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**To:** "Direct to Mayor and Council - DL"  
**Date:** 3/8/2023 3:32:47 PM  
**Subject:** Upcoming news release: Council Approves Pilot Property Tax Relief Program for Small Businesses

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Dear Mayor and Council,

Following your approval at today's Standing Committee meeting, I am writing to inform you that the City will be issuing the below news release regarding the pilot Development Potential Relief Program (DPRP).

As you heard from staff today, the City of Vancouver is the first municipality in BC to implement the DPRP.

Best,  
Paul

**City of Vancouver**  
**News release**  
**March 8, 2023**

## **Council Approves Pilot Property Tax Relief Program for Small Businesses**

Vancouver City Council approved a pilot Development Potential Relief Program (DPRP) today, making it the first municipality in BC to do so. The DPRP, enabled by provincial legislation, is aimed at supporting independent, small businesses and community partners, who are paying disproportionately high taxes due to development potential.

"This decision supports thousands of small and independent businesses across our City," said Vancouver Mayor Ken Sim. "The pilot Development Potential Relief Program is an important first step towards providing tax relief to the community-based businesses and organizations who need it the most."

Properties are assessed based on their highest and best use, and for those with development potential, the assessed value would be higher than the value of the current use. For eligible properties, the DPRP will result in a portion of the land value being taxed at a rate 50 per cent lower than the City's usual general purpose tax rate for light industry and business properties.

Approximately [1,360 properties](#) are eligible to benefit from the pilot program, subject to a declaration process. Owners of eligible properties will be required to submit a declaration by March 31, 2023, attesting that their properties were occupied on October 31, 2022; that they have notified their tenants of the tax relief; and that the primary use of their properties is not one or more of the [ineligible](#) uses under the pilot program.

In addition to the pilot DPRP, Council has also approved the continuation of targeted five-year land assessment averaging for eligible residential, light industry and business properties. Averaging will help address assessment volatility and will benefit approximately 7,570 residential and 3,200 light industry and business properties.

The provincial government passed the development potential tax relief legislation in November 2022. This legislation is effective starting in the 2023 tax year, replacing the Interim Business Property Tax Relief program introduced by the Province in March 2020.

“We’re so pleased the City of Vancouver is moving forward with implementing this pilot program that will save businesses money,” said Katrine Conroy, Minister of Finance. “Businesses are integral to our economy, and our government will continue to deliver on issues that matter to the business community. We look forward to working with other municipalities to bring this useful tax relief program on board to support businesses across the province.”

As the first municipality to implement the DPRP, the City of Vancouver will engage with stakeholders to assess the effectiveness of the program and explore opportunities for improvements in the future.

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