

CERTIFIED RESOLUTION

This is to certify that the following is the resolution made by the Council of the City of Port Moody at the Regular Council meeting held June 10, 2025 regarding UBCM Resolution – Supporting Housing Affordability Through Taxation Changes and Financial Commitment:

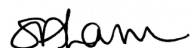
THAT the following resolution be endorsed and forwarded for consideration at the 2025 UBCM convention as recommended in the report dated June 10, 2025, from the Community Development Department – Policy Planning Division regarding UBCM Resolution – Supporting Housing Affordability Through Taxation Changes and Financial Commitment:

WHEREAS housing affordability is impacted by the rising cost of housing for both rental and ownership, and incomes have not kept up to the cost of living across the province;

THEREFORE, BE IT RESOLVED THAT UBCM advocate to the Ministry of Housing and Municipal Affairs and BC Assessment Authority to support housing affordability through taxation changes and financial commitment by undertaking the following:

- *adjust the assessment value of unbuilt density on property values of rental developments and explore variable tax rates for land and improvement to help control land price escalation and speculation;*
- *amend property taxation regulations to allow for variable property taxation rates and allow for progressive property taxation by class, value and use; and*
- *increase renter protections and supports by sufficiently funding Provincial enforcement to support tenants and minimize displacement, including the power to issue orders to landlords to address standards of maintenance deficiencies, as well as enhanced Residential Tenancy Branch processes to improve response times and lower the burden on tenants.*

AND THAT a copy of the resolution be sent to all UBCM municipalities.



Stephanie Lam
City Clerk & Manager of Legislative Services

Dated at Port Moody, BC this 12th day of June, 2025.



City of Port Moody

Report/Recommendation to Council

Date: June 10, 2025
Submitted by: Community Development Department – Policy Planning Division
Subject: UBCM Resolution – Supporting Housing Affordability Through Taxation Changes and Financial Commitment

Purpose

To propose UBCM resolutions advocating for taxation change and financial commitments to support housing affordability, variable property taxation and to increase renter protection and supports, as outlined in Port Moody's Housing Action Plan (2022).

Recommended Resolution(s)

THAT the following resolution be endorsed and forwarded for consideration at the 2025 UBCM convention as recommended in the report dated June 10, 2025, from the Community Development Department – Policy Planning Division regarding UBCM Resolution – Supporting Housing Affordability Through Taxation Changes and Financial Commitment:

WHEREAS housing affordability is impacted by the rising cost of housing for both rental and ownership, and incomes have not kept up to the cost of living across the province;

THEREFORE, BE IT RESOLVED THAT UBCM advocate to the Ministry of Housing and Municipal Affairs and BC Assessment Authority to support housing affordability through taxation changes and financial commitment by undertaking the following:

- **adjust the assessment value of unbuilt density on property values of rental developments and explore variable tax rates for land and improvement to help control land price escalation and speculation;**
- **amend property taxation regulations to allow for variable property taxation rates and allow for progressive property taxation by class, value and use; and**
- **increase renter protections and supports by sufficiently funding Provincial enforcement to support tenants and minimize displacement, including the power to issue orders to landlords to address standards of maintenance deficiencies, as well as enhanced Residential Tenancy Branch processes to improve response times and lower the burden on tenants.**

Background

In April 2019, the Ministry of Municipal Affairs and Housing introduced new legislation under Part 14 of the *Local Government Act*. The new regulation required local governments to complete Housing Needs Reports by 2022 and every five years thereafter. The purpose of the legislation was to: enable the provincial government to gain an understanding of recent changes in demographics and housing and provide important context to plan for future housing needs; enable municipalities to better understand the current and future housing needs.

In 2021, the City completed its first [Housing Needs Report](#) (HNR) which noted the gaps between the housing options that are available and the housing preferences of residents. A lack of both market and non-market housing and increasing housing prices means that many residents are facing challenges with finding affordable housing with enough bedrooms and in good condition.

As a response to the 2021 HNR, in 2022, Council endorsed the City's [Housing Action Plan 2022-2032](#) (HAP). This 10-year plan addresses the housing gaps and needs of Port Moody's current and future residents identified in the HNR.

In the HAP, four strategic directions were identified to guide the implementation of over 30 actions including:

- Improve Affordability;
- Catalyze Rental Housing;
- Diversify Housing; and
- Be a Housing Champion.

This report and its recommendations support the fourth action noted under strategic direction, Be a Housing Champion. Actions focus on advocacy for legislative changes, convening partners and initiating collaboration, sharing information, and engaging with the community. The following three actions were identified in the City's Housing Action Plan that the City could advocate to UBCM on housing issues:

- Action 24: Advocate to the Union of British Columbia's Municipalities for BC Assessment Authority to support housing affordability through its treatment of unbuilt density, and to explore land value taxation.
- Action 25: Advocate to Union of British Columbia's Municipalities for the Provincial government to amend property taxation regulations.
- Action 26: Advocate to Union of British Columbia's Municipalities for the Provincial government to increase renter protections and support.

While new Provincial legislation introduced in 2023 has required changes to facilitate the creation of more housing and reporting related to housing needs in communities across BC, the need for continued advocacy related to housing affordability and renter protections and supports remains.

The deadline for submitting resolutions to UBCM is June 15, 2025.

Discussion

The 2021 HNR identified challenges for housing affordability in Port Moody. In 2023, amendments to the *Local Government Act*, including the adoption of *Bill 44 – 2023: Housing Statutes (Residential Development) Amendment Act, 2023*, made changes to the timing and requirements for Housing Needs Reports. Municipalities and regional districts were required to prepare Interim Housing Needs Reports by January 1, 2025, using a provincially prescribed Housing Need Report Method to identify the 5- and 20-year housing need in their communities.

In December 2024, the City completed the [Interim Housing Needs Report](#) to understand the housing units required to meet current and anticipated needs for the next 5 and 20 years. The needs identified further underscore the importance of advocating to senior levels of government to address housing affordability for current and future residents.

This section provides additional information to BC Assessment Authority and focuses on the importance of each advocacy action and related sub-actions as identified in the Port Moody Housing Action Plan:

Action 24: Advocate to the Union of British Columbia's Municipalities (UBCM) for BC Assessment Authority to support housing affordability through its treatment of unbuilt density and to explore land value taxation.

- 24.1 Advocate to BC Assessment Authority to not assess the value of unbuilt density in rental properties.
- 24.2 Advocate for BC Assessment Authority to study the benefits of land value taxes to control land price escalation and speculation through applying variable tax rates to land and improvement.

Currently, property assessments completed by BC Assessment Authority are based on the full development potential of a site under the Official Community Plan. For example, if land is designated in the City's Official Community Plan to permit development on a site up to six storeys in height but the existing property is developed to three storeys (e.g. under existing zoning), the land valuation is based on the higher redevelopment potential of six storeys. Pre-zoning of the land, where the site has been zoned to the higher level but has not yet been issued a Building Permit to be constructed would also understood to be valued at the higher level.

This could play a key role in the retention of existing rental stock. By focussing assessed value on the existing building on site and leaving the unbuilt potential out, this could result in lowering the payable taxes and thereby reduce the pressure on existing affordable rental stock to be redeveloped.

Further, under BC Assessment Authority's current nine property classes and four assessment approaches, there is no explicit category or subcategory for market rental or affordable housing. For assessment approaches, active rental is listed under the Income approach but there is no approach identified for assessing the market value specific to affordable housing. Therefore, the City is also advocating for BC Assessment Authority to explore alternative tools or processes in their valuation of specific properties that meet the criteria for affordable housing and in particular the effect of unbuilt density on assessments for these properties.

Another alternative tool that the City is advocating for BC Assessment Authority to study is land value taxation (LVT). Land value taxation is a levy on the value of land without regard to buildings, personal property and other improvements upon. It has been used throughout Denmark, Singapore, Taiwan and other countries around the world. LVT provides a fiscal mechanism to incentivize improvements to property for housing and other purposes and creates an impediment to holding vacant property for speculative purposes.

LVT differs from property tax as property tax, which is based on the value of both land and improvements, which may discourage construction, maintenance and repairs as taxes increase based on the value of property improvements. However, additional study is required as high land value tax rates may still have challenges in implementation. Should BC Assessment Authority study LVT and provide the information to municipalities, local governments could review the applicability of this approach in combination with the annual assessments and tax accordingly in a manner to help preserve affordable housing in Port Moody.

Action 25: Advocate to UBCM for the Provincial government to amend property taxation regulations.

- 25.1 Advocate to UBCM for the Provincial government to allow for variable property taxation rates.
- 25.2 Advocate to UBCM for the Provincial government to allow progressive property taxation by class, value, or use.

In alignment with Action 24.2 which requests that BC Assessment study the effect of LVT and how applying variable tax rates could control escalation and speculation, the City could request UBCM to advocate to the Province's Infrastructure and Finance Branch to continue to expand variable property taxation rates and allow for progressive property taxation by class, value or use.

The 2018 BC Budget introduced several new taxes in support of an affordable housing agenda. The taxes, along with new spending measures and renter protections, were part of the government's [*Homes for BC*](#) 30-point housing plan and included:

- Higher provincial property taxes (Additional School Tax) for homes assessed at more than \$3 million.
- New 5% top rate above \$3 million for the Property Transfer Tax.
- Increased foreign buyers' tax (Additional Property Transfer Tax) from 15% to 20%.
- A new Speculation and Vacancy Tax of 2% of assessed value for foreign owners and "satellite families" (who derive most of their income outside of Canada and pay little Canadian income taxes) and 0.5% for Canadians with vacant properties.

While these taxes have raised revenues which could be used to support affordable housing, advocating to the Province to allow for amendments to BC Assessment Authority's nine property classifications and four assessment approaches could allow for variable or progressive property taxation to provide potentially greater financial support for affordable housing.

Variable property taxation rates would work by establishing sub-classifications within each property class and by identifying a prescribed assessment approach specific to affordable housing.

A progressive property tax system would allow the Province, or it could be implemented at a regional or municipal level if given legal authorization by the Province, to establish multiple brackets within each class to raise revenues for affordable housing initiatives. For example, higher valued properties could potentially be taxed at higher rates – a million-dollar property could be taxed at 7% and a two-million-dollar property could be taxed at 8%.

The suggestions the City is advocating for with variable taxation rates are not entirely new. Currently, variable rate taxation exists between different property classes. For example, Class 1: Residential is taxed at a different rate from Class 6: Business and Other. Furthermore, BC Assessment Authority introduced a new classification method in 2007 which permits “strata accommodation properties” to be split-classified between Class 1 and Class 6 to more accurately reflect the dual nature of these properties (i.e., personal residential and commercial rental unit).

However, beyond these slight variations, the current assessment rates for all properties within the same class do not vary. Therefore, to support housing affordability in Port Moody, the categories in Class 1, such as strata properties, single-family residences and affordable housing, could be separated out and assessed differently to allow for variable tax rates. There is no classification specific for rental housing, and this may be a category worth including given that over 30% of people living in BC are reported by Statistics Canada to rent their homes.

Action 26: Advocate to UBCM for the Provincial government to increase renter protections and support.

- 26.1 Advocate for establishing sufficiently funded active enforcement to support tenants and minimize displacement, including the power to issue orders to landlords to address deficiencies.
- 26.2 Advocate for the exploration of an enhanced Residential Tenancy Branch process with significantly improved response times, less sophistication required for navigating a successful process, and a lower burden on tenants.

In Port Moody’s Housing Action Plan (2022), Action 26 focuses on advocating to the Province through the Residential Tenancy Branch (RTB) to increase support for tenants as municipalities may not have the resources nor the authority to do so in an effective manner. This includes improvements to the dispute resolution process to ensure it is working efficiently to meet landlord and tenant needs.

Since Action 26 was endorsed, some progress has been made at the provincial and municipal level. In 2023, the Province announced Homes for People, an action plan to meet the challenges of today and deliver more homes for people, faster. The Province also added 50 new positions, including the doubling of the Compliance and Enforcement Unit of the RTB.

According to the Province, these investments have reduced wait times. In April 2025, the Ministry of Housing and Municipal Affairs shared a news release to advise the RTB wait times for renters and landlords were reduced by an average of 70% since November 2022. For dispute resolutions which used to take almost three months, hearings are being heard in approximately one month.

Through the proposed UBCM resolutions, the City is continuing to advocate for the Province to continue their investments in protection and enforcement measures to protect renters and their health as it has been shown to improve response rates.

The City has implemented changes as well. In 2025, the City adopted [Standards of Maintenance Bylaw No. 3467](#). The purpose of this Bylaw is to provide the City with the mechanisms to require improvements for rental properties where tenants are living in unsafe and/or unhealthy accommodations. While tenants with unit maintenance and repair issues that have not been rectified by the landlord have pursued the [Repairs and maintenance – Province of British Columbia \(gov.bc.ca\)](#) path which the RTB enforces, municipal standards of maintenance bylaws can address problems in a more expeditious manner. While tenants can pursue both the municipal bylaw path and RTB, the responsibility of enforcement should primarily be with the Province.

In conclusion, housing affordability is a dominant concern for Port Moody. In 2021, 1 in 5 Port Moody residents lived below the standard of measure of affordability and spent greater than 30% of their income towards housing costs. It is believed that such housing affordability issues continue to exist for residents in 2025 and beyond. Advocating for policies, taxation changes and financial commitments at the Provincial level is essential for municipalities to have the tools to support affordable housing.

Other Option(s)

THAT the report dated June 10, 2025, from the Community Development Department – Policy Planning Division regarding UBCM Resolution – Supporting Housing Affordability Through Taxation Changes and Financial Commitment be received for information.

Financial Implications

While Actions 25 and 26 should be net neutral for the City's property tax collection, if the Province were to provide local governments with additional financial tools, the tax burden will shift to different sources and may result in a complex municipal tax schedule.

Communications and Civic Engagement Initiatives

There are no communication and civic engagement initiatives associated with this report.

Council Strategic Plan Goals

The recommendations in this report align with the following Council Strategic Plan Goal(s):

- Strategic Goal 3.1 – Create complete and connected communities through balanced growth

Report Author

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Social Planner I

Report Approval Details

Document Title:	UBCM Resolution – Supporting Housing Affordability Through Taxation Changes and Financial Commitment.docx
Attachments:	
Final Approval Date:	Jun 2, 2025

This report and all of its attachments were approved and signed as outlined below:

Tracey Takahashi, Deputy Corporate Officer - May 28, 2025

Mary De Paoli, Manager of Policy Planning - May 29, 2025

Suzanne Smith, General Manager of Community Development - May 30, 2025

Tyson Ganske, Deputy Chief Financial Officer - Jun 2, 2025

Stephanie Lam, City Clerk and Manager of Legislative Services - Jun 2, 2025

Lindsay Todd, Manager of Communications and Engagement - Jun 2, 2025

Paul Rockwood, General Manager of Finance and Technology - Jun 2, 2025

Kate Zanon, Deputy City Manager - Jun 2, 2025

Anna Mathewson, City Manager - Jun 2, 2025