



MAYOR WAYNE BALDWIN
OFFICE OF THE MAYOR
WHITE ROCK, BC CANADA

March 6, 2017

Honourable Michael de Jong, Q.C.
Minister of Finance
PO Box 9048 Stn Prov Govt
Victoria, BC V8W 9E2

Dear Minister de Jong:

RE: 2017 RESIDENTIAL PROPERTY ASSESSMENTS

I am writing on behalf of the City of White Rock to express concerns regarding the BC Homeowner Grant legislation. While we appreciate the increase in the Homeowner Grant (HOG) limits that the Province very recently approved, we are of the opinion that more needs to be done to make the outcome more equitable.

In White Rock, the 2017 Residential Assessments jumped by 38% over 2016. This resulted in 58% of our single family homes exceeding the previous \$1,200,000 limit for the HOG. The Province's adjustment to \$1,600,000 improved that situation, but nonetheless, there were still 28% of our households that exceeded that threshold. We do not believe that White Rock is atypical in Metro Vancouver and must therefore assume the situation is not greatly different in Vancouver, Richmond, Delta, the North Shore, and the Tri-Cities. There may be a lesser impact in Surrey, the Langleys, Maple Ridge/Pitt Meadows, Abbotsford and Chilliwack.

Regardless, the point is that the Lower Mainland and the Capital Regional District (CRD) have vastly different assessed values than the rest of the Province, and while the Assessed Value is used as a measure of ability to pay, there really is no direct relationship at all. A teacher in White Rock gets paid roughly the same as a teacher in Cranbrook. An RCMP constable in North Vancouver gets paid the same as a constable in Terrace. A nurse in Coquitlam gets paid the same as a nurse in Smithers. So the question is why would it be assumed that a person living in the Lower Mainland is more financially capable of paying the school tax than a person outside of the Lower Mainland or the CRD, and why would they be less likely to receive the HOG than the rest of BC?

We are of the opinion that since the Provincial Government has already decided that there are two separate areas in the Province with respect to the size of the HOG, ie the Lower Mainland and the CRD vs Rural and Northern BC, it would be a simple matter to have two HOG eligibility limits.

In terms of equity, this would be a far simpler solution than what currently exists. This way, the Provincial Policy which we understood to have been that 95% of households in the Province should be eligible for the HOG could more readily be applied than the present "one size fits all" legislation.

Of course, the situation is exacerbated by the fact that the HOG for the northern and rural areas is \$200 greater for each household than in the Lower Mainland and the CRD. On the other hand, in essence, the differential shows that there already are different rules for different areas. It would not be much of a stretch to create two different thresholds for the HOG in order to alleviate the tax burden on the Lower Mainland and the CRD which currently overcompensate the Province for the beneficial effect of the generous HOG limits for the rest of the Province.

Thank you for your consideration in this matter.

Yours truly



Wayne Baldwin
Mayor

cc: Metro Vancouver (and member municipalities)
Capital Regional District (and member municipalities)
Fraser Valley Regional District (and member municipalities)