



February 25, 2021

478391

His Worship Mayor Bill Dingwall
City of Pitt Meadows
bdingwall@pittmeadows.ca

Dear Mayor ~~Dingwall~~: *Bill*

Thank you for your letter of January 5, 2021, providing your written submission for the Speculation and Vacancy Tax (SVT) consultation meeting. I appreciate you taking the time to share your feedback with me.

I have received a variety of feedback from municipal leaders. It is clear that housing affordability remains critically important to all levels of government, and there is not a “one size fits all” approach to addressing it. When appropriate, any changes to the tax will be implemented for the next SVT tax year (2021).

The SVT was introduced as part of Government’s 30-point housing plan in February 2018. The SVT targets those who are holding their properties vacant, putting pressure on already low vacancy rates and housing supply levels. The SVT also targets foreign owners and satellite families who do not pay their share of income taxes in our province but enjoy British Columbia’s services and high quality of life. Data from the first two years shows that the SVT is contributing towards two main objectives of the tax:

- Turning empty homes into housing for people who live and work in B.C.
- Supporting affordable housing initiatives

The tax applies in B.C.’s core urban centres that, at the time of implementation, were experiencing near zero vacancy rates and housing prices that were disproportionately high compared to local incomes. The province took a regional approach to implementing the SVT, which was to prevent speculation from being pushed from one municipality to another.

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In your letter, you mention that the SVT appears to have very little impact on housing in Pitt Meadows. One of the goals of the tax was to address housing affordability and the increasing prices of real estate. However, external factors such as pent-up demand, low interest rates, and low inventory are contributing to increased sales and prices. Industry experts, including Tiff Macklem, Governor of the Bank of Canada, have attributed recent price gains to low interest rates and demand for space, rather than speculation.

Thank you again for taking the time to write. Your comments are important to us and I appreciate your input on how we can build a better B.C.

Sincerely,

A handwritten signature in black ink that reads "Selina Robinson". The signature is written in a cursive, flowing style.

Selina Robinson
Minister

cc: Honourable David Eby, Attorney General and Minister Responsible for Housing
Honourable Josie Osborne, Minister of Municipal Affairs



City of Pitt Meadows

OFFICE OF THE MAYOR

January 5, 2021

File: 01-0220-01

Honourable Selina Robinson
Minister of Finance
PO Box 9048 Stn Prov Govt
Victoria, BC V8W 9E2

Sent via email: FIN.Minister@gov.bc.ca

Dear Minister Robinson:

Re: Second Annual Consultation – Speculation and Vacancy Tax (SVT)

Thank you for your December 10, 2020 letter regarding the Speculation and Vacancy Tax (SVT) second annual consultation.

Based on the data, there are less than 1% of properties in the City of Pitt Meadows that are affected by the SVT, therefore it would appear this tax has very little impact on housing within our municipality.

We appreciate the opportunity to comment on how this is working in our community.

Yours Truly,

Mayor Bill Dingwall

BGS, LL.B., CPHR