



SQUAMISH

HARDWIRED *for* ADVENTURE

July 29, 2016

Hon. Michael deJong
Room 153, Parliament Buildings
Victoria, BC
V8V 1X4

Re: Foreign Buyers Tax

Dear Minister deJong,

The District of Squamish would like to express our appreciation for the Provincial Government's intention to help reign in runaway housing prices in the Metro Vancouver area. We absolutely understand the complexity of the issue as we are faced with significant affordability problems and the twin issues that arise in the labour market as a consequence. We also are realistic about the challenge of finding a solution that targets the problem without unintended consequences.

Along this vein, I'd like to convey the ripple effect of the Foreign Buyers Tax in Metro Vancouver on Squamish and our desire for Squamish to be included in the zone where this tax is applied.

The additional tax announced on Monday, July 25, 2016, will apply to the sale of all residential properties that qualify within the 22 communities of Metro Vancouver. As you likely know, Squamish is about a 45-minute drive to Vancouver and only 20 minutes north of the boundary of Metro Vancouver. Our citizens, economic drivers, housing and transit are inextricably connected to Metro Vancouver and the decisions made in the Lower Mainland affect our community profoundly. An example of this is the Motor Fuel Tax (Translink) whereby our residents pay about the same price at the pump without the added benefit of the revenue for transit. And this connection is perhaps even more notable in the housing market today. As a result, Squamish must be considered as part of Metro Vancouver in new policies and decisions related to housing, economy, social services and transit in particular.

The phenomenon of foreign buyers contributing to the increasing housing prices in Vancouver is evident in Squamish as well. Our fear, and one that is very probable if not inevitable, is that

Squamish will become even more desirable to foreign homebuyers looking to avoid the tax and further compound the issue of affordable housing in Squamish.


According to the Real Estate Board of Greater Vancouver, the average price of a single-family home in Squamish increased by 20.8% in 2015. This price increase is similar to, if not greater than the gains experienced in most of the Metro Vancouver communities. And preliminary numbers indicate a 24% increase in the first half of 2016 alone. We are proactively working on a number of projects and initiatives in Squamish to combat the challenge of housing affordability including strategic social housing projects, incentives for secondary suites, laneway homes, purpose built rentals and density bonusing.

Currently, Squamish does not fall within the jurisdiction of the new tax. The ripple effect of this exclusion will be a housing market unaffordable to the average family in Squamish and the labour force that supports our business community. And it will also exclude Squamish from the opportunities created through the affordable housing fund that will be generated by the tax revenue.

The District of Squamish would like to be included in the Foreign Buyer's Tax. This request is in an effort to help ensure affordability in the Sea-to-Sky Corridor for average families and the preservation of our labour force that drives our business community.

Thank you for considering this request. I look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read 'Patricia Heintzman', written in a cursive style.

Patricia Heintzman, Mayor
District of Squamish

cc: Hon. Christy Clark, Premier
Hon. Rich Coleman, Minister responsible for Housing
Jordan Sturdy, MLA West Vancouver-Sea-to-Sky
Selena Robinson, Opposition Spokesperson for Local Government