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November 22, 2018

(via e-mail)
File: 0400-20

Honourable Carole James
Minister of Finance
Parliament Buildings – Room 153
PO Box 9048, Stn Prov Govt
Victoria BC V8W 9E2

Dear Minister James:

RE: Capital Region Housing Corporation: Exemption from *Property Transfer Tax Act* for local government housing corporations

The Capital Regional District (CRD) requests that its wholly-owned subsidiary, the Capital Region Housing Corporation (CRHC), be specifically included for an exemption under the *Property Transfer Tax Act* [PTTA], Section 14(3). Since 1982, the CRHC has provided public housing rentals and development services for the CRD's public housing and land banking function, created by *Letters Patent* (attached). It currently operates more than 1,300 affordable units.

At present, the *PTTA* subjects the CRHC to Property Transfer Tax when acquiring land or property, adding between 3% to 5% to the total cost of each affordable project. Due to high land values, this is significantly impacting the CRD's ability to provide housing at affordable levels.

We believe this is a gap in the legislation or in the interpretation of "regional district" as applied by delegates. Whereas the CRD has been allowed to create a corporation to operate its public housing function by *Letters Patent*, to charge taxes which would not otherwise be available if the function was operated directly by the regional district will directly impact the affordability of public housing.

The CRHC is exempt from taxation under the *Income Tax Act* and is regarded as a municipality for GST purposes. The CRHC should also be considered a regional district for Property Transfer Tax purposes, by legislative change or by delegate interpretation of "regional district" under the *PTTA*.

Minister James – November 22, 2018

**Capital Region Housing Corporation: Exemption from *Property Transfer Tax Act*
for local government housing corporations**

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The CRD is requesting consideration of this matter for the 2019 budget process. Thank you for your consideration.

Sincerely,



Robert Lapham, MCIP, RPP
Chief Administrative Officer

Attachment

cc: The Honourable Selina Robinson, Minister of Municipal Affairs and Housing
Lisa Helps, Chair Capital Region Housing Corporation
Kim Manton, Executive Assistant
Duncan Jillings, Director, Property Tax, Tax Policy Branch
Kevin Lorette, General Manager, CRD Planning & Protective Services
Christine Culham, Senior Manager, Capital Region Housing Corporation

W.S. OWEN
Lieutenant-Governor

[LS]

C A N A D A

PROVINCE OF BRITISH COLUMBIA

ELIZABETH the SECOND, by the Grace of God, of the
Kingdom, Canada and Her Other Realms
and Territories, Queen, Head of the
Commonwealth, Defender of the Faith.

To all to whom these presents shall come -

GREETING.

JAMES G. JORNER

Minister of
Municipal Affairs

(WHEREAS pursuant to the provisions
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(of Section 766 of the Municipal Act
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(the Capital Regional District was
(incorporated by Letters Patent
(
(issued on the first day of February,
(
(1966

AND WHEREAS, Section 766 of the Municipal Act,
provides inter alia, that, in addition to the functions
conferred by that Act, a regional district has such functions
as are provided by Letters Patent or supplementary Letters

Patent, and for this purpose the Lieutenant-Governor in Council may, on the recommendation of the Minister, provide in the Letters Patent or supplementary Letters Patent such further objects, powers, obligations, duties, limitations, and conditions in respect to any or all functions requested pursuant to this section:

AND WHEREAS the Regional Board of the Capital Regional District has requested the function of land assembly, housing and land banking, which request has received the affirmative vote of a majority of all the Directors having among them the majority of all the votes, as required by subsection (4c) of section 766:

AND KNOW YE THAT by these presents We do order and proclaim that on, from, and after the date hereof the following be added to the objects, powers, obligations, duties, limitations, and conditions of the said regional district:-

DIVISION XIII - Land Assembly, Housing
and Land Banking

1. All member municipalities shall participate and share in the cost of the function pursuant to this Division.
2. The regional district is empowered to undertake land assembly for the purpose of housing, either public or private and, public housing, pursuant to the provisions of the National Housing Act, The Municipal Act of the Province of British Columbia, the Housing Act of British Columbia, and other legislation of the Province of British Columbia pertaining to land assembly and public housing, as if the regional district were a municipality.
3. The annual net cost attributable to this function of the regional district shall be apportioned among the member municipalities on the basis referred to in subsection (1) of section 782 of the Municipal Act.

4. The annual net expenditure of the regional district pursuant to this function shall in total not exceed the product of one-quarter of a mill on the total value of land and improvements within the regional district referred to in paragraph 3.

5. The Regional District Board may by by-law assume the assets, rights, obligations and liabilities for any existing or approved project under the National Housing Act.

AND THAT the Letters Patent incorporating the regional district be amended accordingly.

In testimony whereof, We have caused these Our Letters to be made Patent and the Great Seal of Our said Province to be hereunto affixed.

WITNESS, the Honourable Water S. Owen, Q.C., LL.D.,

Lieutenant-Governor of Our said Province of British Columbia, in Our City of Victoria, in Our said Province, this 25th day of July in the year of our Lord one thousand nine hundred and seventy-four and in the twenty-third year of Our Reign.

By Command.

JAMES G LORIMER

ACTING Provincial Secretary.

[L.S.]

VILLAGE OF CHETWYND

NOTICE is hereby given that Mrs. M. Hoover and Mrs. J. Temple (two-year terms) have been duly elected as Aldermen for the Village of Chetwynd.

Dated at Chetwynd, B.C. this 23rd day of November 1982.

de9—7913 J. A. TESLYK
Returning Officer

[L.S.] H. P. BELL-IRVING
Lieutenant Governor

CANADA:

PROVINCE OF BRITISH COLUMBIA

ELIZABETH the SECOND, by the Grace of God, of the United Kingdom, Canada and Her Other Realms and Territories, Queen, Head of the Commonwealth, Defender of the Faith

To all to whom these presents shall come—
Greeting

J. H. Heinrich
Minister of
Municipal Affairs

WHEREAS, under the provisions of section 767 of the *Municipal Act*, the Capital Regional

District was incorporated by Letters Patent issued on February 1, 1966:

And whereas section 767 of the *Municipal Act* provides, *inter alia*, that, in addition to the functions conferred by that Act, a regional district has the functions provided by Letters Patent or supplementary Letters Patent, and for this purpose the Lieutenant Governor in Council may, on the recommendation of the Minister, provide in the Letters Patent or supplementary Letters Patent further objects, powers, obligations, duties, limitations and conditions for any or all functions requested under that section:

And whereas by supplementary Letters Patent dated July 25, 1974, the Capital Regional District was empowered to undertake the function of *Division XII—Land Assembly, Housing and Land Banking* with all member municipalities participating:

And whereas the Regional Board of the Capital Regional District has requested that the function be amended to authorize the regional board to create one or more corporations to undertake land assembly for the purpose of housing, either public or private, and to provide public housing:

And whereas the provisions of section 767 of the *Municipal Act* have been duly complied with:

Now know ye that by these presents We do order and proclaim that on, from and after the date hereof the following be added to the objects, powers, obligations, duties, limitations and conditions of the Capital Regional District:

The function of *Division XII—Land Assembly, Housing and Land Banking* granted by supplementary Letters Patent dated July 25, 1974, be amended as follows:

1. By renumbering sections 3, 4 and 5 as sections 4, 5 and 6.

2. By adding the following as section 3:

“3. Notwithstanding anything hereinbefore contained, and in addition to the objects, powers, obligations and duties otherwise contained herein, but subject to section 6 hereof, the regional district is empowered to cause to be created one or more corporations to undertake land assembly for the purpose of housing, either public or private, and to provide public housing and the regional district is empowered to take or cause to be taken all such actions as it shall deem necessary to cause the incorporation of one or more of such corporations.”

And that the Letters Patent, as amended, of the Capital Regional District be deemed to be further amended accordingly.

In testimony whereof, We have caused these Our Letters to be made Patent and the Great Seal of Our said Province to be hereunto affixed.

Witness, the Honourable Henry P. Bell-Irving, Lieutenant Governor of Our said Province of British Columbia, in Our City of Victoria, in Our said Province, this thirtieth day of September in the year of our Lord one thousand nine hundred and eighty-two, and in the thirty-first year of Our Reign.

By Command.

[L.S.] J. R. CHABOT
Provincial Secretary and Minister
de9—7736 of Government Services

[L.S.] H. P. BELL-IRVING
Lieutenant Governor

CANADA:

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J. H. Heinrich
Minister of
Municipal Affairs

WHEREAS, by section 22 of the *Municipal Act* it is provided the Lieutenant Governor in

Council may, by supplementary Letters Patent, extend the area of a municipality under the conditions therein set out:

And whereas a petition has been received by the Minister of Municipal Affairs from the Council of the District of Tumbler Ridge praying that the area of the municipality be extended to include all and singular those certain parcels or tracts of land situate, lying and being as follows: Commencing at the point of intersection of a straight line drawn between the summit of Mount Collier and the summit of Bullmoose Mountain and 55°05'00" north latitude; thence west 121°31'30" west longitude; thence north to 55°8'00" north latitude; thence west to 121°37'30" west longitude; thence north to 55°11'00" north latitude; thence east to 121°36'00" west longitude; thence south to 55°10'30" north latitude; thence east to

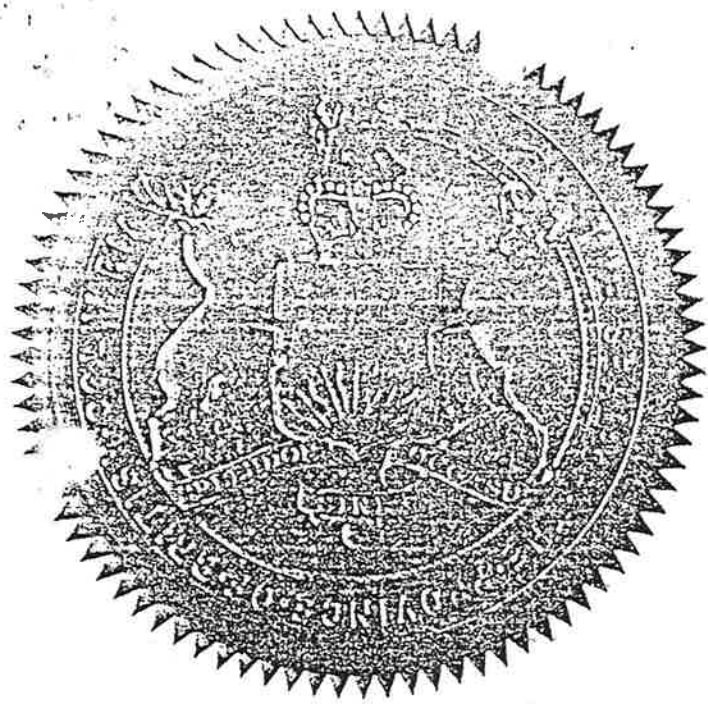
121°33'00" west longitude; thence north to 55°11'00" north latitude; thence east to the point of intersection with the aforesaid straight line drawn between the summit of Mount Collier and the summit of Bullmoose Mountain; thence southerly in a straight line to the point of commencement, and containing by admeasurement 4 465.87 hectares of land, more or less:

And whereas the conditions and requirements of the said section 22 have been duly complied with:

Now know ye that by these presents We do order and proclaim that the area of the District of Tumbler Ridge be extended by the inclusion therein of the lands hereinbefore described, and that on, from and after the date of these supplementary Letters Patent the boundaries of the District of Tumbler Ridge be defined as follows: Commencing at the most northerly corner of Lot 1476, Peace River District, being a point on the natural high-water mark of Kinusco Creek, on the left bank thereof; thence northwesterly in a straight line to the summit of Mount Collier; thence northerly along a straight line drawn to the summit of Bullmoose Mountain to 55°05'00" north latitude; thence west to 121°31'30" west longitude; thence north to 55°8'00" north latitude; thence west to 121°37'30" west longitude; thence north to 55°11'00" north latitude; thence east to 121°36'00" west longitude; thence south to 55°10'30" north latitude; thence east to 121°33'00" west longitude; thence north to 55°11'00" north latitude; thence east to the point of intersection with the aforesaid straight line drawn between the summit of Mount Collier and the summit of Bullmoose Mountain; thence northerly in a straight line to the summit of Bullmoose Mountain; thence north for a distance of 4 830 metres; thence east to a point which lies due north of the summit of Mount Bergeron; thence south to a point which lies due east to the summit of Bullmoose Mountain; thence east to a point which lies 8 850 metres east of the natural high-water mark of Murray River on the right bank thereof; thence southerly in a straight line to the summit of Quintette Mountain; thence southwesterly in a straight line to the aforesaid most northerly corner of Lot 1476, being the point of commencement, and containing by admeasurement 154 530.04 hectares of land, more or less, and 343.43 hectares of foreshore and land covered by water, more or less:

And that provisions of any zoning, subdivision and building regulatory bylaws amended to the date hereof of the Peace River-Liard Regional District shall remain in force and effect in the extension area as if they were a bylaw adopted by the municipality until amended or repealed by bylaw:

And that any proposed zoning, subdivision and building regulatory bylaws having application to or effect within the extension area, the passage of which has been initiated by the Regional Board of the Peace River-Liard Regional District, may be adopted by the council of the municipality, subject to the provisions of the *Municipal Act*, and



W. Ben Swain

Lieutenant-Governor

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Canada, and Her Other Realms and Territories,
Queen, Head of the Commonwealth, Defender of the Faith.

To all to whom these presents shall come -

GREETING.

(WHEREAS under the provisions of
(
(section 767 of the Municipal Act
(
(the Capital Regional District was
(
(incorporated by Letters Patent
(
(issued on February 1, 1966:

W. Ben Swain
Minister
of Municipal Affairs

AND WHEREAS section 767 of the Municipal Act provides, inter alia, that in addition to the functions conferred by that Act, a regional district has the functions provided by Letters Patent or supplementary

Letters Patent, and for this purpose the Lieutenant-Governor in Council may, on the recommendation of the Minister, provide in the Letters Patent or supplementary Letters Patent further objects, powers, obligations, duties, limitations and conditions for any or all functions requested under that section:

AND WHEREAS by supplementary Letters Patent dated July 25, 1974, as amended, the Capital Regional District was empowered to undertake the function of Division XII - Land Assembly, Housing and Land Banking with all member municipalities participating:

AND WHEREAS the Regional Board of the Capital Regional District has requested that the function be amended to authorize the Regional Board to guarantee loans not in excess of \$100,000.00 for one or more corporations undertaking land assembly for the purpose of providing housing:

AND WHEREAS the provisions of section 767 of the Municipal Act have been duly complied with:

NOW KNOW YE THAT by these presents We do order and proclaim that on, from, and after the date hereof, the following be added to the objects, powers, obligations, duties, limitations and conditions of the Capital Regional District:

The function of Division XII - Land Assembly, Housing and Land Banking granted by supplementary Letters Patent dated July 25, 1974, as amended, be further amended as follows:

1. By renumbering sections 4, 5 and 6 as sections 5, 6 and 7.

2. By adding the following as section 4:


"4. For the purposes of this function the Regional District is empowered to guarantee loans, as required, to one or more corporations which may be incorporated as aforesaid, to provide interim financing to such corporations; provided, however, that the total of all outstanding guarantees shall not exceed \$100,000.00."

AND THAT the Letters Patent, as amended, of the Capital Regional District be deemed to be further amended accordingly.

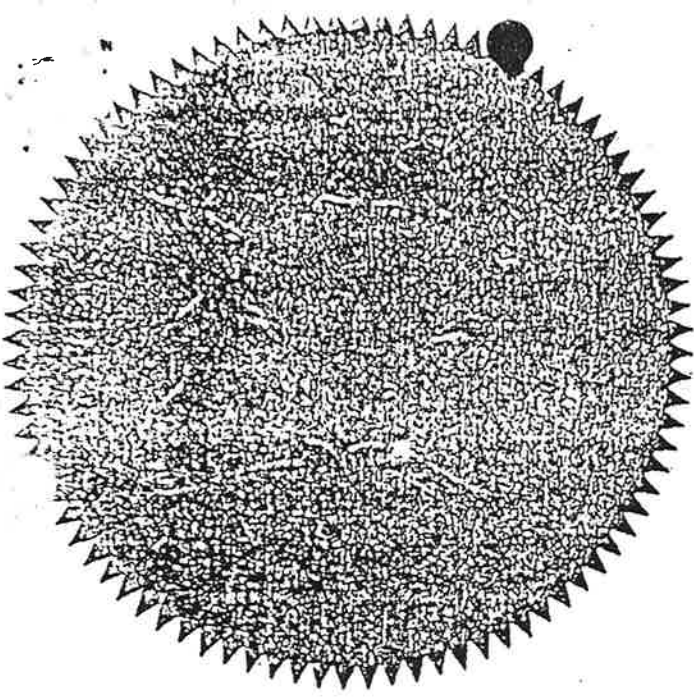
IN TESTIMONY WHEREOF, We have caused these Our Letters to be made Patent and the Great Seal of Our said Province to be hereunto affixed.

WITNESS, the Honourable Henry P. Bell-Irving, Lieutenant-Governor of Our said Province of British Columbia, in Our City of Victoria, in Our said Province, this 17th day of MARCH, in the year of Our Lord one thousand nine hundred and eighty-three and in the thirty-second year of Our Reign.

By Command.

ACTING

Provincial Secretary and
Minister of Government Services.





W. B. Swan
Lieutenant-Governor

C A N A D A

PROVINCE OF BRITISH COLUMBIA

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Head of the Commonwealth, Defender of the Faith.

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GREETING.

Jack Bevan

Minister
of Municipal Affairs

(WHEREAS under the provisions of
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(the Capital Regional District was
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(incorporated by Letters Patent
(
(issued on February 1, 1966:

AND WHEREAS section 767 of the Municipal Act provides, inter alia, that in addition to the functions conferred by that Act, a regional district has the functions provided by Letters Patent or supplementary Letters Patent, and for this purpose the Lieutenant-Governor in Council may, on the recommendation of the Minister, provide in the Letters Patent or supplementary Letters Patent further object, powers, obligations, duties, limitations and conditions for any or all functions requested under that section:

AND WHEREAS by supplementary Letters Patent dated July 25, 1974, the Capital Regional District was empowered to undertake the function of Division XII - Land Assembly, Housing and Land Banking with all member municipalities participating:

AND WHEREAS the Regional Board of the Capital Regional District has requested that the function be amended to authorize the Regional Board to create one or more corporations to undertake land assembly for the purpose of housing, either public or private, and to provide public housing:

AND WHEREAS the provisions of section 767 of the Municipal Act have been duly complied with:

NOW KNOW YE THAT by these presents We do order and proclaim that on, from, and after the date hereof, the following be added to the objects, powers, obligations, duties, limitations, and conditions of the Capital Regional District:

The function of Division XII - Land Assembly, Housing and Land Banking granted by supplementary Letters Patent dated July 25, 1974, be amended as follows:

1. By renumbering sections 3, 4 and 5 as sections 4, 5 and 6.
2. By adding the following as section 3:

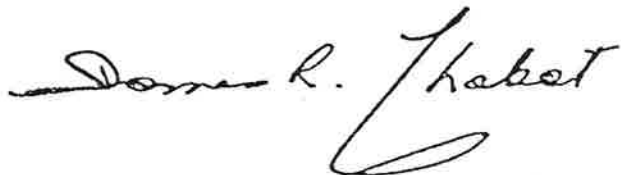
"3. Notwithstanding anything hereinbefore contained, and in addition to the objects, powers, obligations and duties otherwise contained herein, but subject to section 6 hereof, the Regional District is empowered to cause to be created one or more corporations to undertake land assembly for the purpose of housing, either public or private, and to provide public housing and the Regional District is empowered to take or cause to be taken all such actions as it shall deem necessary to cause the incorporation of one or more of such corporations."

AND THAT the Letters Patent, as amended, of the Capital Regional District be deemed to be further amended accordingly.

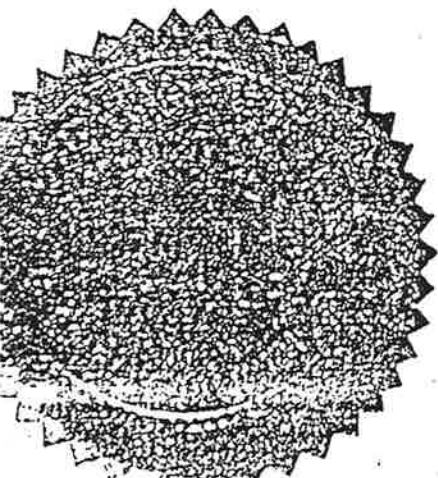
IN TESTIMONY WHEREOF, We have caused these Our Letters to be made Patent and the Great Seal of Our said Province to be hereunto affixed.

WITNESS, the Honourable Henry P. Bell-Irving, Lieutenant-Governor of Our said Province of British Columbia, in Our City of Victoria, in Our said Province, this 30th day of September, in the year of Our Lord one thousand nine hundred and eighty-two and in the thirty-first year of Our Reign.

By Command.



Provincial Secretary and
Minister of Government Services



-4.OCT.1982

BRITISH



COLUMBIA

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APPROVED AND ORDERED SEP. 30 1982

W. Ben Jones
Lieutenant-Governor

EXECUTIVE COUNCIL CHAMBERS, VICTORIA SEP. 30 1982

On the recommendation of the undersigned, the Lieutenant-Governor, by and with the advice and consent of the Executive Council, orders that the supplementary Letters Patent in the form attached be issued providing the Capital Regional District with an amendment to the function of Division XII - Land Assembly, Housing and Land Banking.

Jack Keirich

Minister of Municipal Affairs

W. R. Beards

Presiding Member of the Executive Council

(This part is for administrative purposes and is not part of the Order.)

Authority under which Order is made:

Act and section..... Municipal Act - section 767(2)

Other (specify)..... O.I.C. No. 2466/74 - supplementary Letters Patent dated July 25, 1974

Statutory authority checked by *R. J. CHAMBERLAIN*

(Signature and typed or printed name of Legal Officer)

1748/89