

COMMITTEE OF THE WHOLE REPORT
FROM THE MEETING HELD JANUARY 19, 2017

For the Council Meeting of January 26, 2017, the Committee recommends the following:

1. Proclamations

1. THAT staff be directed to create a standardized online form for proclamation requests, including the name of the sponsoring organization, the proposed date(s) of the proclamation, and the proposed text of the proclamation.
2. That staff report to Committee of the Whole with proclamation requests received in accordance with this prescribed form.
3. In order to be forwarded for Council's consideration, each proclamation request will require a resolution approved at Committee of the Whole.
4. That City Staff provide Council with a calendar each year with the proclamations made in the previous year.
5. That Council vote on each proclamation individually.
6. In consideration of proclamations that Council is fulfilling a request rather than taking a position

2. Festival Investment Grants

That Council approve the Festival Investment Grant allocations as recommended in Appendix 1 and 2 attached to the report dated January 12, 2017, for total cash grants of \$169,000 and in-kind grants up to \$115,500 including the \$15,000 in-kind contribution for Car Free Day already approved by Council.

3. Advisory Bodies to Council

That Council direct staff to bring forward policy options to address process enhancements for advisory bodies to Council.

4. Bill C-323: Federal Heritage Tax Credit Bill

That the City of Victoria indicate its strong support of Bill C-323 and forward correspondence to The Honourable Catherine McKenna MP, The Honourable Murray Rankin MP, and The Honourable Peter van Loan MP.

5. Canadian Capital Cities Organization Annual Board Meeting in Ottawa, Ontario, February 1-4, 2017

That Council authorizes the attendance and associated costs for Councillor Alto to attend the Canadian Capital Cities Organization Annual Board meeting to be held in Ottawa, Ontario, from February 1 – 4, 2017.

The approximate cost for attending is:

Travel	\$633.00
Accommodation	\$744.00
Incidentals	\$ 70.00
Cost per person	\$1447.00

6. Extension of Vacancy Taxation and Additional Property Transfer Tax to Capital Region

That the following motion be postponed for three months:

THAT Council endorse the following resolution and direct staff to forward copies to the Capital Regional District Board and the Mayors, Councillors and Directors of the thirteen municipalities and three electoral areas within the Capital Region, requesting favourable consideration and resolutions of support:

Resolution: Extension of Vacancy Taxation Authority and Additional Property Transfer Tax to Capital Region

WHEREAS the Government of British Columbia and Legislative Assembly responded to a housing affordability crisis in July 2016 by introducing a 15% Additional Property Transfer Tax on residential real-estate purchases in Metro Vancouver by foreign entities – a policy that has helped curb rapid escalation of residential real-estate prices in that region;

AND WHEREAS the same legislation empowered the City of Vancouver to introduce a vacancy tax on residential properties;

AND WHEREAS there is a risk that application of these policies in a single region can create distortions in the real-estate market in other regions, including in the Capital Region, with a negative impact on housing affordability;

AND WHEREAS local government jurisdictions within the Capital Region have experienced sharp escalation in real-estate prices and land values in the past year, as well as growth in purchases by foreign entities since the Additional Property Transfer Tax was introduced in Metro Vancouver, undermining the Capital Regional District's Board Strategic Objective of increasing the supply of affordable housing;

THEREFORE BE IT RESOLVED THAT the Capital Regional District places itself on record requesting that the Government of British Columbia introduce legislation without delay to: (1) Extend Vacancy Taxation Authority to local governments within the Capital Region, and (2) Apply the 15% Additional Property Transfer Tax to purchases of residential real-estate by foreign entities in the Capital Region and utilize this increase to invest in affordable housing;

AND BE IT FURTHER RESOLVED THAT the Capital Regional District requests that purchases by individuals who live, work or pay provincial income tax in British Columbia be exempted from application of the Additional Property Transfer Tax;

AND BE IT FURTHER RESOLVED THAT the Capital Regional District requests that the Government of British Columbia introduce additional measures to curb speculation in residential real-estate and increase housing affordability in the region and province.

7. Extension of Vacancy Taxation and Additional Property Transfer Tax to Capital Region

Motion to Refer:

That this motion be referred to the Movers and the Mayor for refinement, and that they look at past AVICC motions that are relevant:

THAT Council endorse the following resolution and forward copies to the Premier of British Columbia, the Ministers responsible for Local Government and Housing, the Association of Vancouver Island and Coastal Communities Annual Convention, and member local governments and regional districts in the Capital Region, AVICC and UBCM, requesting favourable consideration and resolutions of support.

Resolution: Extension of Vacancy Taxation Authority to Local Governments

WHEREAS the Government of British Columbia and Legislative Assembly responded to a housing affordability crisis in July 2016 by introducing legislation that empowered the City of Vancouver to introduce a surtax on vacant residential properties;

AND WHEREAS communities across British Columbia face acute housing affordability pressures, while a portion of the housing supply in all communities remains vacant, including properties that have remained derelict for years or decades;

AND WHEREAS vacant and derelict buildings pose substantial risks in terms of public safety in communities, as well as liveability and desirability for nearby and adjoining neighbourhoods and properties;

THEREFORE BE IT RESOLVED THAT the Province of British Columbia extend the authority to introduce a surtax on vacant residential properties to local governments across British Columbia, providing communities with the discretion to introduce taxation tools to discourage vacant and derelict buildings, and encourage the improvement of buildings to address housing affordability.

8. Correspondence from the Hotel Association of Greater Victoria

That Council receive the report for information and refer the letter as part of the discussion on the next item regarding Short Term Vacation Rentals.

9. Workshop: Short Term Vacation Rental

Scenario 1: Entire condo with no transient zoning

1. That Council direct staff to proactively enforce current prohibition in zoning so Short-Term Vacation Rentals cease.
2. That staff report back to Council on options for permitting and enforcing limited, ancillary use of residential properties (in multi-unit and single-family dwellings, in all neighbourhoods in the city) by the occupants (owners or renters) for a limited number of maximum days in each calendar year for the commercial purpose of providing short-term vacation rentals.
3. Motion to refer to the February 16, 2016 Committee of the Whole meeting and invite comment from the BnB Association, the Hotel Association and other operator, industry representatives that want to provide comment:

That the City write to the province asking there be a repeal of Section 78(1)(b) of the Provincial Sales Tax exemption and refund regulation.

Scenario 2: Entire condo with transient zoning

1. That Council direct staff to maintain zoning rights and proactively enforce through business license registration; monitor use through business license tracking and review collected data and assess annually the need for potential rezoning.
2. That Council direct staff to introduce language in the Zoning Bylaw and/or Housing Agreements for all new developments (in Downtown and all City neighbourhoods) to ensure that new residential-zoned units are used for the primary purpose of housing, rather than short-term vacation rentals.
3. That staff be directed to contact the BC Assessment Authority, drawing the Authority's attention to the existence of properties within the City of Victoria being used primarily for the commercial purpose of providing short-term vacation rentals, which should properly be classified (and taxed) as Commercial properties, rather than Residential properties.

Scenario 3: 1-2 bedrooms within occupied condo

That Council direct staff to permit and proactively enforce through business license registration and tracking.

Scenario 4: Entire homes

That Council direct staff to proactively enforce current regulations so Short-Term Vacation Rentals cease.

Scenario 5: Entire secondary suites (including garden suites)

That Council direct staff to proactively enforce current regulations so Short-Term Vacation Rentals cease.

Scenario 6: 1 - 2 Bedrooms within occupied SFD

That Council direct staff to proactively enforce current zoning rights through business license registration and monitor use through business license tracking.

1. That Council receive the December 23, 2016 report to guide and inform the short-term vacation rentals workshop on January 19, 2017; and
2. That staff report back with policy, regulatory and enforcement recommendations based on the workshop discussion.