



Attn: Honourable Mayor and Members of Council
Town of Golden

July 12th, 2018

RE: Derelict Buildings

Dear Mayor Oszust,

The Kicking Horse Country Chamber of Commerce is a membership-driven organization that works to support, grow and promote the business community of Golden and Area A. A strong and prosperous small business sector is the backbone of our community.

Derelict buildings in Golden can be an obstacle to the positive economic, social, and cultural development of our community. Even a single derelict building can bring down the value of surrounding properties and businesses, pushing development elsewhere.

While the Community Charter gives municipalities in B.C the ability to encourage property revitalization through the use of tax exemptions, it does not provide specific authority for municipalities to penalize property owners who permit derelict properties to remain in a state of perpetual neglect.

There are a number of reasons why property owners might allow a building to remain perpetually derelict. One reason is that simply allowing a property to remain in a derelict state may avoid increased property tax assessments, allowing the owner to avoid the higher taxes that may come with improvements. In addition, if the property's value has increased significantly since the time the owner purchased it, he or she may be responsible for paying significant capital gains tax if the property is sold. In order to correct these negative economic incentives, municipalities need to be given the direct authority to impose fines and increased tax burdens on those individuals who maintain property in a derelict conditions, thereby negatively impacting surrounding properties and the community as a whole.

The Community Charter's current provisions which permit municipalities to take remedial action with respect to property are too narrowly defined to allow for councils to introduce comprehensive bylaws



containing effective penalties. There is no provision in the Community Charter that explicitly allows for the imposition of fines or surtaxes on the owners of derelict or vacant property.

One example of what could be accomplished by municipalities under an amended Community Charter can be seen in the City of Winnipeg's "Vacant Building Bylaw," which allows the city to impose escalating fees based on the length of time a building remains vacant. The Winnipeg bylaw also allows for escalating fines and other penalties on non-compliant owners of vacant properties. The Winnipeg bylaw is only one example of what could be accomplished by B.C municipalities if the Community Charter is amended to allow for individual municipalities to decide how best to provide the much-needed motivation for owners of derelict properties to begin the revitalization process.

The Chamber recommends that the Provincial Government:

1. Amend the Community Charter to give municipalities the option of introducing tools and strategies to motivate the owners of derelict properties to improve and maintain such properties.

Sincerely,

Shelly Wadden

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