

## Lacey Maxwell

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**From:** Victoria E. Adams [REDACTED]  
**Sent:** October 12, 2017 11:55 AM  
**To:** Victoria Mayor and Council  
**Subject:** 506 Fort Street - Heritage Bylaw, Housing Agreement & Tax Exemption

Mayor and Council  
City of Victoria

**Re: J. Tinney Report to Council, Subject: Heritage Designation Bylaw 17-032, Housing Agreement Bylaw 17-104, and Heritage Tax Exemption Bylaw 17-105 for 506 Fort Street**

<https://victoria.civicweb.net/FileStorage/20E810BBAE474035802533E8BA7FFD1C-Bylaw%20Introduction%20Report%20Bylaw%20No.%2017-032,%20No.%2017.pdf>

I ask Mayor and Council *not to approve the Bylaws pertaining to 506 Fort Street Heritage Property.*

-- There is no guarantee the owner will not convert these units into short-term rentals.

-- There is no rental housing agreement that could ensure at least one of the residential units remains at an affordable rental rate for 10 years.

-- Tax Incentive Program Policy adopted by the City of Victoria on March 12, 1998, states: "City Council approval of the tax exemption must occur prior to the commencement of any work on the proposed project." ....and that this application did not adhere to the policy related to completion of the work after Council approval is achieved.

**Council should not grant a 10-year tax exemption after the fact to the owner of this property who did not abide by the TIP rules. It sets a dangerous precedent, for other owners who will use this decision to obtain their own tax-exemptions in the future.**

Furthermore, the Staff report indicates that:

In March 1998, City Council approved the Tax Incentive Program to provide tax exemptions of up to ten years to assist heritage building owners with the high cost of seismic upgrading which was affecting the economic viability of converting the upper floors of heritage buildings to residential use. Not including the current project, the program has created 600 new residential units in 34 rehabilitated heritage buildings and attracted \$205 million in private investment in the Downtown Core.

-- What is ***absent from the report is the total value of tax-exemptions secured by the owners of the 34 rehabilitated heritage buildings to secure \$205 million dollars worth of private investment in the Downtown Core.*** The average value of the 600 'new' residential units built was more than \$342,00; this is hardly considered affordable housing for this City.

-- Of those residential heritage property owners who received tax exemptions from the city, how many of the 600 new residential units are now real estate investment properties, i.e. short-term rentals versus housing for occupants: long-term rental units and owner-occupied units?

-- Why is the City granting heritage property tax exemptions to developers of what is considered unaffordable housing units to most residents of this city?

-- Is there a shortage of high-value housing units for affluent households in this city? Do they deserve a higher priority for housing accommodation than 60 per cent of the City's households who rent and are finding it extremely difficult to find affordable rental units in a city with a near zero vacancy rate?

Sincerely,

Victoria Adams  
Victoria, B.C. resident