



December 22, 2020

Honourable Selina Robinson  
Minister of Finance  
Parliament Buildings  
Victoria, British Columbia V8V 1X4

Dear Minister Robinson:

On behalf of the Board of Directors of the Urban Development Institute – Pacific Region (UDI) and our over 950 members, I would like to congratulate you on your recent re-election and appointment as Minister of Finance. UDI looks forward to assisting you and your Ministry in restarting British Columbia's economy and providing jobs to those who have lost them due to the COVID-19 pandemic. Your new Ministry also has a substantial impact on housing affordability, and we welcome the opportunity to continue to work with you on this critical issue.

As you know, the building and development industry is a key sector in our economy and will be critical in assisting the Province with the economic recovery, as it did after the 2008 recession. Before COVID-19, it annually contributed:

- Almost \$23 billion to the provincial GDP;
- Employed over 230,000 British Columbians; and
- Generated \$6.6 billion in revenues to governments at all levels.

Due to the efficient cooperation between our industry and your Government to keep construction sites open over the past eight months, the economic impact of COVID-19 was significantly lessened in our sector. UDI is eager to continue to partner with your Government on developing a growth and re-employment agenda as we look ahead to the next phase of the Province's economic recovery over the coming year.

We are pleased that as part of your mandate, you will be developing "... a new Recovery Investment Fund to deliver an additional 1% of GDP each year in capital projects ..., including funding new schools, hospitals, child care spaces, roads and transit, and more." Not only will these infrastructure projects create jobs immediately, they are also critical for our members to invest and build new homes, commercial spaces and industrial buildings.

However, it will be important that your Government leverage its investments by taking a stronger position in encouraging local governments to approve housing, commercial and industrial projects near these important infrastructure projects. As you know, UDI has long advocated that the Province invest in transit – but also fully leveraging those investments by using Transit Supportive Agreements to ensure municipalities provide appropriate land use policies around stations. As such, UDI is pleased that your government is making the *Integrated Transportation and Development Strategy* a priority.

We are also supportive of the steps the Government is taking to reduce the costs of strata insurance through the work of the BC Financial Services Authority. This continues to be an important issue to our membership as we are organizing another webinar early next year on

the problem that will be a follow-up to an educational event we held earlier this year. It is important to note that rising insurance rates are being felt in other types of buildings, including rental and commercial buildings. If the Government chooses to proceed with the exploration of a public strata insurance option, we ask that it also consider this model for other types of buildings.

As you are aware, UDI has been concerned about the array of new taxes that have been applied to housing – both by the current and previous governments. Housing taxation is one of the most significant barriers to providing more housing and as such we believe the focus on just taxation has not provided relief nor options to tenants and homebuyers. In fact, because many of the housing taxes apply to housing projects (including new Purpose Built Rental buildings), they have added to the cost of providing new homes to British Columbians.

I have attached a *Housing Policy Priorities* Paper that UDI released in October with further insight on these tax issues as well as other solutions to improve housing affordability such as enhancing Transit Supportive Agreements as noted above. UDI has been collaborating with Ministry of Finance officials to reduce the impact of new taxes on lands under development so as to enhance affordability, and looks forward to continuing this work in the coming months.

We would like to have the opportunity to discuss these critical issues with you early next year. My staff will follow-up with your office. Once again, congratulations on your re-election and appointment as B.C.'s Minister of Finance. UDI welcomes the opportunity to work with you and your Ministry on implementing many of the key priorities of the Government's new term.

Yours sincerely,



Anne McMullin  
President & CEO

C.C.  
Heather Wood, Deputy Minister, Finance and Secretary to the Treasury Board