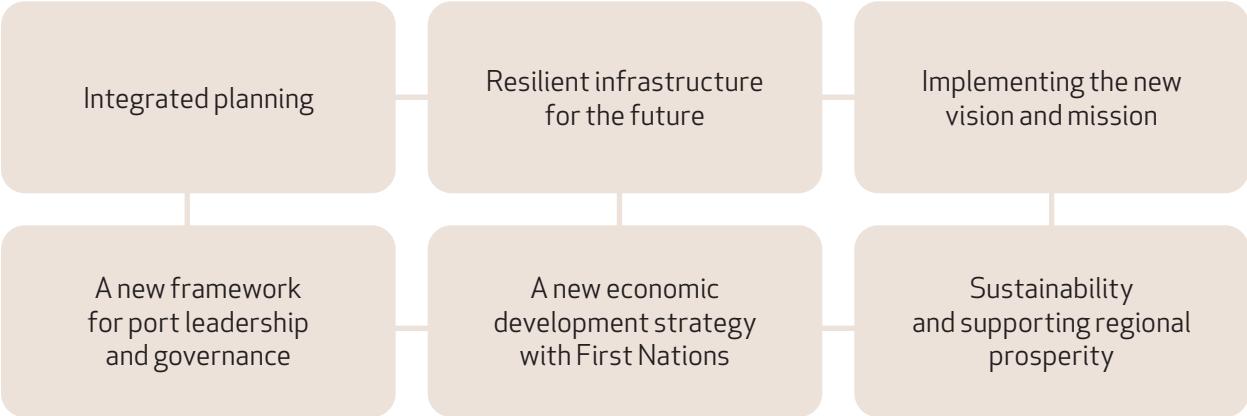


Greater Victoria Harbour Authority Business Plan 2025/2026



Greater Victoria Harbour Authority is focused on several key priorities for 2025/26. The priorities create an ambitious path designed to establish a strong foundation for the future and to set in motion outcomes that will deliver on our vision of becoming Canada’s most K’wamK’wam (vibrant) and X’wčičtəs (harmonious) harbour. Business development and long-term sustainability and resiliency will be front and centre, and GVHA will leverage partnership opportunities and work closely with member agencies, existing commercial clients, and potential future partners. The priorities are interrelated, and combined will support GVHA’s ability to successfully operate current facilities, grow business lines and also plan for an innovative future.

The priorities are:



GVHA Overview

Greater Victoria Harbour Authority (GVHA) properties are located within the traditional, unceded territory of the Lək̓ʷəŋən People, whose historical relationship with the land and harbour continue to this day. GVHA's partnership with the X̱wsepsəm Nation and Songhees Nation is unique and foundational to the relationship the authority has with the rightsholders to the land and waters of Greater Victoria.

GVHA is a not-for-profit organization that is committed to the stewardship and sustainable growth of Victoria's dynamic working harbour.

Since GVHA was created in 2002, the authority has been local champions and stewards of the harbour land and marine assets divested from the Government of Canada. GVHA owns 110 acres of harbour land and seabed as fee simple meaning that, as a self-funded organization, GVHA contributes to the municipal tax base.

GVHA owns and operates several high-profile community amenities, including The Breakwater, Inner Harbour lower causeway, and customs dock at Raymur Point.

Within GVHA's commercial and marine industrial holdings are the deep-water terminal at The Breakwater District at Ogden Point, Fisherman's Wharf, Ship Point, and four Inner Harbour marinas.

GVHA is an advocate for the harbour, and is working to improve its function as a working harbour and a marine transportation hub with a strong focus on marine industrial, tourism, harbour employment and environmental stewardship. Key to a working harbour is a harbour with various capabilities and services such as fuelling, commercial usage, storage and vessel lifts, tourism, fishing, wetdocking and drydocking and other mixed use activities that provide benefit to the greater community.

GVHA's management of the Victoria Cruise Terminal contributes more than \$130 million annually to the regional economy and is responsible for 800 direct and indirect jobs in Greater Victoria.

GVHA was originally conceived by a group of business leaders, First Nations and community advocates. The organization is now accountable to eight member agencies: X̱wsepsəm Nation, Songhees Nation, Capital Regional District, City of Victoria, Greater Victoria Chamber of Commerce, Destination Greater Victoria, Township of Esquimalt, and the Victoria/Esquimalt Harbour Society.

This Business Plan covers the fiscal year of 2025/26. The GVHA Board of Directors is planning a longer range strategic planning session this fiscal year, and the next fiscal year business plan will include a future outlook.

Vision and Mission

The Greater Victoria Harbour Authority introduced a new vision and mission in 2024 to ensure the long-term stewardship of the Victoria Harbour and to highlight the ongoing success of the port as a working harbour.

Vision:

- *Canada's most K'wamK'wam (vibrant) and X'w'cičtəs (harmonious) harbour.*

Mission:

- *Ensure the long-term stewardship of Lək'wəŋən territory by creating Canada's first co-managed port.*
- *Galvanize support and investment in land, sea and people.*
- *Ensure a productive and inclusive working harbour leading in regional sustainability.*

GVHA operates in a busy working harbour, and aspires for the harbour to be economically, socially, and culturally vibrant. GVHA business is complex and involves numerous partners, organizations, clients and communities. By working together, we can all ensure the long-term future of the harbour lands and waters.

2025/26 Key Priorities

This year's Business Plan builds off the successes and steps taken over the past two years. In that time, GVHA has taken steps to ensure that the organization builds a financially sustainable future and works to strengthen and build on relationships with all partners. Key priorities of this fiscal year highlight the work being done to focus and lay a strong foundation for GVHA for years to come.

GVHA has established an ambitious plan for this fiscal year. **Key priorities are:**

Integrated Planning

GVHA has initiated a comprehensive integrated planning process that will encompass Victoria harbour waters and uplands owned and operated by GVHA, while considering the various rights, jurisdictions, ownership, and interests of adjacent users and the opportunities that may exist for the entire Victoria harbour. The Integrated Plan for the Victoria Harbour is intended to provide a forward-thinking strategic framework that enables sustainable marine, commerce, recreation and tourism to grow harmoniously over several decades. The work will also focus on revenue growth and potential, and provide opportunities for GVHA to access capital and investor partnerships.

Integrated Planning will recognize GVHA's new Vision and Mission and provide practical opportunities to explore co-management and economic development with First Nations while building confidence for future investment and investors in the working harbour.

Unlike GVHA's Master Planning in 2016, this effort will aim to capture and develop ideas organically and leverage existing partnerships through member agencies and commercial clients. It will require significant engagement and trust building using GVHA and external resources.

Resilient Infrastructure for the future

GHVA owns and operates significant physical assets, including the Breakwater at Ogden Point, Fisherman's Wharf, several marinas, the Lower Causeway, Ship Point, and the retaining wall under Government Street. Many of these physical assets are also community assets. These structures are aging and require significant investment to ensure future use and growth, and to address challenges of climate resiliency and seismic vulnerability. There is an estimated \$350 million in repairs and maintenance, remediation and climate adaptation efforts required over the next 20 years to maintain current asset base. Any improvements or expansion will require significant additional capital improvements to upgrade service capacity to meet new, near and long term business opportunities. This is a key consideration in confirming future growth needs versus maintaining the current asset base.

Implementing the new Vision and Mission, which set the direction for the organization.

Building and maintaining trust is fundamental to GVHA's ability to execute on all priorities. As such, there is an ongoing need and opportunity for GVHA to continue to engage with all member agencies and interest holders. The new vision and mission outline the north star of the organization, and GVHA will use this fiscal year to continue to engage throughout the community, share our story and build trust and understanding. Given the complexity and inter-connectedness of the priorities, it will be incumbent on GVHA to ensure it continues to strategically engage and communicate with a wide audience, and to ensure that as an organization we are open to listening and hearing from a variety of interest holders. Implementation of the vision and mission crosses all business areas and portfolios at GVHA.

A new framework for port leadership and governance

A key element of GVHA's new mission is to ensure the long-term stewardship of the Lekwugnen territory by creating Canada's first co-managed port. This builds on our history of partnership with the Lək̓ʷəŋən People that dates back to divestiture in 2002, which saw the X̱w̱sepsəm Nation's and Songhees Nation's participation in the Authority as based on a recognition of them as governments and as equal participants in the Authority.

Moving forward, there are two initiatives that are intertwined, but owing to their complexity, they will be progressed separately initially. The first is co-management. This year GVHA is focused on learning more about First Nations co-management, including various approaches, principles, processes, and lessons learned. Our focus will also be on legislative changes that have supported the implementation of the United Nations Declaration of the Rights of Indigenous Peoples, and recent landmark court cases related to Aboriginal title and self-determination. This work will be provided to GVHA's Board of Directors for information and learning and to inform next steps.

Concurrently, we will review different port governance models across Canada and potentially internationally. The objective of this effort is to determine if GVHA should and could have a greater role and responsibility in managing the Port of Victoria, potentially under a co-management framework.

A New Economic Development Model with First Nations

GVHA has initiated a process for the co-creation of a First Nations Economic Development Strategy. The Strategy will outline principles and priorities for how GVHA can facilitate economic reconciliation and support the economic prosperity of the X^wsepsəm Nation and Songhees Nation in the region. Opportunities for business development will be a central element of the strategy as we look to support the sustainable growth of GVHA. This work will include a review of GVHA policies, help identify specific priorities and assist in delivering practical and achievable early outcomes.

Sustainability and supporting regional prosperity

GVHA is focusing on sustainability (financial, environmental, social), supporting visitor economy and regional prosperity via business development opportunities, and expanding capabilities (such as shore power) as a catalyst for a sustainable working harbour. Additional operational capacity within GVHA as well as the creation of the sustainability committee of the board will help oversee the development of a GVHA sustainability strategy that will include specific targets and KPIs. GVHA also has an opportunity to be a catalyst in Greater Victoria via development opportunities as well as the efforts to electrify Ogden Point.

Within these priorities, GVHA has established 10 specific objectives:

- 1 Build trust with partners, interest holders, and investors
- 2 Advance Integrated Planning
- 3 Plan and execute capital projects to align with growth opportunities while reducing deferred maintenance
- 4 Review and implement operational excellence with a focus on supporting well-trained, motivated teams and a people culture of trust and openness.
- 5 If feasible, start to implement shore power at Ogden Point
- 6 Develop a First Nations Economic Development Strategy
- 7 Develop and review options for First Nations co-management
- 8 Develop and review options for port governance
- 9 Develop GVHA Sustainability strategy
- 10 Develop GVHA Innovation framework

Market Conditions and Situational Analysis

GVHA operates within a local, provincial, national and international context. As such, there are always a variety of market and environmental contexts that must be considered and taken into account in all planning and execution. Current inputs being taken into account by GVHA are:

Global cruise industry

The global cruise industry continues to experience strong demand. In 2024, the industry achieved record-breaking passenger volumes, with strong performance across ticket prices, occupancy, and overall demand. With new ships entering the market and strong occupancy rates, over 35 million passengers are expected to sail globally in 2025. The cruise sector attracts attention. Communities benefit from the passengers that each cruise ship brings into the local destination. At the same time, there are questions focused on topics such as overtourism, sustainability, dispersion of passengers regionally, arrival time of vessels, waste management and length of stay. Internationally, the threat of the U.S. exempting internationally registered cruise lines from the Passenger Vessel Services Act continues (currently assessed at a low risk as of February 2025).

Alaskan and local cruise market

The Alaskan cruise market continues to be a premium regional market, with strong pricing, high demand, and profitable onboard revenue based on high value shore excursions in Alaskan destinations. For many Americans, visiting the 49th state is a bucket list experience, contributing to overall demand. Deploying vessels into the Pacific Northwest and Alaska is profitable for cruise companies, it is also a stable region, traditionally well protected from geo-political issues found in other regions of the world. As a result, cruise line companies continue to invest in the region, both with increased deployments and infrastructure development. Constraints include port availability, and there continues to be significant investment in ports throughout the Pacific Northwest. Locally, the strong demand for Alaskan cruising translates into an estimated 320 cruise vessels visiting Greater Victoria in the 2025 cruise season (FY 2025/26). Passenger numbers are expected to be on parallel with the previous year, coming in around one million visitors. This fiscal year, GVHA will continue to engage partners and the community on cruise-related developments through ongoing communications and engagement.

Needs of a local working harbour and Blue Economy opportunities

GVHA regularly is contacted by local and provincial businesses looking for access to harbour waters and riparian areas. As GVHA moves forward with priorities, it will be important to be connected into the commercial, industrial and light industrial enterprises in Greater Victoria and beyond to ensure we are engaging and listening to those interest holders. There is also growing momentum on Vancouver Island and in particular in Victoria to further position and celebrate the community's role in the Blue Economy.

Tourism sector and the visitor economy

Greater Victoria competes internationally in the tourism sector. Overall, inbound travel into Canada is growing every year (Tourism Industry Association of Canada), however Canada falls behind other countries in terms of annual growth. Greater Victoria remains a strong destination, as evidenced by several recent awards and acknowledgments, in a highly competitive environment. Marketing, access, labour and cost competitiveness are frequently cited as areas of both challenge and opportunity. GVHA is mindful of current trends and opportunities given our role in the tourism sector via cruise passengers, marina bookings and the connectedness of many of our commercial clients to the visitor economy. GVHA has also recently formally signed an MOU with Destination Greater Victoria to officially partner on several cruise-related initiatives such as enhanced destination marketing onboard cruise vessels, a potentially onboard shopping program, and enhanced communication and engagement with local tourism and retail operators.

Indigenous Reconciliation

As a not-for-profit operating in British Columbia, GVHA is committed to the implementation the Declaration for the Rights of Indigenous Peoples Act (DRIPA). We are committed to respecting Indigenous self-determination and ensuring that Songhees Nation and X^wsepsəm Nation voices are heard, and that their right to make decisions about their own land, resources, and economic future are upheld.

Indigenous law is rapidly evolving, and we are committed to continuous learning. GVHA recognizes the importance of Indigenous legal traditions, governance systems, and rights, and we are actively seeking to see how Indigenous ways of knowing may be integrated into the work we do. Our partnership with X^wsepsəm Nation and Songhees Nation is central to our future, and we are grateful for their support and guidance.

At the same time, we recognize that the Nations are balancing many other priorities, including negotiations with the federal and provincial governments, collaborations with other regional partners, and supporting the health and wellbeing of their own communities. These competing priorities may create capacity and resources challenges, and GVHA will have to consider creative ways to support our ongoing work together. This will require some flexibility as we adapt our timelines and expectations to ensure the meaningful involvement of Songhees Nation and X^wsepsəm Nation.

U.S Tariff threats, inflationary pressures and labour market

At the time of writing, possible U.S. tariffs were an input being explored and considered for possible mitigation. Several areas are being contemplated, including cost of materials for infrastructure projects, potential legal considerations for existing contracts, and the opportunity to access non-U.S. markets for supplies. GVHA is also considering other potential impacts such as change in visitor makeup to Greater Victoria, potential impact to cruise (not anticipated for current cruise season given long lead time for sales and itinerary development), and impact on marina clients (unknown at time of writing). Cost of materials remains an issue, as does access to skilled labour.

Increased environmental and sustainability expectations and awareness

Globally there is an expectation for organizations to operate in environmentally responsible ways. GVHA is well-positioned to be a leader in environmental practice and green marine sustainability, specifically with our participation in Green Marine and the Green Corridor. GVHA has in previous years highlighted its focus on sustainability and leadership, and is positioned this year to make strides in developing a sustainability strategy with specific targets and KPIs.

Community and partner expectations and relationships

With eight member agencies and a complex and layered group of partners and interest holders, GVHA needs to be alive to issues and contexts facing all of our partners. The needs and interests of groups will need to be considered carefully and proactive engagement and communications will be critical.

Financials

The budget highlights for FY 25/26 include revenues increasing by 7.8 per cent, with GVHA reinvesting net operating income into capital projects. Budgeted gross revenues total \$32.9 million; net income is budgeted at \$7 million, with \$6.8 million planned for capital investments.

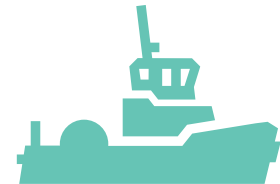
Gross revenue:



Cruise
\$19.7M



Marinas and commercial
\$13.2M



Total Gross Revenues
\$32.9M



Net income from Operations
\$7M



Capital Investments
\$6.8M

Overall Approach

Interconnectedness of priorities

GVHA is moving forward with several inter-related priorities. Priorities, while moving ahead in parallel, will inform one another. For example, exploration of a new port authority model for GVHA will have a direct impact and connection on work to advance co-management exploration and economic development with First Nations. Likewise, Integrated Planning is connected to economic development with First Nations. The interconnectedness of the priorities creates a change environment where the organization is going to need to be nimble, change-ready, and innovative and consistent in moving forward and making decisions in service of the GVHA vision and mission.

Financial imperative for innovation

There is a financial imperative for change and growth at GVHA. The aging nature of the infrastructure and the need for significant work to ensure climate resiliency requires an approach that integrates revenue growth and partnership. GVHA is committed to growth via innovation, which includes a partnership mentality and an entrepreneurial focus to development and growth.

Partnerships and engagement

GVHA will move forward in close contact and alignment with our member agencies and our community, focusing on proactive engagement and communication, and understanding that GVHA is an economic accelerator and steward of harbour waters and lands for Greater Victoria residents. Given the relatively limited internal capital available annually, GVHA is approaching all priorities knowing that external partners and partnerships will be vital.

Strong operations and a strong people culture

There is a need for strong leadership and a strong people-focused culture across GVHA. GVHA will continue to focus on building culture and supporting leadership and employees across all areas of the business through training, coaching, and open and transparent leadership. GVHA has an established leadership coaching program that will continue this fiscal year, and will continue to support workplace health and safety initiatives, EDI and accessibility projects and culture. The organization will continue to support the operations teams that takes care of all day-to-day operations such as repairs and maintenance, infrastructure projects, marinas and commercial activities through regular training, a focus on safety, and on-the-ground leadership and recognition.

Strategic long term and nimble short term

GVHA has a number of mid and longer term priorities, including Integrated Planning, economic development with nations, co-management, shorepower and sustainability. GVHA will need to be mindful of the strategic complexities of these priorities and ensure that a measured and careful approach is taken. At the same time, GVHA needs to be able to nimbly leverage immediate opportunities, including business development options. These two approaches can be complementary and GVHA will approach our work as such.

Risks and mitigation

GVHA has an ambitious path ahead. There are a number of significant priorities and projects under way, with a relatively small team responsible for outcomes. Much of the work is inter-related, and there will be periods of uncertainty and “grey” as projects get under way and mature. This will create a changing and dynamic environment that will require trust and openness internally and externally. Strong leadership across the organization will be needed to mitigate uncertainty and to ensure engagement within teams and externally continues. There’s a need to continue to focus on day-to-day operations and relationships and also embrace innovation and the future.

GVHA has an established risk register that identifies, assesses and mitigates business risks. Identified risks include natural disasters or emergencies, changes to regulatory environment, and community engagement and relationships. (See appendix.)

Summary

GVHA was created in 2002 by business leaders, First Nations and community advocates with a shared goal of supporting the sustainable growth of Victoria’s dynamic working harbour. Since then, GVHA has focused on partnership and community. This Plan continues this legacy, and also is designed to future-proof the organization. This year will balance strategic longer term priorities with an understanding of the need to drive short-term, urgent outcomes. The Plan will rely heavily on the team members who make up GVHA as well as all of GVHA’s partners and interest holders.

Strategic Framework

GVHA continues to operate under a strategic framework with four strategic pillars. These strategic pillars guide the work of GVHA, determine goals and objectives, and help the organization measure success.

