

## Lower Mainland Chambers of Commerce & Boards of Trade

July 22, 2019

Honourable Selina Robinson, MLA  
Minister of Municipal Affairs and Housing  
Room 310 Parliament Buildings  
Victoria, BC  
V8V 1X4

RE: Business Community Support for Split Assessment and Property Tax Relief  
Through a New Commercial Property Sub-Class

Dear Minister Robinson,

Chambers of Commerce and Boards of Trade from across the Lower Mainland are collaborating to submit this letter requesting your support and action in addressing the considerable property tax challenges being faced by many small businesses throughout the region.

As you are aware, many businesses are facing incredibly high property tax bills due to the rapid appreciation of their commercial property, and the very viability of some of these businesses is under threat because of it. This problem is caused primarily because properties are valued based on their “highest and best use,” not their current or actual use. For under-developed commercial properties, this unrealized development potential has resulted in significant property tax implications for some local businesses. Any one of the Chambers of Commerce or Boards of Trade who have signed this letter could provide you with examples of businesses who have seen property values and their property taxes increase drastically.

An inter-governmental working group of local government and provincial ministry representatives has been working to identify viable options to address this issue. One proposed solution, *Split Assessment through a New Commercial Sub-Class* would enable, with the support of the Province, the splitting of “development potential” from “existing use” for eligible properties, allowing local governments to then provide a lower tax rate for the future development potential of a property.

This solution would result in meaningful tax relief for businesses and help mitigate the impact of property taxes on the viability of many businesses. We are supportive of this sub-class approach as a possible solution, provided that the business community and other key stakeholders are engaged in the policy development and implementation, including eligibility criteria, term, and level of tax relief.

As evidenced by the signatories to this letter, it is important to note that this problem is not localized to one city or neighbourhood; businesses throughout the province are facing this issue. In fact, Chambers of Commerce and Boards of Trade from across BC are united in the call for a split-tax solution to this problem since adopting it as official provincial policy of the BC Chamber of Commerce earlier this year.

Chambers of Commerce and Boards of Trade work everyday to help businesses thrive and create wealth for our region through trade, commerce and economic development. When businesses can compete and succeed they create the jobs and tax dollars that support the services we all count on as residents. However, when those businesses—especially the small businesses which make such a unique contribution to our communities—are threatened by current policy, then solutions must be found.

On behalf of our regional business community, and the thousands of member businesses we represent, we

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respectfully urge the provincial government to take immediate action on this issue so a solution can be implemented in time for 2020's property taxes.

Sincerely,



Paul Holden  
President & CEO  
Burnaby Board of Trade



Michael Hind  
Chief Executive Officer  
Tri-Cities Chamber of Commerce



David Crawford  
Interim CEO  
Greater Vancouver Board of Trade



Anita Huberman  
Chief Executive Officer  
Surrey Board of Trade



Colleen Clark  
Chief Executive Officer  
Greater Langley Chamber of Commerce



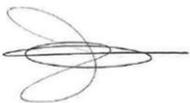
Matt Pitcairn  
President & CEO  
Richmond Chamber of Commerce



Val Litwin  
President & CEO  
BC Chamber of Commerce



Patrick Stafford-Smith  
Chief Executive Officer  
North Vancouver Chamber of Commerce



Jo-Anne Chadwick  
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Ken Holland  
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Melissa Ratcliff  
Chief Executive Officer  
New Westminster  
Chamber of Commerce



Katerina Anastasiadis  
Executive Director  
Abbotsford Chamber of Commerce



CC: Honourable John Horgan, Premier  
Honourable Carole James, Minister of Finance and Deputy Premier  
Honourable Bruce Ralston, Minister of Jobs, Trade, and Technology