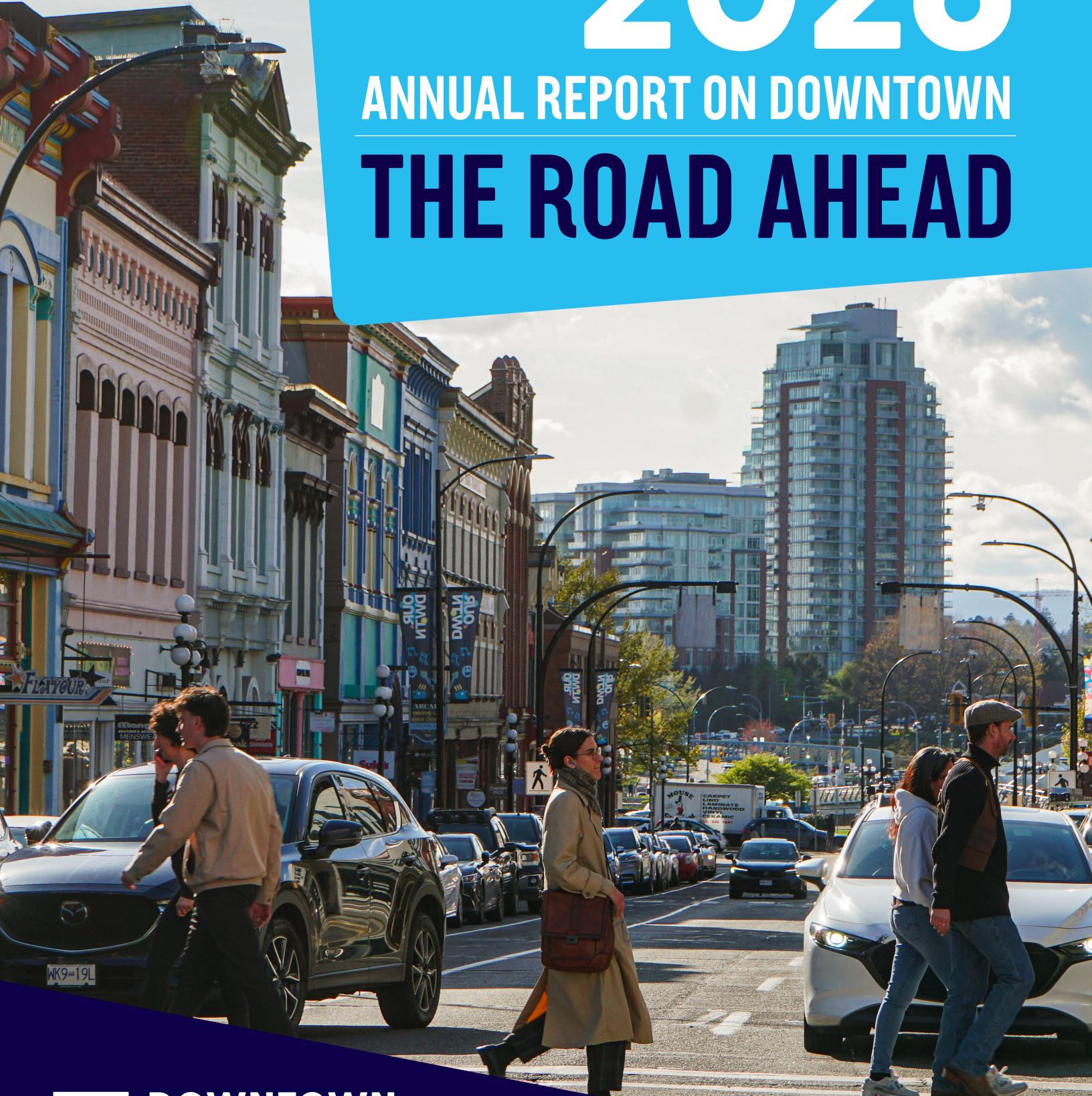


# 2026

## ANNUAL REPORT ON DOWNTOWN

# THE ROAD AHEAD



**DOWNTOWN  
VICTORIA**  
BUSINESS ASSOCIATION

# FOREWARD

The mission of the Downtown Victoria Business Association is to nurture and promote the vitality and vibrancy of downtown Victoria while advocating for its business community. Our vision is to be the authority on all things downtown.

The 2026 Annual Report on Downtown provides a snapshot of downtown Victoria today, examining public perception, business sentiment, visitation patterns, and economic indicators.

This report focuses on the key issues facing downtown businesses. The data highlights ongoing concerns related to public disorder, open drug use, safety, traffic flow, and parking.

This year, the DVBA commissioned Research Co. to conduct a public opinion survey examining perceptions of downtown Victoria among residents across Greater Victoria. The results aligned closely with feedback from downtown businesses: concerns related to safety and driving/parking discourage more frequent visitation for many.

Some of the solutions identified in this report will require governments to acknowledge that certain policies are not working as intended and require reassessment, adjustment, or pause.



Jeff Bray, Chief Executive Officer,  
Downtown Victoria Business Association

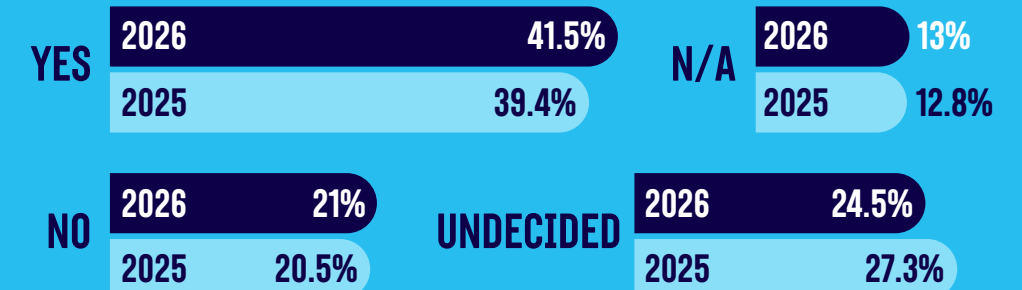
*The Downtown Victoria Business Association acknowledges that downtown Victoria is located on the traditional territories of the ləkʷəŋən (Lekwungen) Peoples, represented today by the Songhees Nation and Esquimalt Nation.*

*As an organization dedicated to supporting the vitality of downtown Victoria, we recognize the deep and enduring connection that the ləkʷəŋən Peoples have to these lands and waters. We are grateful to live, work, and gather on this territory and acknowledge their ongoing stewardship, culture, and contributions to our community.*

# KEY STATS: 2026 VS 2025



## Percentage of respondents who would consider renewing their lease if it were up in the next 12 months



39.2%

2025

Fewer respondents reported a decline in economic performance

30.9%

2026



## Fewer retail storefronts are sitting vacant in 2026

11%

2025

9.6%

2026

## Percentage of respondents who rated downtown a C+ or lower

53.8%

2025

55.6%

2026

# DOWNTOWN VISITATION



NUMBER OF VISITS IN 2025

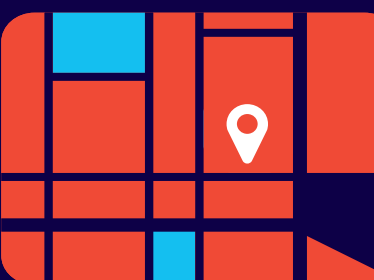
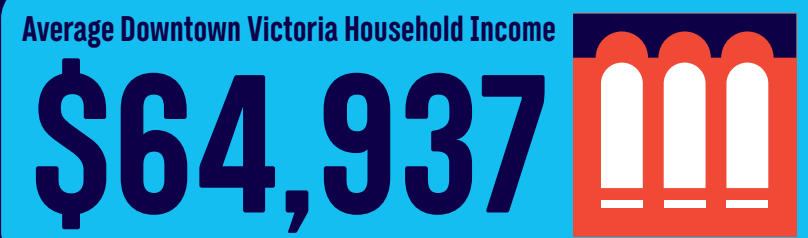
# 44,336,392

## WHO IS VISITING DOWNTOWN?

The following visitation and demographic indicators provide insight into who is coming downtown Victoria and how people are traveling throughout the region.

### GENERAL VISITATION & DEMOGRAPHICS

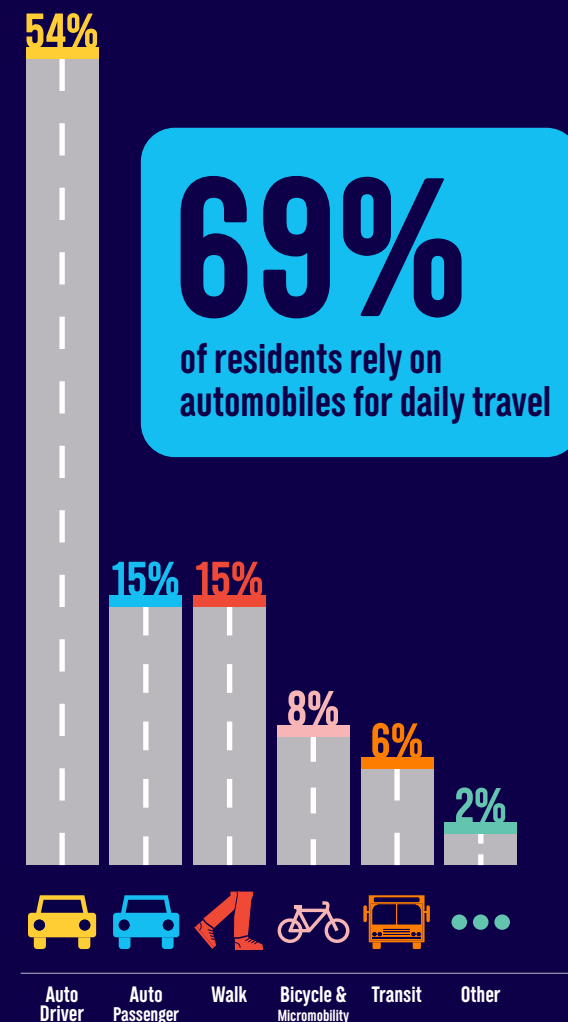
The following statistics provide a snapshot of visitation levels and key demographics for downtown in 2025.



Downtown has an opportunity to capture residents from greater Victoria who travel by private vehicle from beyond 3km, a demographic with above-regional-average income and therefore greater disposable spending power.

### DAILY MODE SHARES, PERSONS 5+ (2022)

Source: Capital Regional District (CRD) Origin Destination 2022 Household Travel Survey

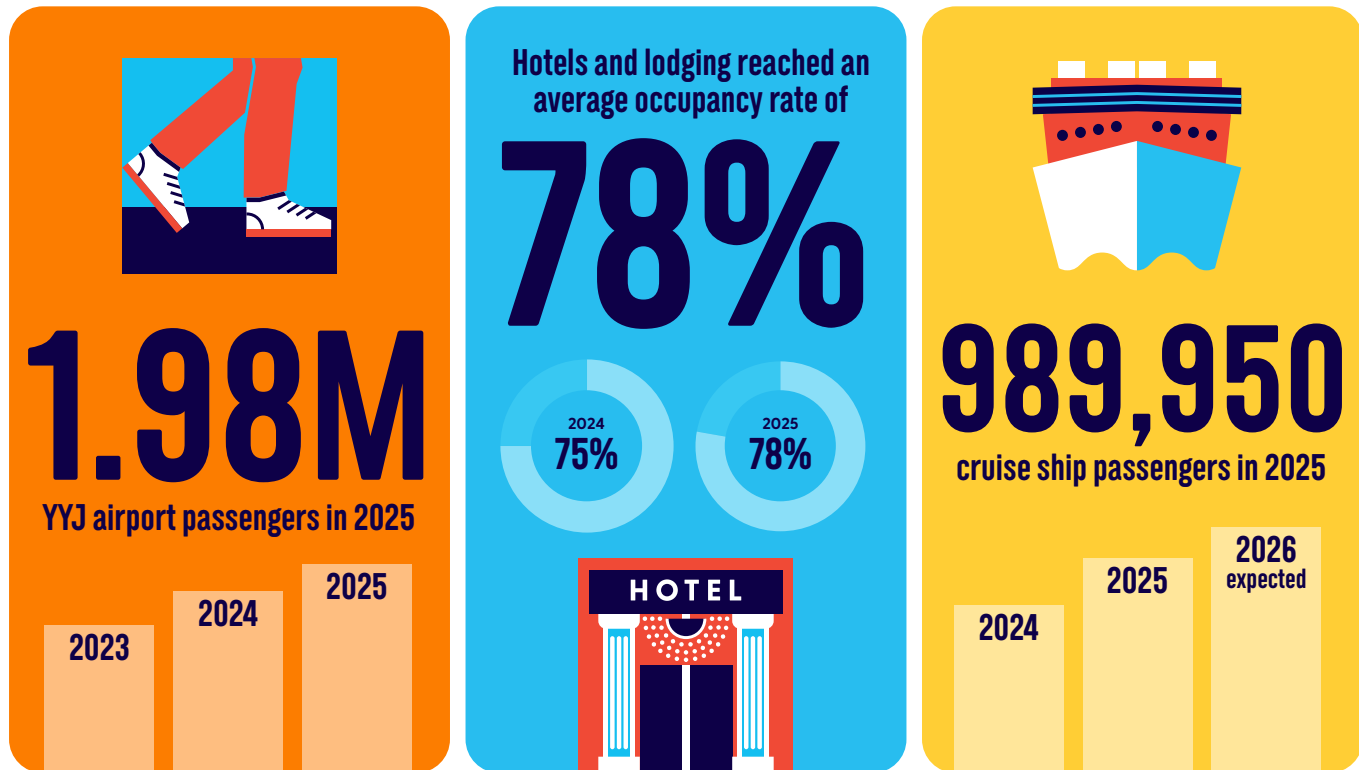


Source: Canadian Urban Institute (CUI) Main Street Metrics Dashboard, courtesy of the City of Victoria.

# ECONOMIC INDICATORS

The following indicators provide a broader snapshot of downtown Victoria's economic health, including tourism activity, development trends, commercial vacancy, business activity, and business confidence.

## TOURISM



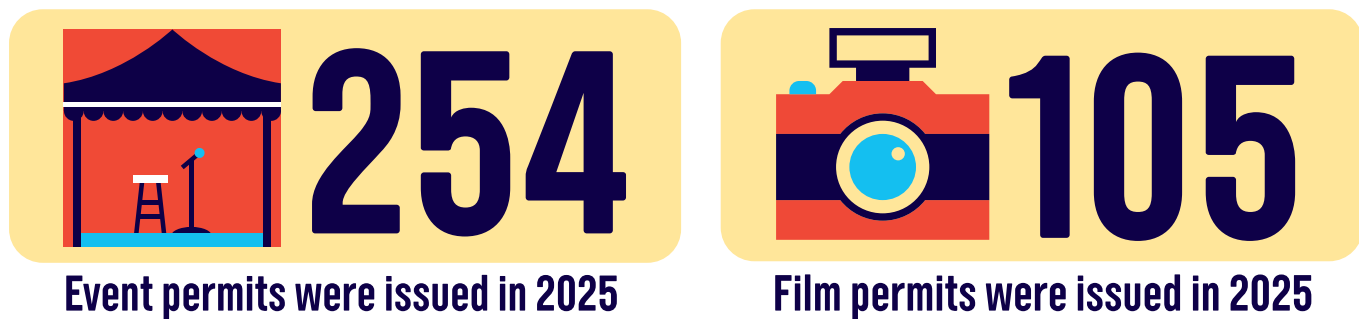
Source: Victoria Airport Authority

Source: Chemistry Consulting Group

Source: Greater Victoria Harbour Authority

## EVENT AND FILM PERMITS

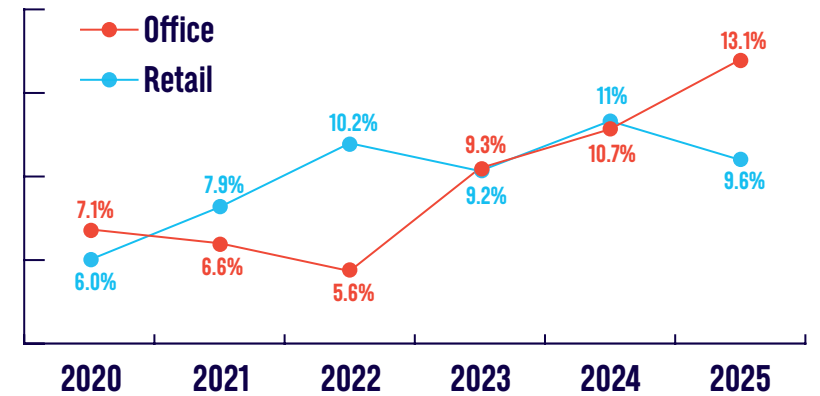
Source: City of Victoria



## BUSINESS LICENSES



## COMMERCIAL VACANCY RATES



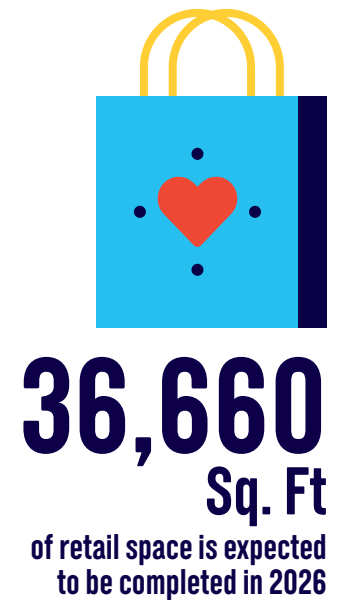
Source: Colliers

## DEVELOPMENT

COMMERCIAL (SQ. FT)		2021	2022	2023	2024	2025	2026*
Retail		53,761	0	15,862	7,986	3,361	36,660
Office		0	0	15,500	0	0	153,747

RESIDENTIAL (# OF UNITS)		2021	2022	2023	2024	2025	2026*
Condos		336	0	262	0	0	0
Rentals		244	0	405	130	283	472

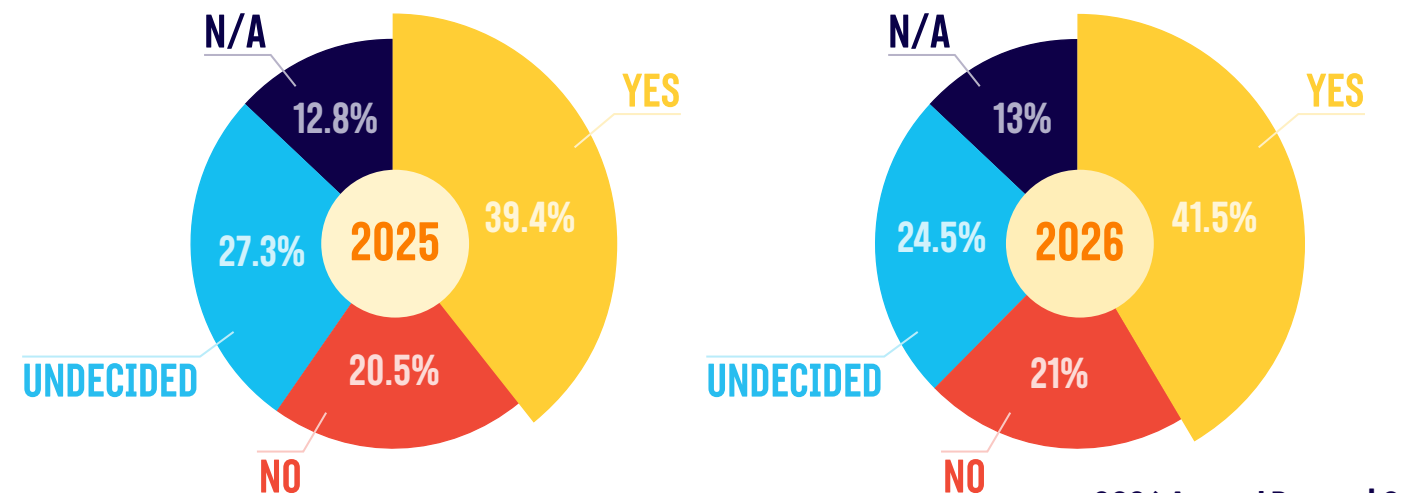
\*Completed and expected to complete.



Source: Citified Media

## LEASE RENEWALS

As part of the DVBA 2026 Annual Member Survey, business representatives were asked whether they would renew their lease if it were up for renewal within the next 12 months.

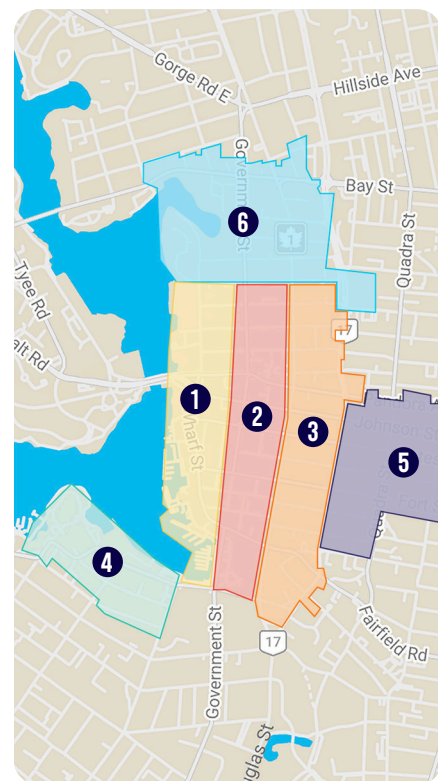
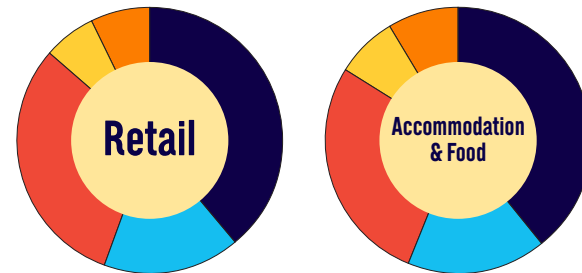
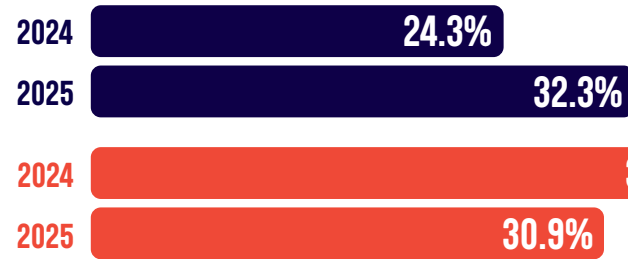
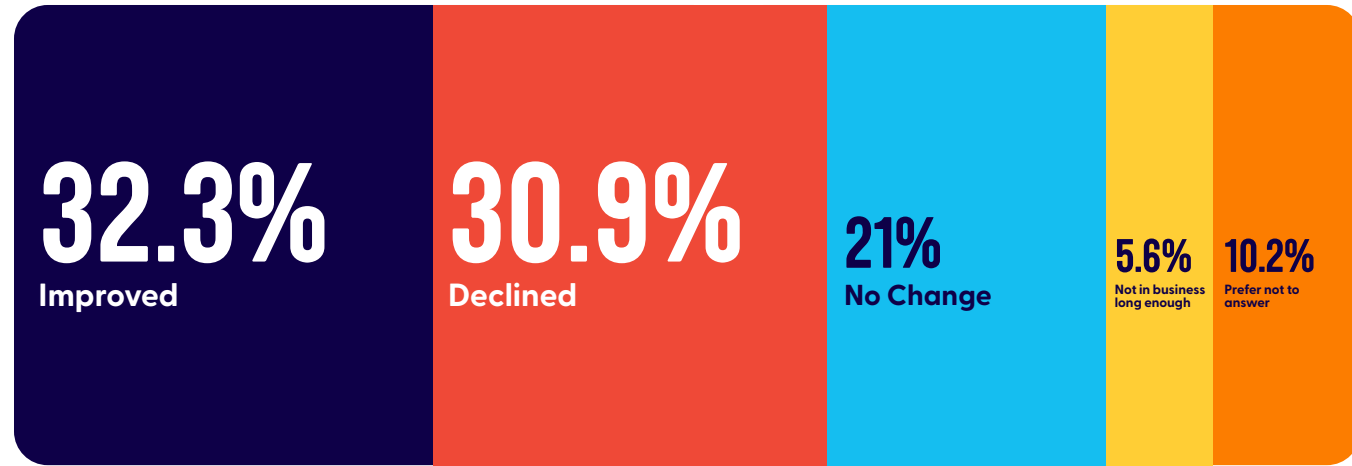


## BUSINESS PERFORMANCE

Business representatives were asked to indicate how their net profit changed.

### Economic Performance

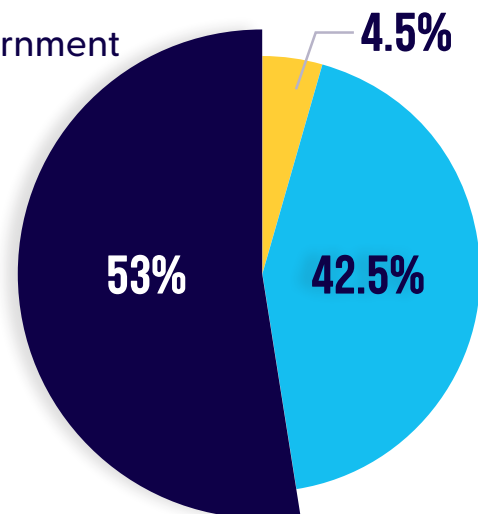
■ Improved ■ Declined ■ No Change ■ Not in business long enough ■ Prefer not to answer



Zone	Improved	Declined	No Change	Not in business long enough	Prefer not to answer
Zone 1	39.3%	22%	29.9%	4.2%	4.7%
Zone 2	31.3%	19.4%	28.4%	5.2%	15.7%
Zone 3	27%	17.6%	32.4%	6.8%	16.2%
Zone 4	42.3%	14.3%	28.6%		14.3%
Zone 5	18.2%	23.6%	36.4%	12.7%	9.1%
Zone 6	13.3%	33.3%	40%		13.3%

### Impact of Provincial Government Work from Home Policy

■ Negative Impact  
■ Positive Impact  
■ No Impact



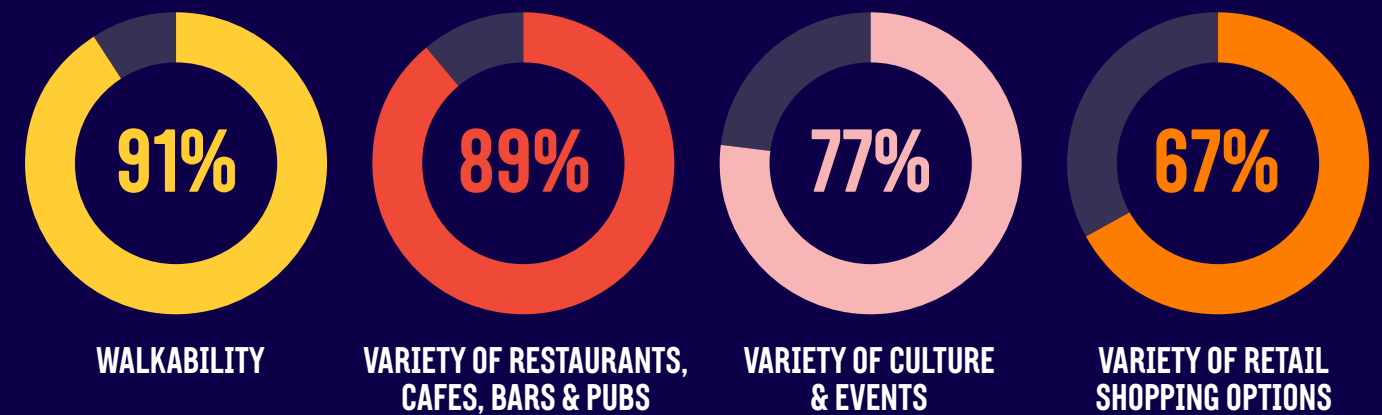
# THE DOWNTOWN EXPERIENCE

How do locals, business representatives, and tourists feel about downtown Victoria?

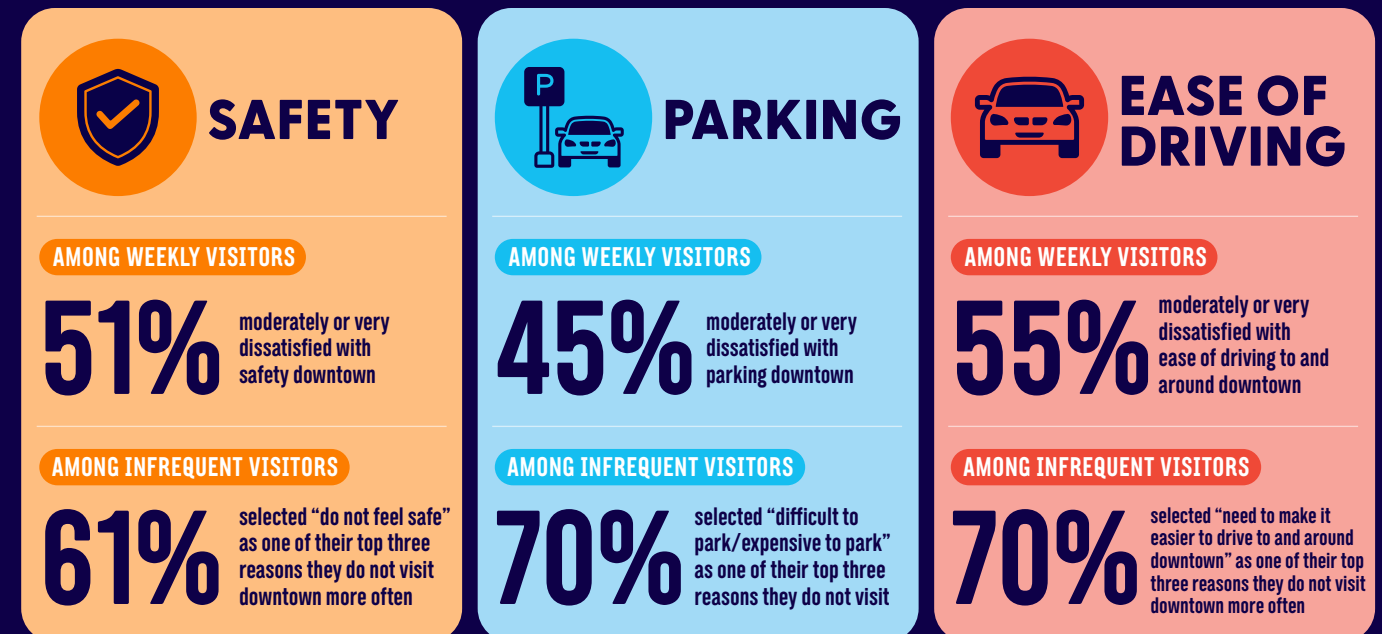
## GREATER VICTORIAN RESIDENT EXPERIENCE DOWNTOWN

An online poll conducted April 17–29, 2026, surveyed 1,168 Greater Victorian adults on their downtown experiences, including safety, accessibility, visitation patterns, and overall experience.

### Positive Experience of Downtown Among Weekly Visitors



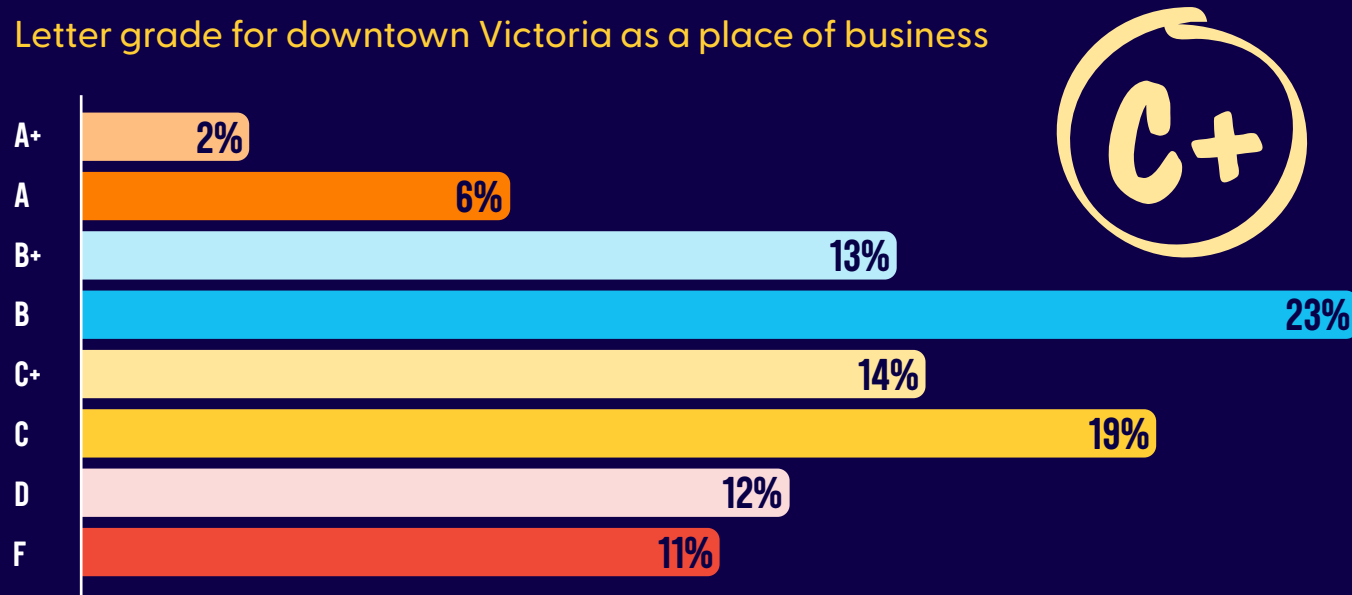
### Key Concerns Limiting Visits to Downtown



## BUSINESS EXPERIENCE DOWNTOWN

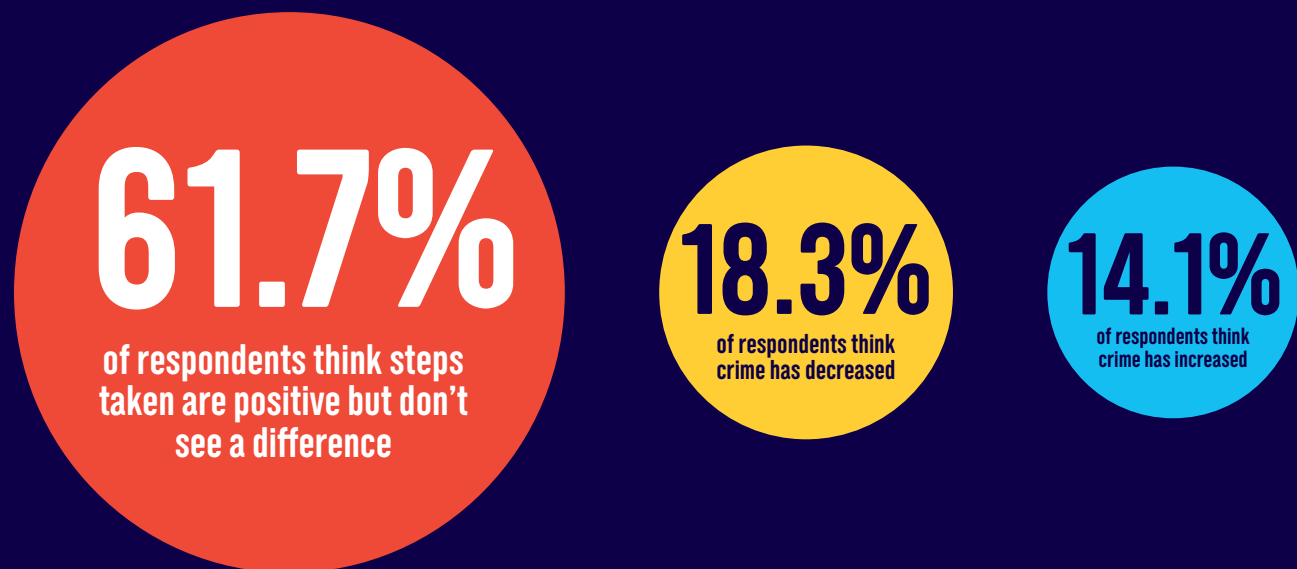
The DVBA conducted its annual survey of downtown Victoria business owners, operators, and property owners to better understand current business conditions and the downtown business experience. A total of 544 responses were collected across a wide range of sectors and locations throughout the downtown core.

### Letter grade for downtown Victoria as a place for business

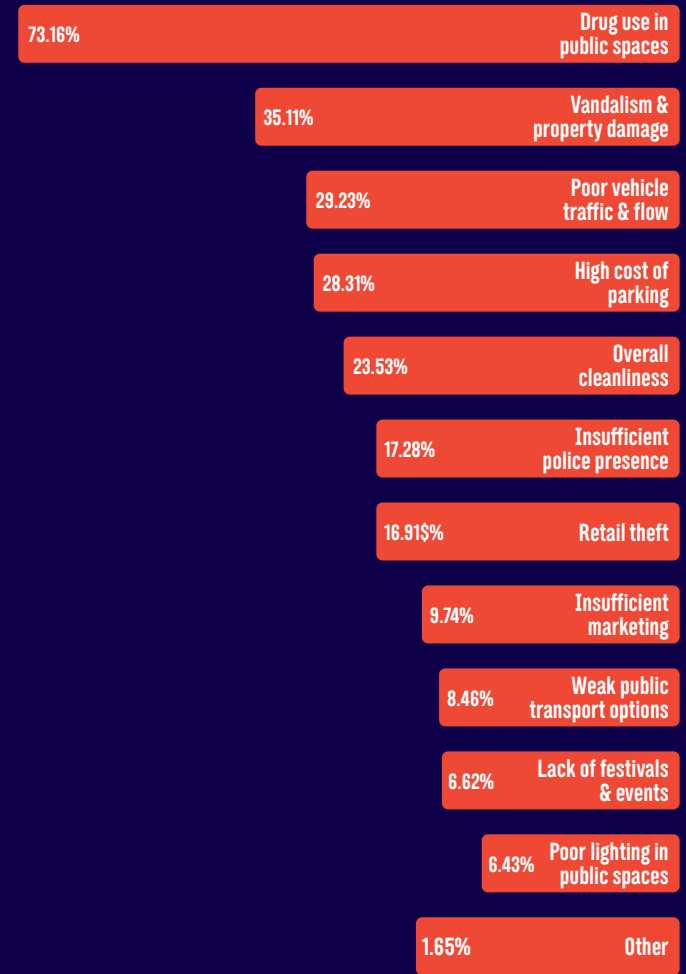


### Progress of Safety & Security

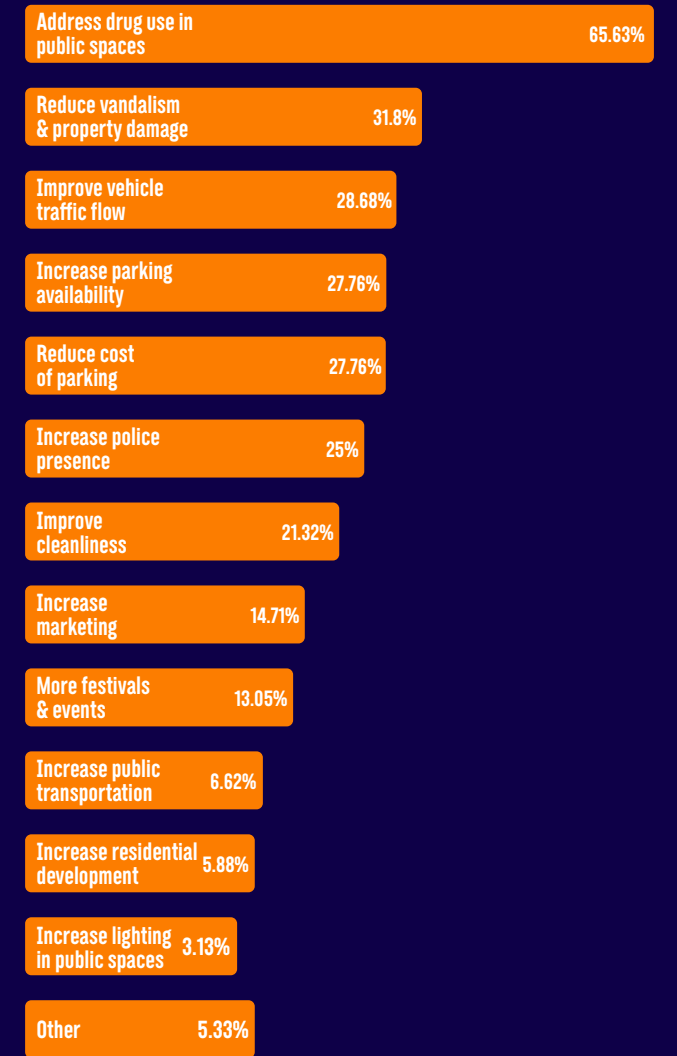
Survey respondents were asked how well they feel safety and security downtown are being addressed as a result of the City of Victoria's investment in increased bylaw patrol and police presence downtown.



### Top challenges facing downtown Victoria as a place for business

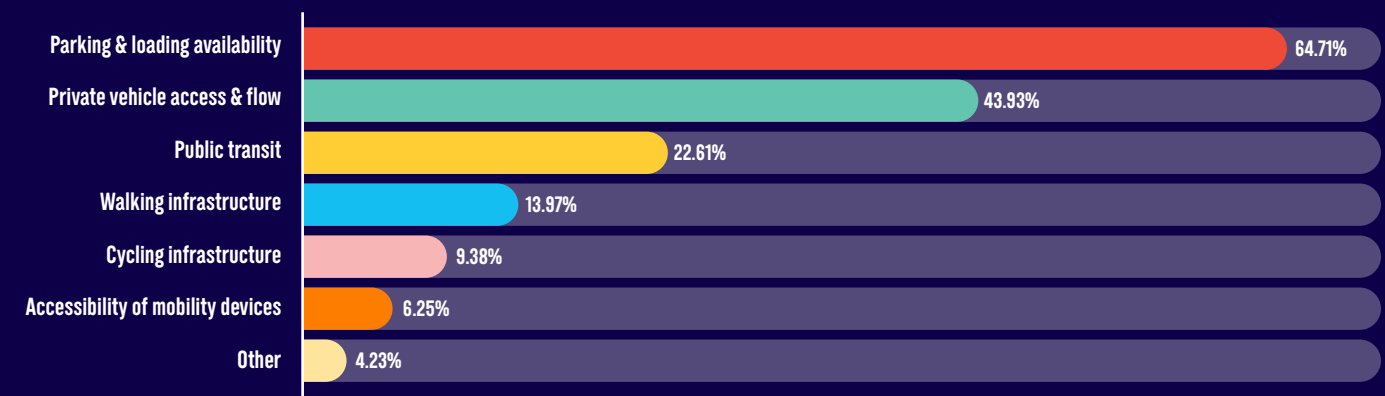


### Top priorities for improving downtown Victoria as a place for business



### Transportation Priorities to Improve Ease of Travel Downtown

Respondents were asked to select two priorities that should be emphasized in the City of Victoria's strategic plan to improve ease of travel for customers and staff downtown.

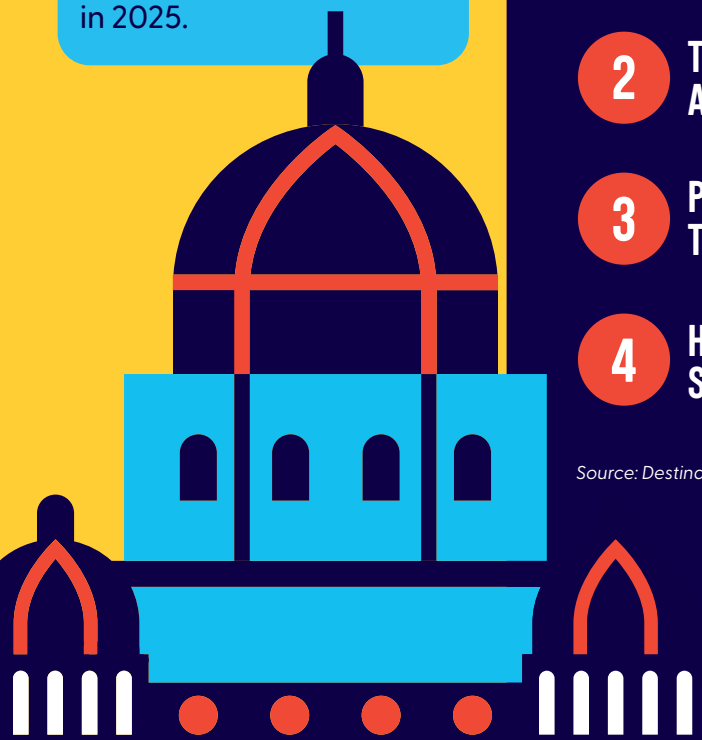


Tourists continue to experience Victoria positively, reflected in several major international travel recognitions received in 2025.

Victoria was named the **#1 Small City in the World** in the 2025 Condé Nast Traveler Readers' Choice Awards.

Victoria was named the **#1 Most Tourist-Friendly City** in the World in the 2025 Condé Nast Traveler Readers' Choice Awards.

Victoria was ranked among the **Top 10 Most Walkable Cities** in the World by Skyscanner in 2025.



## TOURIST EXPERIENCE DOWNTOWN

Destination Greater Victoria's 2025 Visitor Survey gathered feedback from visitors on their experiences in Greater Victoria, including travel motivations, highlights, challenges, and overall perceptions of the region.

### Top Highlights

- |                                      |                                     |
|--------------------------------------|-------------------------------------|
| <b>1</b> Royal BC Museum             | <b>5</b> Scenery/Oceanfront/Beaches |
| <b>2</b> Inner Harbour/Downtown Core | <b>6</b> Walkability/Compact City   |
| <b>3</b> Butchart Gardens            | <b>7</b> Empress Hotel              |
| <b>4</b> Food & Beverage             |                                     |

Source: Destination Greater Victoria, 2025 Visitor Survey Report

### Top Shortcomings

- |   |  |
|---|--|
| <b>1</b> Cost/Expensive                 | <b>5</b> Weather/Rain/Cold                 |
| <b>2</b> Transportation/Access          | <b>6</b> Limited Things to Do/Closed Early |
| <b>3</b> Parking/Traffic                | <b>7</b> Cleanliness/Maintenance           |
| <b>4</b> Homelessness/Street Population |  |

Source: Destination Greater Victoria, 2025 Visitor Survey Report

## KEY TAKEAWAYS

While many indicators point to continued economic activity and visitation downtown, the findings in this report show that safety, public disorder, parking, and ease of travel remain significant concerns for businesses, visitors, and residents. Addressing these challenges will be critical to improving confidence in downtown Victoria and supporting long-term economic vitality.

### Safety in Downtown

#### What We Know

Responses from both the DVBA Annual Member Survey and the public perception poll indicate that safety and public disorder continue to impact the downtown experience of businesses, employees, residents, and visitors.

Business representatives who participated in the DVBA Annual Member Survey identified open drug use in public spaces as the most significant issue negatively affecting downtown as a place for business. Public polling also found that safety concerns remain one of the primary reasons infrequent visitors choose not to come downtown more often.

The impacts of having public safe consumption sites, safe supply providers, and other services focused in the downtown core are evident. Businesses are closing in and around blocks hosting such services, and people throughout

the core are openly consuming drugs and suffering the debilitating effects.

Many business respondents acknowledged the City of Victoria's recent investment in increased bylaw patrols and police presence downtown following calls for action in the DVBA's 2025 Annual Report on Downtown. While some respondents reported problems had already decreased, most indicated that the steps taken were positive but that they did not yet see a noticeable difference in overall safety and security downtown.

Despite these concerns, the resident poll also shows that visitors continue to experience downtown Victoria positively in many respects, particularly for its restaurants, shops, walkability, culture, and events.

### DOWNTOWN SAFETY & BUSINESS PERSPECTIVES

**65.6%**

of business respondents believe steps taken by the city and VicPD to increase bylaw enforcement and police patrols are positive, but they do not see a difference when it comes to safety and security downtown

**“Address Public Drug Use”**  
was the top priority selected by business representatives to improve downtown as a place for business



### Downtown's Greatest Issues

- 1** OPEN DRUG USE IN PUBLIC SPACES
- 2** VANDALISM & PROPERTY DAMAGE

**51%** of people who visit downtown at least once a week are **moderately or very dissatisfied** with safety downtown

**61%** of people who visit downtown less than once a week selected **'do not feel safe'** as one of their top three reasons they do not visit downtown more often

**What We Need**

With retail vacancy still elevated and office vacancy reaching record highs downtown, urgent and coordinated action is needed to address the ongoing safety and public disorder concerns impacting businesses, employees, residents, and visitors.

The City of Victoria has taken important steps through its Community Safety and Wellbeing Plan, and federal bail reform legislation is anticipated. However, survey findings suggest respondents continue to report that stronger action is needed, particularly from the Province.

Therefore, the DVBA is calling on the Province of British Columbia to immediately:

- Close public supervised consumption sites in the downtown core and relocate services throughout the region, while maintaining those operating within supportive housing facilities that serve residents.
- Increase funding for detox and addiction treatment beds, including complex care and involuntary care options.
- Immediately decentralize safe supply distribution and other harm reduction services to outside the downtown core.
- Increase funding for mental health supports, including residential treatment and involuntary care options.

**Parking and Traffic Flow Downtown**

**What We Know**

While crime and safety dominated the headlines, and has been a focus in our previous few annual reports, traffic flow and parking have also been identified consistently by business representatives as a major issue negatively impacting their businesses.

According to the public poll conducted by Research & Co., traffic flow and parking challenges are deterrents to coming downtown. CRD statistics show 70% of all trips in the region are made by private automobile. The car remains the key mode of transportation for workers and customers around the region.

Some road construction is unavoidable, such as water main replacements, repaving, and lane closures due to residential developments in the core. These impact traffic, but are by nature temporary and necessary.

However, traffic changes directed by policy are another matter. There has been a rapid growth in bike lanes, traffic calming measures, extended crosswalks and vehicle lane reductions. CRD statistics show the majority of regional trips are by private vehicle, not to mention delivery trucks, service trucks etc. As a growing region we need to be planning for more vehicles, even if there is an increase in other transportation modes.

**DOWNTOWN PARKING & EASE OF DRIVING**

**45%** of people who visit downtown at least once a week are **moderately or very dissatisfied** with parking downtown

**70%** of those who visit downtown less than once a week selected **"difficult to park/expensive to park"** as one of their top three reasons they do not visit downtown more often

**4<sup>th</sup> HIGH COST OF PARKING** was the fourth greatest challenge downtown as selected by business representatives

Top Transportation Priorities to Improve Ease of Travel for Customers and Staff

- PARKING & LOADING AVAILABILITY**
- PRIVATE VEHICLE ACCESS**

**50%** of people who visit downtown at least once a week are **moderately or very dissatisfied** with ease of driving to and around downtown

**70%** of those who visit downtown less than once a week selected **"Need to make it easier to drive to and around downtown"** as one of their top three reasons they do not visit downtown more often

**3<sup>rd</sup> POOR VEHICLE TRAFFIC FLOW** was the third greatest challenge downtown as selected by business representatives

Top Transportation Priorities to Improve Ease of Travel for Customers and Staff

- TRANSPORTATION/ ACCESS**
- PARKING/TRAFFIC FLOW**

**What We Need**

A walkable, bikeable, and transit-friendly city is important, but many of those visiting downtown drive. A balanced, considered approach is needed from the City of Victoria when assessing potential road work.

Therefore, the DVBA is calling on the City of Victoria and/or the Victoria Transit Commission to:

- Implement a four-year moratorium on discretionary road work, while maintaining necessary upgrades related to infrastructure replacement, and essential maintenance.
  - This will allow time for the driving public to catch up to all the recent changes with new bike lanes, reduction in traffic lanes on major roads such as Blanshard Street, etc.*
- Assess current traffic flow with the goal to improve traffic flow into and around downtown.
  - This includes eliminating bike priority lights that allow for slow progression through intersections such as around the Johnson Street Bridge.*
- Include designs for a new parkade in/ near downtown and prioritize vehicular capacity in the 2027-2030 Strategic Plan.
- Place a hold on the planned extension of dedicated bus lanes from Discovery Street to Belleville, and the northbound closure of Douglas between Belleville and Humboldt.
  - Further reduction in vehicle capacity will only make traffic flow worse.*
- Modify the dedicated bus lanes from downtown to Colwood to include HOV capacity.

**Downtown Victoria  
Business Association**

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