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His Worship Mayor Don McCormick City of Kimberley 340 Spokane Street Kimberley BC V1A 2E8

His Worship Mayor Al Raine District of Sun Peaks Box 1002 Sun Peaks BC V0E 5N0

Her Worship Mayor Lisa Helps City of Victoria 1 Centennial Square Victoria BC V8W 1P6 Her Worship Mayor Debra Kozak City of Nelson 101-310 Ward Street Nelson BC V1L 5S4

Her Worship Mayor Josie Osborne District of Tofino Box 9 Tofino BC V0R 2Z0

NOV 1 5 2017
VICTORIA, B.C.

## Dear Mayors:

It was a pleasure to meet with most of you and your councillors at the 2017 UBCM convention.

Housing issues were a common topic in my conversations during the week. Concerns ranged from PST and MRDT for short-term accommodation providers, to funding levels under the Resort Municipalities Initiative, to the home owner grant system, and more generally, the effects that increased housing prices are having on both businesses and communities. We know many residents are struggling, and our government is developing a comprehensive housing action plan that will address housing affordability for all British Columbians.

In our meeting, you called for changes to the small-seller rule for short-term accommodation providers in the PST and MRDT. There was a common view that some former providers of long-term accommodation are moving into the short-term market at the expense of long-term rentals that are needed to support local workers. I also heard concerns that without changes to the PST, there could be a loss of local support for the MRDT among providers whose customers are subject to the tax. I have asked Finance Ministry staff to consider the views you expressed as they evaluate the current PST provisions.

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Telephone: 250 387-3751 Facsimile: 250 387-5594 Location: 501 Belleville Street Parliament Buildings, Victoria website: www.gov.bc.ca/fin Our government is committed to building partnerships with local government to make life more affordable for all British Columbians, to improve service delivery and to promote a strong economy that creates sustainable jobs. The UBCM convention was a valuable opportunity to connect with you on issues that impact our communities, and I greatly appreciated hearing directly from you and other local governments over the course of the week. I look forward to working with you in the coming years to address priority issues for all British Columbians.

Thank you again to your delegation for taking the time to meet with me.

Sincerely,

Carole James

Minister and Deputy Premier

cc: Honourable Lisa Beare

Minister of Tourism, Arts and Culture