



GREATER VANCOUVER BOARD OF TRADE

Greater Vancouver Board of Trade
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Interim CEO
David Crawford

2018 – 19
Board Executive

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Kari Yuers Senior Vice-Chair
Mary Anne Davidson Vice-Chair
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2018 – 19
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Council of Governors

2016 – 17 Anne Giardini, o.c., o.b.c., q.c.
2016 – 17 Robin Silvester, ICD.D
2015 – 16 Tim Manning, o.b.c., ICD.D
2014 – 15 Hon. Janet Austin
2013 – 14 Elio Luongo
2012 – 13 Ken Martin
2011 – 12 Wendy Lisogar-Cocchia, o.b.c.
2010 – 11 Jason McLean
2009 – 10 Sue Paish, q.c.
2007 – 08 Henry K.S. Lee
2006 – 07 Frank Borowicz, q.c.
2005 – 06 Daniel F. Muzyka
2003 – 04 Jeff Dowle
2002 – 03 Peter Legge, o.b.c.
2001 – 02 Carole Taylor, o.c.
2000 – 01 Harri Jansson
1999 – 2000 T. Richard Turner
1998 – 99 A. Allan Skidmore
1997 – 98 Robert A. Fairweather
1996 – 97 Brandt C. Louie, o.b.c.
1995 – 96 Wayne A. Nygren
1994 – 95 Jill Bodkin
1994 George F. Gaffney
1993 – 94 Iain J. Harris
1992 – 93 David G. McLean, o.b.c., LL.D, F.I.C.D.
1989 – 90 L. I. Bell, o.b.c.
1988 – 89 P. H. Hebb
1987 – 88 R. E. Kadlec
1986 – 87 G. P. Clarke
1985 – 86 A. S. Hara, o.c.
1984 – 85 A. M. Fowlis
1978 D. C. Selman

July 9, 2019

Dear City Council:

RE: Support for proposed split assessment through a new commercial sub-class

On behalf of the Board of Directors and more than 5,000 Members of the Greater Vancouver Board of Trade (GVBOT), we respectfully submit this letter in support of the proposed split assessment through a new commercial sub-class.

As you are aware, the viability of small businesses across the Greater Vancouver region is under threat — particularly the arts and culture sector and non-profit organisations. Businesses facing the most pressure are those in neighbourhoods that are experiencing a fast pace of change and dramatic increases in market valuation. The situation is exacerbated by the “highest and best use” property assessment methodology. For underdeveloped commercial properties, the unrealized development potential has resulted in significant property tax implications.

This issue has become more acute, given the active commercial real estate activities in Greater Vancouver in recent years. It is exceptionally challenging for small businesses to afford the high rents and taxes while remaining viable in their neighbourhoods. The viability of small businesses is further challenged in light of several new costs and tax increases that governments at all levels have announced over the last two years.

Despite the uncertainty in the real estate market and anticipated slight retreat in property values in recent months, the cumulative impact over the past years has been significant. (As an example, a property in Vancouver’s West End experienced a 7.6-fold increase over three years.)

We understand that City staff has been working through the Intergovernmental Working Group and, in May 2019, submitted a set of written recommendations, the most impactful one being Split Assessment through a New Commercial Sub-class. With support from the province, this approach would enable the splitting of “development potential” from “existing use” for eligible properties, and Council could lower the tax rate for “development potential” captured in the new commercial sub-class.

We are supportive of this approach in principle, provided that City staff commits to engaging the GVBOT and other key stakeholders in policy development and implementation, including eligibility criteria, term, and level of tax relief.

For more than 130 years, the Greater Vancouver Board of Trade has worked to help businesses to thrive and create wealth for our region through trade and economic development. When businesses can compete and succeed, they create the jobs and tax dollars required to fund the services that we all count on as residents.

Sincerely,

Greater Vancouver Board of Trade, per;

David Crawford (handwritten signature)

David Crawford, Interim CEO