

Tourism Golden  
PO Box 20181  
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Golden  
B.C. V0A 1H0



Hon. Selina Robinson  
Ministry of Municipal Affairs and Housing  
PO Box 9056 Stn. Prov. Govt  
Victoria  
B.C. V8W 9E2

September 23rd, 2019

RE: BC Assessment classification for short term rentals

Dear Minister Robinson

I recently wrote to Minister Carole James on this subject. She advised that the issue lies within the jurisdiction of the Ministry of Municipal Affairs and Housing and I believe has forwarded my letter of August 12th to you. However, I also wanted to reach out to you directly as this is an important issue for our community that has the capacity to significantly disrupt the traditional accommodation industry.

Recent data received since I initially wrote to Minister James indicates that the number of short term rentals in the Tourism Golden DMO area is 643 units; representing a growth of 120% in the Town of Golden and 143% in CSRD Area A within the last 12 months. In comparison, the count of units in traditional accommodations is approximately 1500 with 0% growth. Some of our long-standing owner-operated cabins, cottages and rental management companies also use online platforms as selling channels so I appreciate that the STR number does not represent an absolute figure, but there is clearly an undisputed volume of new STR accommodations in the market that has devoured the growth in destination visitation and taken us past the tipping point where demand is sufficient for the available accommodation inventory. This is indicated by the significant decline in hotel occupancies and revenues in the summer months referred to in my previous letter. In a seasonal destination such as Golden, that decline can have a devastating impact on the cash-flow of a hotel or motel and its ability to weather the off-season.

Competition is a fact of life for all businesses and perfectly acceptable where it is fair competition. We fully appreciate the value of the short term rental in meeting consumer demand and supporting tourism in our destination but we also recognise that some discrepancies still exist which give them an unfair advantage.

One such example is the BC Assessment property tax. Class 1 Residential classification specifically excludes hotels and motels, strata accommodations and some bed and breakfasts leaving all other short term rentals classified as residential. The tax rate differential in Golden between Class 1 and Class 6 is over 100% giving short term rentals and advantage over traditional accommodations, including bed and breakfasts.



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We understand that this is also of concern in other regions of the province, as indicated by the resolution B34 Short-term Rentals Assessment Classification proposed by Thompson-Nicola RD in the UBCM 2019 Resolutions book.

We respectfully request that the property tax assessment is reviewed and amended to classify short term rentals as Class 6 'Business and Other' with exemptions in line with the PST/MRDT legislation.

Yours sincerely

A handwritten signature in black ink that reads "Joanne Sweeting". The signature is stylized, with the first name "Joanne" written in a cursive-like font and the last name "Sweeting" in a more formal, blocky font. There are three horizontal lines drawn to the right of the signature.

Joanne Sweeting

EXECUTIVE DIRECTOR

c.c. Hon. Shauna Brouwer, Deputy Minister - Tourism, Arts and Culture  
Walt Judas, CEO - TIABC

