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Infrastructure & Water Services

479 Island Highway

Victoria, BC, V9B 1H7

T: 250.479.9600

F: 250.474.4012

www.crd.bc.ca

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File: 0400-20

The Honourable Brenda Bailey
Minister of Finance
PO Box 9048 Stn Prov Govt
Victoria BC V8W 9E2
Via E-mail: FIN.Minister@gov.bc.ca

Dear Minister Bailey:

**RE: REVIEW OF CONDITIONS REQUIRED FOR FARM CLASSIFICATION BY
BC ASSESSMENT AUTHORITY**

At their February 12, 2025 meeting, the Capital Regional District (CRD) Board directed staff to advocate to the British Columbia Provincial Government (Province) for a review of the criteria used to identify farm classification under Section 23 of the *Assessment Act* and B.C. Reg. 411/95, the Classification of Land as a Farm Regulation (the "Farm Class Regulation"). The CRD understands that the Province is considering a review of BC Assessment Authority's criteria for farm classification. We write to support this initiative and urge the Province to proceed with the review to establish clearer definitions for qualifying agricultural land status.

The CRD considers food security increasingly critical. Vancouver Island's local food and agricultural production systems face many challenges, including the loss of farmland, cost of farm operation, aging farmer population, and rising food prices. The CRD is supporting agricultural production through the implementation of a Regional Foodlands Access Service to deliver programs that will support agriculture across the region. One of the first initiatives under the new service will seek to support new and expanding farmers by facilitating affordable access to productive farmland.

In addition, the CRD provides a lower agricultural water rate for properties with a BC Assessment farm classification, as specified by CRD Bylaw No. 2570. The CRD's Water Advisory Committee (Committee) provides advice to the Regional Water Supply Commission on water supply, quality, conservation, and land stewardship while considering social and environmental impacts. In recent years, the Committee has been considering how the CRD, through the agricultural water rate, can better support agricultural operations that strengthen the Island's food security. They strive to ensure that the agricultural water rate is fairly allocated to properties actively involved in producing food or animal feed, animals for food, or other horticultural crops that contribute to food security. However, reliance on BC Assessment's characterization of farm classification, has raised a concern that hobby farms might benefit from the lower water rates meant for commercial agricultural operations.

The CRD strongly supports the Province's review of BC Assessment's farm classification criteria. Establishing clearer and more equitable definitions will help ensure that agricultural resources and benefits, such as the lower agricultural water rate, are directed toward commercial agricultural operations that contribute meaningfully to food security on Vancouver Island. By addressing these challenges, we can better support our agricultural producers and strengthen the resilience of our regional food system. We urge the Province to move forward with this review to create a sustainable and thriving future for agriculture in British Columbia.

Thank you for your consideration and I look forward to your response.

Sincerely,



Alicia Fraser, P.Eng.
General Manager
Infrastructure & Water Services

cc: CRD Board
CRD Regional Water Supply Commission
CRD Water Advisory Committee
Ted Robbins, Chief Administrative Officer, CRD