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## REPORT TO CAPITAL REGIONAL DISTRICT BOARD MEETING OF WEDNESDAY, MARCH 11, 2026

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**SUBJECT**     **City of Victoria Municipal and Regional District Tax (MRDT) Renewal**

### **ISSUE SUMMARY**

The City of Victoria has requested formal support from the CRD for its renewal of the Municipal and Regional District Tax from 2027-2031.

### **BACKGROUND**

The Municipal and Regional District Tax (MRDT) is an extension of the provincial sales tax to provide funding for local tourism marketing. In accordance with the MRDT program requirements, a municipality must provide evidence that the regional district has been consulted and whether it supports or opposes the imposition of the tax.

On April 14, 2021, the CRD Board previously supported the City of Victoria's five-year renewal for MRDT and Destination Greater Victoria (DGV) as the Official Destination Organization and eligible entity from 2022-2026, as well as a new incremental MRDT from Airbnb Online Accommodation Platform (OAP) for affordable housing initiatives (with a focus on hotel and hospitality workers in the City of Victoria).

The following attachments provide additional information on the City of Victoria's MRDT renewal application for the 2027-2031 five-year period:

- Appendix A: Letter from City of Victoria outlining Council's December 11, 2025 approval; and
- Appendix B: DGV's MRDT package submission, including the 2027-2031 Strategic Plan, letters of support, and presentation deck to City of Victoria Council.

### **ALTERNATIVES**

#### *Alternative 1*

That the CRD Board support the five-year renewal of the Provincial Municipal and Regional District Tax (MRDT) Program in Victoria and the continuation of Destination Greater Victoria as the City of Victoria's designated recipient for the purpose of the MRDT Program for 2027-2031.

#### *Alternative 2*

That this report be referred back to City of Victoria for additional information.

### **IMPLICATIONS**

There are no direct implications to the Capital Regional District giving its support to the City of Victoria's five-year renewal for MRDT with DGV and Airbnb.

**CONCLUSION**

The City of Victoria is seeking regional district support for its five-year (2027-2031) renewal to the MRDT program. The City of Victoria’s MRDT renewal application continues to name Destination Greater Victoria as the Official Destination Organization and eligible entity as well as continuing the incremental MRDT for Airbnb OAP for affordable housing initiatives.

**RECOMMENDATION**

That the CRD Board support the five-year renewal of the Provincial Municipal and Regional District Tax (MRDT) Program in Victoria and the continuation of Destination Greater Victoria as the City of Victoria’s designated recipient for the purpose of the MRDT Program for 2027-2031.

Submitted by:	Marlene Lagoa, MPA, Senior Manager, Legislative Services & DCO
Concurrence:	Kristen Morley, J.D., Corporate Officer & General Manager, Corporate Services
Concurrence:	Varinia Somosan, CPA, CGA, Acting Chief Financial Officer & General Manager, Finance & Technology
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

**ATTACHMENT(S)**

- Appendix A: Letter from City of Victoria (March 3, 2026)
- Appendix B: Destination Greater Victoria MRDT Package