

October 29, 2018



UDI IS ON THE MOVE

We will be moving offices on November 10th, 2018. Please update your records with our new address.

**Suite 1100, 1050 West Pender Street
Vancouver, BC V6E 3S7 Canada**

Email addresses and phone numbers will remain the same.

UDI TAXATION COMMITTEE – REMINDER INFORMATION BULLETIN

In a span of two years, new property taxes have completely changed how property owners plan to mitigate the annual tax burden on their properties. There are now **THREE** new residential taxes that must be considered in any budgeting, tax planning, and tax strategy. These new taxes are applicable to residential properties (which include development sites and airspace). Please do not forget that **October 31 is the actual use and permitted use date for the classification of properties on the assessment roll. It is highly recommended that you get in touch with your property tax expert now. [See here for full information bulletin.](#)**

Paul Sullivan, Chair of UDI's Tax Committee

D: 604-331-7300 or psullivan@bcappraisers.com

ADVOCACY

PROVINCIAL

Bill 45 - Speculation and Vacancy Tax: On October 16 Finance Minister Carole James introduced the much-anticipated [legislation](#) for the Government's Speculation Tax first announced in February's 2018 Budget. Subsequently on October 18 the Minister of Finance and B.C. Green Leader [announced amendments](#) to lower the tax rate for out of province Canadians to 0.5% (same rate as British Columbians) and an agreement to target revenues raised by the tax to affordable housing projects in the areas where the taxes are collected. For full details review the Government's updated [website](#) and [FAQ](#).

Despite the proposed amendments, UDI remains concerned that the tax will still target British Columbian and out of province Canadian taxpayers, and capture regions more heavily reliant on seasonal residents like the South Island, Nanaimo and the Central Okanagan. However, UDI is appreciative the Ministry of Finance addressed some concerns from UDI and other stakeholders by putting legislative exemptions in place to broadly protect the development of land for new housing. UDI worked extensively with the Ministry of Finance on this piece to demonstrate the potential unintended consequences of the tax on affordability, and the Government's inclusion of exemptions for lands under development is an important recognition by government that taxes, fees and charges on development lands contribute to the increased cost of building new homes. As [26%](#) of the cost of a new home can be directly attributed to government fees and charges,

UDI will continue to work proactively to urge the B.C. government to act in Budget 2019 to apply similar exemptions for the new school tax and other increased property taxes on development lands, that will otherwise be passed on to eventual home buyers and renters.

Better Buildings B.C. Program: In case you haven't heard through other channels, there is a **new incentive program** called **[Better Buildings BC: The Net-Zero Energy-Ready Challenge](#)**. This is a provincial incentive program and juried competition designed to support, promote and celebrate the design and construction of net-zero energy-ready buildings. The program provides incentives to builders and developers of multi-family, commercial, and institutional buildings that are designed to achieve the top tier of the B.C. Energy Step Code. Those targeting the Passive House Institute's Passive House standard are also eligible to apply. The Province will celebrate the successful applicants as leaders, and showcase the projects that ultimately emerge from the program as leading examples of innovative, energy-efficient designs.

More info and applications are available at <https://efficiencybc.ca/incentives/better-buildings-bc-program/> or watch the [short video](#) introduction.

Note: Expressions of interest must be submitted no later than 11:59pm on November 30, 2018. For questions about the program, please contact info@betterbuildingsBC.ca.

B.C. Energy Step Code Website Updates: Recent updates to the www.energystepcode.ca website include:

- A new Incentive Programs page under the Resources tab – <https://energystepcode.ca/incentive-programs/> - this page provides links to the new [EfficiencyBC website](#) and includes info about the Better Buildings B.C. program noted above
- The addition of the brand new [B.C. Energy Step Code Builder Guide](#) published by B.C. Housing – you can find it on any of the Resources pages (except the homeowner resources page)
- Also a reminder about the recently created [Case Studies page](#)
- All of the Resources Pages have been updated with links to the new Incentive Programs page, and Case Studies page

B.C. Building Code Update 2018: The following municipalities have released information on the implementation of the [2018 British Columbia Building Code](#) with an effective date of December 10, 2018:

- [Burnaby](#)
- [Richmond](#)
- [Surrey](#)
- [District of North Vancouver](#)
- [New Westminster](#)

BC Housing will also be holding a series of webinars on the upcoming changes. For more information and to register, please visit [BC Housing's website](#).

REGIONAL

Lower Mainland Flood Management Strategy: UDI is participating on the Joint Program Committee of the second phase of the [Lower Mainland Flood Management Strategy \(LMFMS\)](#). The Committee last met on October 24 and includes representatives from all levels of Government, industry, stakeholders and the Fraser Basin Council (who are facilitating the project).

In ***Phase 1 of the LMFMS***, "...work included an analysis of B.C. Lower Mainland flood scenarios, a regional assessment of flood vulnerabilities, and a review of current flood protection works and practices in the region." The results showed a significant and growing risk of large-magnitude floods in the Lower Mainland, and "If a major Fraser River or coastal flood were to occur between now and 2100, it would trigger losses estimated at \$20 to 30 billion, which would be the largest disaster in Canadian history."

The focus of Phase 2 of the *LMFMS*, will be to develop a long-term strategy to manage flood risks by 2020, which includes:

- *“Improved understanding of the flood hazard*
- *Assessment of priorities and options for flood mitigation, decision-making and cost-sharing*
- *Input on options from partners and participants in the LMFMS*
- *Participation of First Nations*
- *Analysis of environmental impacts and regulatory requirements of flood mitigation*
- *Stakeholder and public engagement on key issues.”*

For further information, please see the progress reports below.

- [Flood Strategy Briefing 1](#)
- [Flood Strategy Briefing 2](#)

MUNICIPAL

2018 Municipal Elections: On October 20, municipalities across British Columbia elected local representatives. UDI congratulates all of the successful candidates on their election wins and looks forward to working with Mayors and Councils across Greater Vancouver and the Lower Mainland, particularly on issues such as housing affordability and the development application process. We will be sending elected officials an introductory letter, outlining our engagement in their municipalities and wishing them success in their roles.

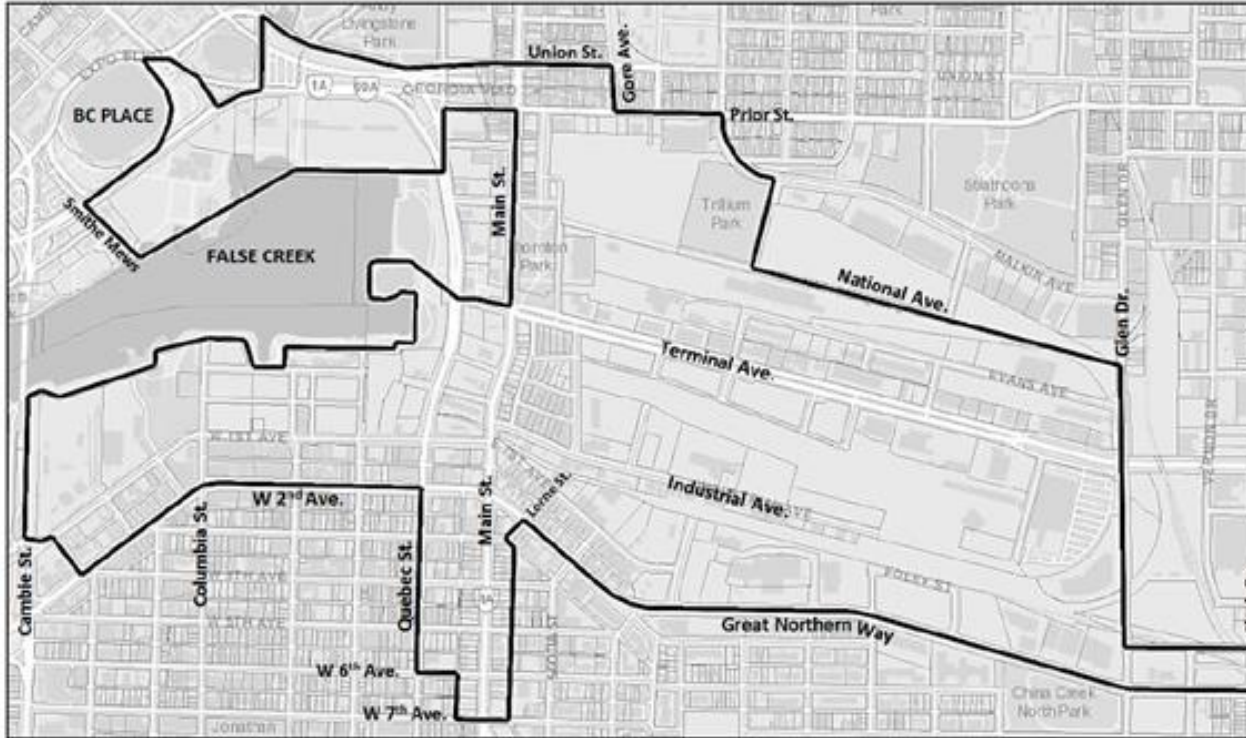
For a full list successful candidates in B.C. municipalities, please visit [CivicInfo B.C.'s website](#).

City of Vancouver

Neighbourhood Energy Utility Optimization: As noted in previous newsletters, Vancouver has held several consultation sessions with UDI members on proposed amendments to the Neighbourhood Energy Utility (NEU) by-law that would improve performance and add value for developers and customers. The City hosted a final session on October 26 where staff presented recommendations including the implementation of a one-time NEU connection fee and relaxations to design requirements for buildings connection to the utility. Staff will be taking recommendations to Council in December 2018 and are recommending that the NEU adopt the connection fee on June 1, 2019.

The City is seeking final feedback from UDI members that have interests within the NEU service area (see map below) on the proposed NEU by-law amendments. Details are available in the [attached presentation](#). Please provide any feedback to Ashley St. Clair (ashley.st.clair@vancouver.ca) by **November 5, 2018**.

City of Vancouver Map of NEU Service Area



Township of Langley

Development Cost Charges (DCCs): As noted in previous newsletters, the Township of Langley has been conducting a review of its DCC program. UDI and the Township have established a DCC Sub-committee, which has met twice with the latest meeting being on October 17. The Township is still finalizing the rates. Although, staff have reduced the rates since their original estimates, land costs are three times higher than when the last DCC Review occurred, so there will be very substantial increases in the DCCs. They could increase on average by as much as 85%. UDI has already suggested that Township staff consider phasing in the rate increase in addition to other recommendations. If you have any questions, please contact [Cassandra McColman](#) at 604.661.3032.

City of Coquitlam

Electric Vehicle Charging Infrastructure: As mentioned in previous newsletters, Coquitlam has proposed an amendment to the [EV Charging Infrastructure Requirements Zoning Bylaw](#). The change will be discussed at a Public Hearing on October 29 and is also on the agenda of the Regular Council meeting immediately following, for second, third, fourth and final readings.

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