

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods and
How we Can Shift from Surviving to Thriving



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

INTRODUCTION:

- Growing up in small business.
- Making railings at Dad's factory and breaking dishes at Mom's restaurant. OPA!
- Thrilled to be promoted to birthday hostess.
- Working in small business neighbourhoods since 1995.

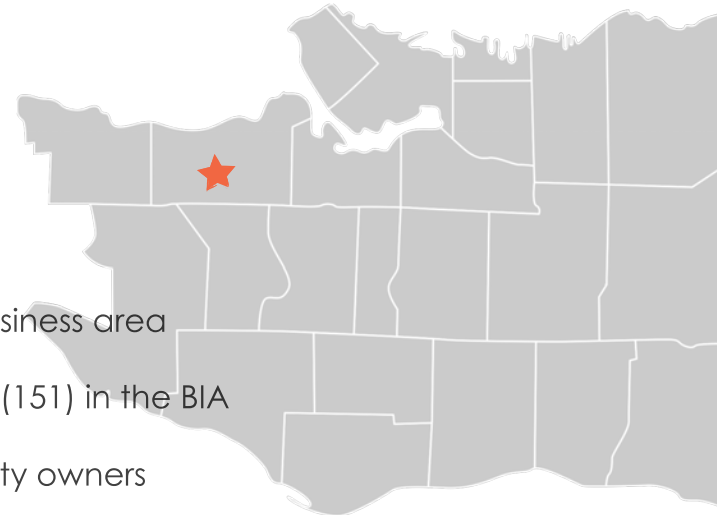


THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

WHAT IS THE WEST BROADWAY BIA?

- 1 of 22 Business Improvement Areas (BIAs) in Vancouver
- Specifically funded district to promote and enhance the business area
- Represents all businesses (300+) and commercial properties (151) in the BIA
- Volunteer Board of (awesome) local merchants and property owners



OVER 300 MERCHANTS & COMMUNITY ❤️ ALONG WEST BROADWAY FROM COLLINGWOOD TO LARCH!

3400 WEST BROADWAY 2500

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

WHAT DOES THE BIA DO?!

Marketing and Events | Street Enhancement | Community Engagement | Advocacy



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

BIA ADVOCACY TO SUPPORT SMALL BUSINESSES

- Part of the Vancouver BIA Partnership
 - A coalition of all 22 BIAs in the City of Vancouver representing over 20,000 commercial businesses and property owners.
 - Collectively, we champion healthy and vibrant commercial districts.
 - We liaise on civic initiatives, share resources and advocate to address common issues for businesses and business areas.
- Memberships & Partnerships:
 - BIABC, Small Business BC, LOCO BC, Tourism Vancouver and much more.
 - City of Vancouver – valuable partnership with various departments for streetscape initiatives, events, small business support and more.



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

VALUE OF SMALL BUSINESS NEIGHBOURHOODS

- Local amenities
 - Providing necessary goods and services for locals to 'live local', and serving visitor needs too.
- Independent, family businesses
 - In BC, small businesses represent 98% of businesses (<50 employees), 84% with less than 5 employees.*
- Local employment
 - Over 1 million jobs in BC are derived from small businesses, accounting for **45%** of the total employment in the province.*



*Retrieved from: https://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/small-business/sb_profile.pdf



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

VALUE OF SMALL BUSINESS NEIGHBOURHOODS

- Social connections
 - The 'living room' of the community - gathering places to come together.
 - Attracting tourists from around the world.
- Supporting community
 - Providing resources and donations to local neighbourhood houses, schools and more. (Eg. WBBIA raised \$5000 for a local playground build)
- Civic engagement
 - Constructive dialogue and informed decision making for the greater good.



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

THE FAMILY IN 'FAMILY BUSINESS'

- The 'Mom & Pop' shops are also brothers, sisters, children and life partners

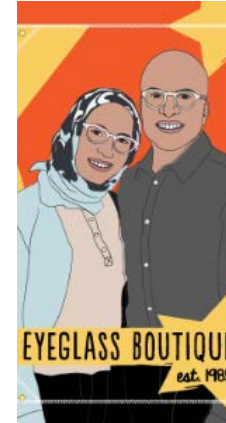


THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

THE FAMILY IN 'FAMILY BUSINESS'

- The 'Mom & Pop' shops are also brothers, sisters, children and life partners



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

LOCAL COMMERCIAL PROPERTY OWNERS = LOCAL SMALL BUSINESS OWNERS

- Property owners are invested in the community, accessible and local – and they are merchants too



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

LOCAL PROPERTY OWNERS = LOCAL COMMUNITY DEVELOPERS

- **Property developers from family businesses with over 75 years of community roots.**

- Eg. Dino and Dimitri Bonnis, Riley and Brandon Mari, Alex and Tim Orr

- **Engaging the community to inform developments.**

- Eg. Hollywood Theatre Revitalization

- **Local property owners/developers help merchants relocate and stay in the community.**

- Eg. Kidsbooks, The Travel Bug, Exposure, Sparkle & Junebug



Retrieved from:
www.orrdevelopment.com



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

THE **\$SOCIAL** SIDE OF SMALL BUSINESS:

- Generating revenue that stays in the community, supporting community initiatives and helping to reduce carbon footprints.
- Providing social employment opportunities for marginalized individuals. Many BIAs also facilitate social employment programs.*
- BC's social enterprise sector provides 13,000 paid jobs.**
- In Canada, 10% of social enterprises are international, while the majority (61%) operate at the city/town scale, or smaller.***

*The WBBIA works with Coast Mental Health, Mission Possible and Craftworks. In 2009, the Commercial Drive BIA 'sewed' the seeds of social employment programs: recycled street banners were sewn into reusable bags by mental health consumers at the Kettle Friendship Society. The program developed into social enterprise, Common Thread Co-operative. www.commonthreadcoop.ca

**Retrieved from: <https://vancouverun.com/business/local-business/b-c-a-mecca-for-social-enterprise-sauder-study-finds>

***On average, social enterprises each employ 27 people, and over 1/3 work with low income populations. Retrieved from: <https://ccednet-rcdec.ca/sites/ccednet-rcdec.ca/files/final-national-report-may-16-2016.pdf>



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

ISSUES FOR SMALL BUSINESS NEIGHBOURHOODS

1. Commercial property assessments & taxation
2. Affordability
3. Resources



Retrieved from: www.thetyee.ca/Solutions/2018/05/31/Broadzilla-Land-Assemblies-Shopping-Streets/
Photo by Christopher Cheung, The Tyee. Godzilla image from a *Shin Godzilla* publicity still, Toho Pictures.



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

ISSUES: AFFORDABILITY & RESOURCES

- Rental rates
 - average \$35 to \$45 / sq. ft.
 - Eg. 1,265 sq. ft. retail unit: \$3,680 base rent, plus \$1,840 for commercial property taxes.
- Operating costs
 - Permits, insurance, utilities, POS fees, inventory, staff wages and much more,
- Staff shortages, lack of affordable housing



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

ISSUE: PROPERTY VALUATIONS & TAXATION POLICIES

- 275% increase in total commercial property assessment values:
 - **2015:** \$463 million
 - **2017:** \$759 million
 - **2019:** \$1.27 billion
- “Highest and best use” assessments
- Commercial tax rate



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

EXAMPLE: UNSUSTAINABLE INCREASES

In the last 4 years, **assessed value increased by 143% and property taxes by 31%** at a sample property on the 2800 block of West Broadway, reflective of the area.

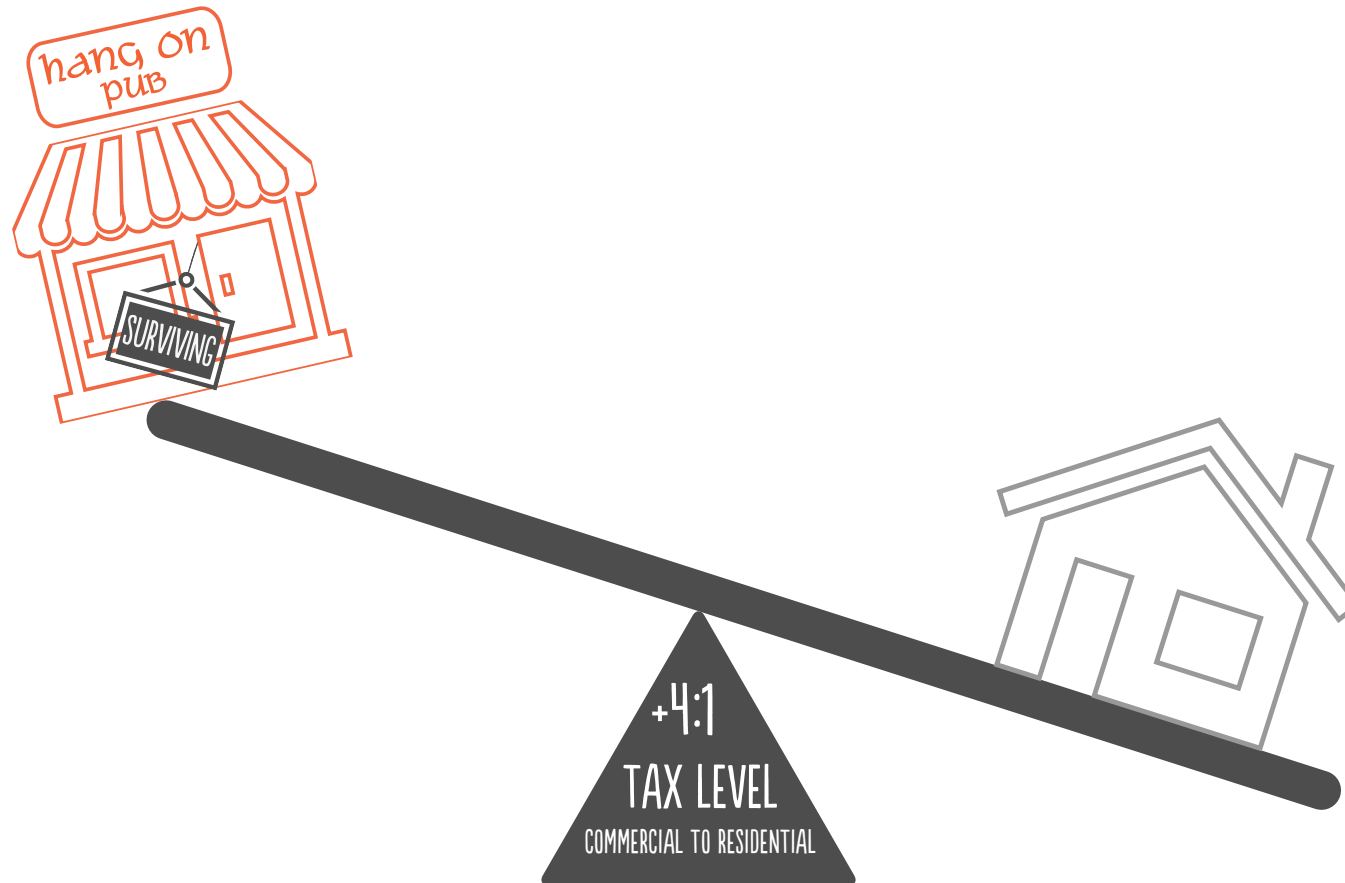
Year	Property Assessment	Property Taxes
2019	\$6,061,900.00	\$48,453.00
2017	\$4,624,900.00	\$41,930.85
2015	\$2,494,000.00	\$37,372.66



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

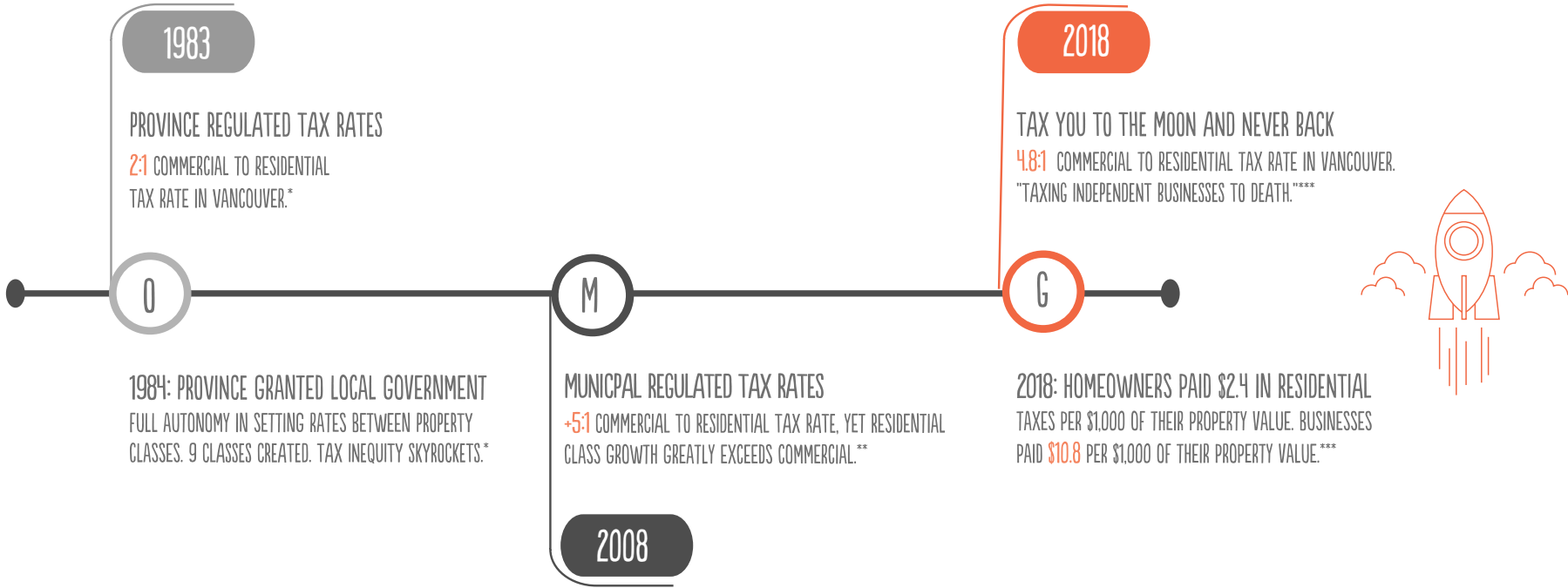
ISSUE: **INEQUITABLE COMMERCIAL TO RESIDENTIAL TAX RATE...**



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

Hello time bomb...



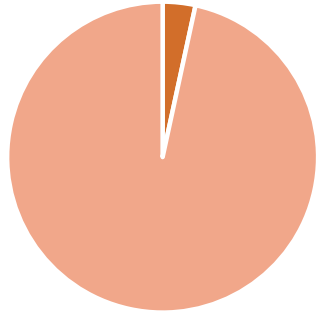
*Prior to 1984, the B.C. government regulated ratios between residential and other property classes. This restricted local government's ability to set arbitrary rates and restricted difference between classes to 2.6 and 3.5, depending on the class. Property classes were then expanded to nine classes, allowing municipalities maximum flexibility to allocate tax collection to distinct property types. The Community Charter introduced in 2003, provided local governments extensive control over methods of tax collection and services they may choose to fund (note: Vancouver operates under the Vancouver Charter). The autonomy provided to local government, the variety of recipients of property tax, the setting of the tax rate, and the number of classes of property all lend themselves to a complex system. In some provinces, municipalities are free to set their own property tax rates without provincial involvement while in other provinces, the province is involved in the local tax structure through direct controls or limitations on what can be done. Eg. New Brunswick: each municipality sets its own local property tax rate but it's a provincial requirement that the non-residential municipal tax rate must be equal to 1.5 times residential municipal tax rate; Ontario: municipalities are permitted to set different tax rates (related to residential rate) for different property categories although provincially set ranges of fairness limit a municipality's flexibility in setting differential rates; Manitoba: except for Winnipeg where differential tax rates may be used, municipalities are not allowed to apply differential tax rates to different property types. Retrieved from: <http://www.bcchamber.org/policies/closing-gap-between-non-residential-and-residential-property-taxes>

Retrieved from: Fair Tax Coalition insert in the Vancouver Courier, 2008. <http://bit.ly/FTCInsert2008> *Retrieved from: <https://www.straight.com/news/1232471/taxing-local-vancouver-businesses-death-bad-environment-leonard-schein-tells-city>

THE SHIFT FROM SURVIVING TO THRIVING

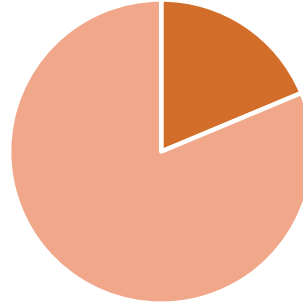
The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

*Everyone deserves a **fair** slice...*



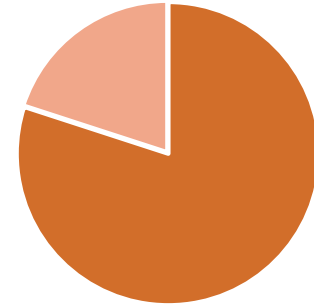
■ Commercial ■ Residential

27:1 RESIDENTIAL TO COMMERCIAL
GROWTH RATIO.*



■ Commercial ■ Residential

COMMERCIAL PROPERTIES CONSUME
23% OF CITY SERVICES.**



■ Commercial ■ Residential

OVER 4:1 COMMERCIAL TO RESIDENTIAL
TAX RATIO.***

*Since 2012, residential properties in Vancouver increased by **15,535**, and business properties increased by **547**.*

Businesses in Vancouver receive significantly **less services from the city, and essentially a **growing subsidy** of the residential tax base.

*****7%** of the commercial properties in Vancouver are being asked to pay 45% of the property tax burden.

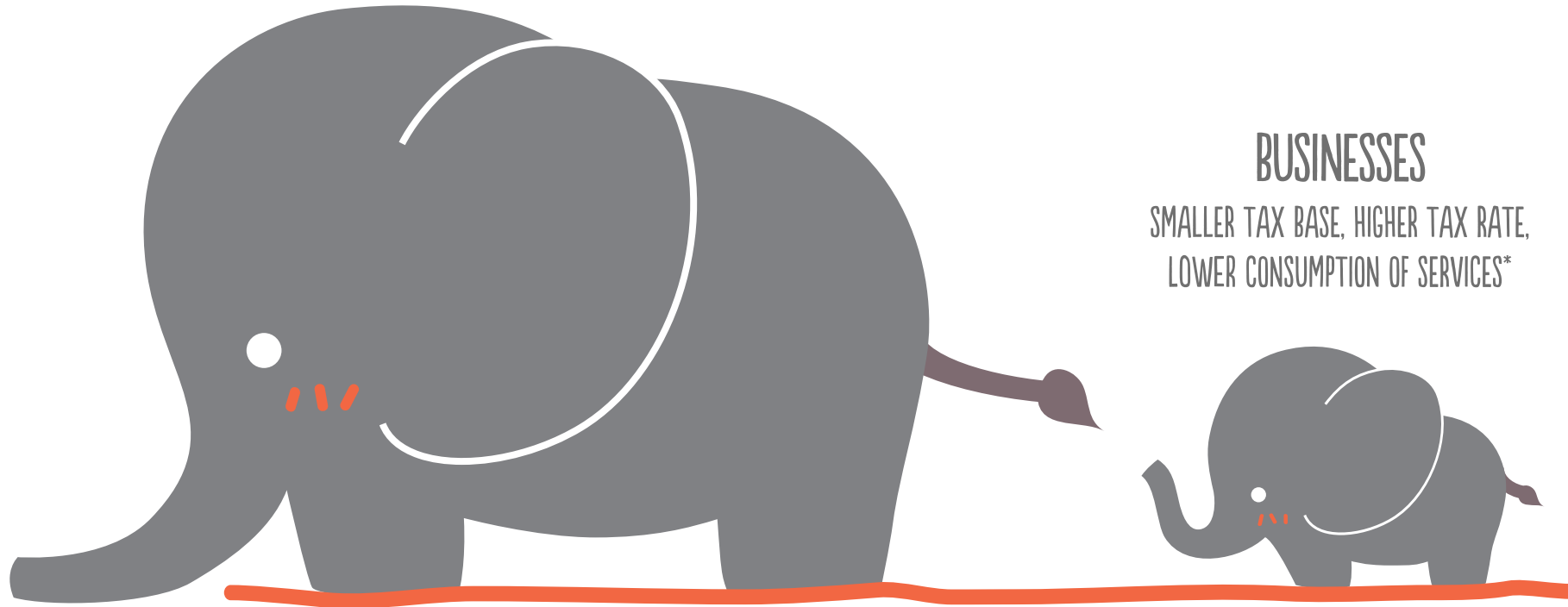
Information provided by Paul Sullivan of Burgess, Cawley, Sullivan and Associates.

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

RESIDENTS

LARGER TAX BASE, LOWER TAX RATE, HIGHER CONSUMPTION OF SERVICES*



BUSINESSES

SMALLER TAX BASE, HIGHER TAX RATE,
LOWER CONSUMPTION OF SERVICES*

THE HEAVY WEIGHT ON SMALL BUSINESSES: **OVER 4:1** COMMERCIAL TO RESIDENTIAL TAX RATE*

*Information provided by Paul Sullivan of Burgess, Cawley, Sullivan and Associates.

THE SHIFT FROM SURVIVING TO THRIVING

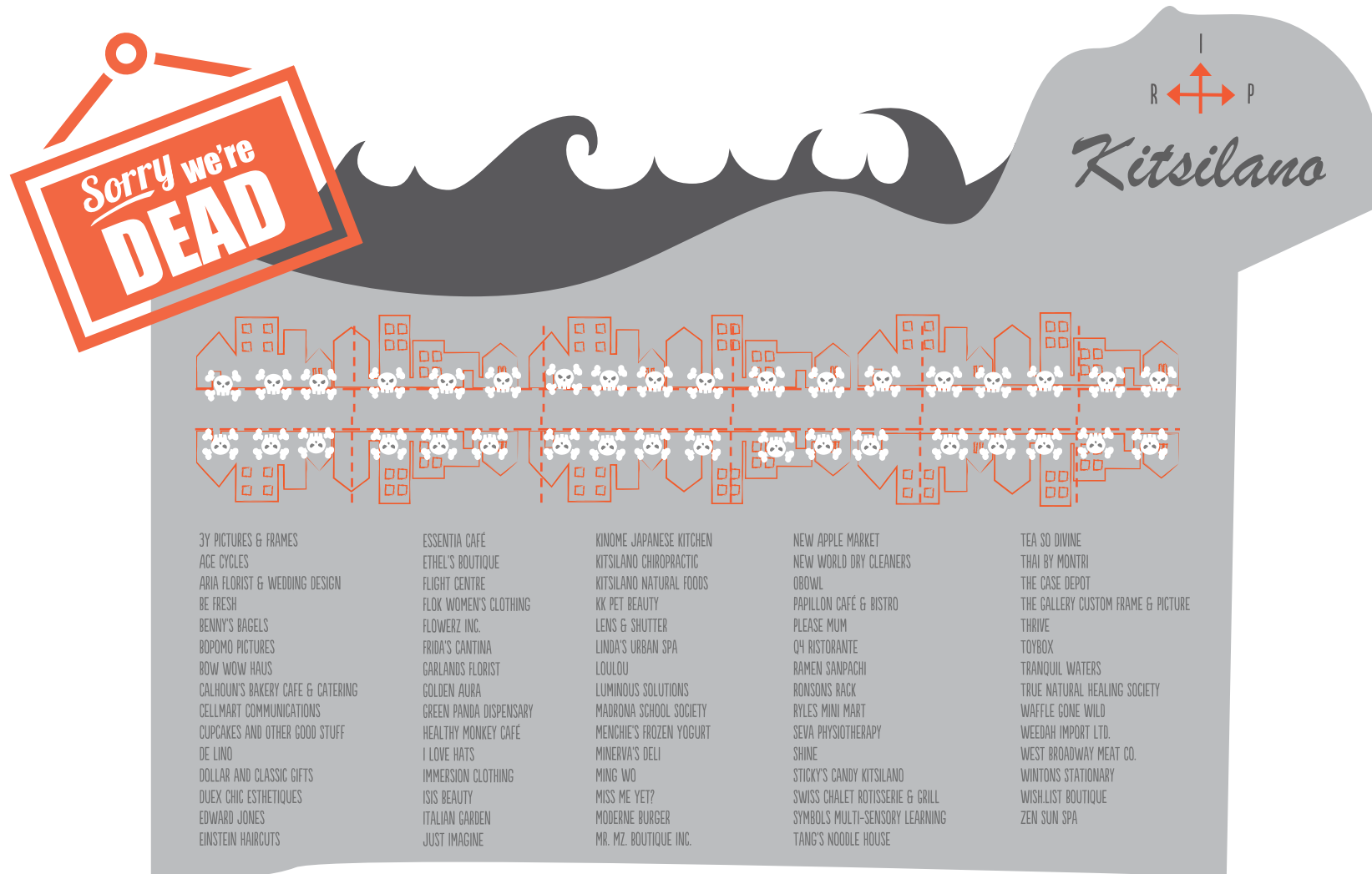
The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving



*The major reason cited for closures were commercial property taxes. Similar or greater number of business closures are happening citywide.

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving



70+ businesses have closed on West Broadway since 2015, and throughout the City open businesses are struggling to stay alive. It's a **plague across Metro Vancouver**, due to drop-dead tax issues.

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

NOT REALLY...

- Merchants **make lots of money**. They can survive bad sales days.
- Commercial property **owners are rich!** They can afford the property tax bill.
- It's '**too much work**' to change the property tax policies.



THE REAL DEAL...

- Merchants may **barely break even**/take home a pay cheque after paying overhead costs, and **property owners may also be small business owners***. They will incur **severe financial setbacks** to survive and their families livelihood is at stake.
- Small business owners become property owners through **years of sacrifice**. Current taxation policies are **not affordable** and forcing **longtime owners to sell their property/close their business.****
- A Collingwood BIA merchant wisely said: "**No headache, no money.**" Small business owners make up 98% of businesses in Vancouver***. They work diligently and contribute to the City, and they deserve **policies that work** and contribute to vibrant neighbourhoods. The alternative is losing a stable tax base, not to mention the unintended offspring of phantom density: **a sprawling ghost town.**

*Retrieved from: <https://www.cbc.ca/news/canada/british-columbia/vancouver-european-warehouse-closes-1.4456661>

**Retrieved from: <https://www.vancourier.com/news/after-70-years-in-business-3-vets-to-close-its-doors-nov-1-1.16718500>

***98% of businesses in Vancouver are small businesses with less than 50 employees. Retrieved from: <https://vancouver.ca/files/cov/1-3-economic-structure-business-size-in-vancouver.pdf>

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

NOT REALLY...

- Shifting the city's +4:1 commercial to residential property tax burden will simply serve to:
 - **help big businesses** and they don't need the help.
 - harm residents in co-ops, and exorbitantly increase taxes even further for **multi-million dollar homes**.



THE REAL DEAL...

- Can we get a shout out from all the big businesses out there? Not really, because thinking outside the big box, **98% of businesses in BC are small businesses**, and 84% have 5 employees or less.* **We are all connected to small businesses**, and a tax shift is a rising tide that will **lift all boats**. #SOS
- Let's **consider the amount of residents, type of properties and cost of a tax shift**. Out of 309,000+ residential units in Vancouver, **8% are non-market housing**** and **7% are homes valued over \$3 million.***** The average home would incur a \$40/year increase from a 1% tax shift.****
- Shifting the inequitable commercial to residential tax burden means providing a **lifeline to small businesses**, through a **nominal and justifiable** increase spread over a **larger tax base** of residents.****

*Retrieved from: https://www2.gov.bc.ca/assets/gov/employment-business-and-economic-development/business-management/small-business/sb_profile.pdf

**Retrieved from: <https://vancouver.ca/files/cov/housing-characteristics-fact-sheet.pdf>

***Retrieved from: <https://www.straight.com/news/1176681/vancouver-council-takes-stand-against-bc-ndps-extra-school-tax-3-million-homes>

****Since 2012, residential properties increased by **15,535**, and business properties increased by **547**. 7% of commercial properties pay 45% of the tax burden and commercial properties consume 23% of city services in Vancouver. Businesses receive significantly **less services** from the city, and essentially a **growing subsidy** of the residential tax base. Vancouver remains **the only city** with a commercial-to-residential tax ratio over 4:1. Information provided by Paul Sullivan of Burgess, Cawley, Sullivan and Associates.

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

ADVOCACY & SOLUTIONS: THE FAIR TAX COALITION & VANCOUVER BIAs

- The Fair Tax Coalition (FTC) is an alliance of BIAs and other business organizations concerned with the taxation of business properties in Vancouver.
- For over a decade, through diligent and dedicated efforts, The FTC has advocated for a fair playing field that supports small, local community-based businesses.
- In 2006, the FTC achieved a 1% reduction in business property taxes over a 5 year period, saving approx. \$36 million per year for commercial tax payers.
- As part of the FTC, The Vancouver BIA Partnership (Vancouver's 22 BIAs) continues to advocate for positive policies for small businesses and business areas.



Fair Tax Coalition insert in the Vancouver Courier, 2008. <http://bit.ly/FTCInsert2008>



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

“Once a Vancouver-centric issue, **property taxes have now become a Metro Vancouver problem** and we are reaching areas as far as Vancouver Island and the interior. Time is of the essence and **we need immediate support from our municipalities and the province** to enable our businesses to survive and thrive.” *



*Excerpt from the Vancouver BIA Partnership, LOCO BC and BIABC letter to Rob Fraser, Executive Director, Property Assessment Services, Ministry of Housing and Municipal Affairs; January 22, 2019. For copies of the Vancouver BIA Partnership advocacy letters, visit <http://bit.ly/VABIAAdvocacyLetters2018-2019>

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

MULTI-LEVEL SOLUTIONS: WORKING TOGETHER FOR SMALL BUSINESSES THROUGHOUT BC

- Escalating property values are a **regional issue**, not just in Vancouver.
- There is a **province-led inter-governmental workgroup*** to engage stakeholders on policy options and make recommendations to Council.
- CoV continues to work with **Metro Vancouver** to address increasing tax burden for small businesses from **provincial/regional taxing authorities.****
- CoV recommends a **holistic review and update of the BC Assessment Act** to address emerging assessment and taxation issues based on best practices.
- **Working in tandem, multi-level solutions** will mitigate negative impacts, and provide a balanced and equitable approach for businesses and residents.



*Includes the Province, BC Assessment and Metro Vancouver municipalities.

**11Prior to 1984, the Government of B.C. regulated ratios between residential and other property classes. This restricted local government's ability to set arbitrary rates and restricted the difference between classes to between 2.6 and 3.5, depending on the class." Retrieved from: <http://bit.ly/BCCOCPropertyTaxAdvocacy>

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

MUNICIPAL SOLUTIONS: PROPERTY ASSESSMENT/LAND AVERAGING

- **Average the value of a property over several years** before applying the property tax mill rate, to ease the impact of property tax increases.
- Vancouver Council recently approved **targeted, 5 year** land assessment averaging, **limited** to properties with a 10% above average increase in property values, year-over-year, and which apply for the program.*
- The Burnaby Board of Trade advocates that municipalities could improve on this model by making **all commercial properties** in Class 5 and 6 **immediately eligible** for averaging.**



City of Vancouver "hotspots" map retrieved from:
<http://bit.ly/CoVPropertyTaxPresentation2017>

* Formerly 3 years, the CoV Property Tax Policy Review Commission recommended the increase, and the Province approved the required amendment to the Vancouver Charter. The amount of tax relief for these "hotspot" properties is capped to limit the impact on other taxpayers. For the CoV Commission report, visit: <http://bit.ly/CoVPropertyTaxCommissionReport2014>

** Retrieved from: <http://bit.ly/BBOTPropertyAssessmentandTaxPolicyPaper>

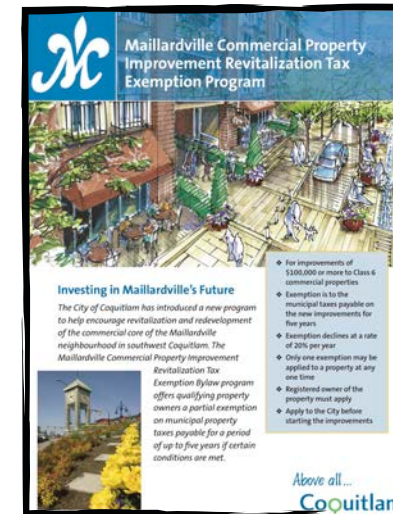


THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

MUNICIPAL SOLUTIONS: REVITALIZATION TAX EXEMPTIONS

- Encouraging various types of revitalization (i.e. heritage conservation, neighbourhood rejuvenation, property improvements).
- Contributing to the economic and social well-being of the community – helping to retain small businesses and local jobs.
- The Community Charter and the Vancouver Charter provides authority to exempt property from municipal property value taxes, for up to 10 years.*



Retrieved from City of Coquitlam:
<http://bit.ly/COCTaxExemptionProgram>

*Community Charter Sect. 226 and Vancouver Charter Sect. 396E.

**Criteria and application instructions for an exemption would be set-out in a revitalization tax exemption program bylaw. Municipalities are required to develop objectives and policies for the use of exemptions within their 5 year financial plans.



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

MUNICIPAL SOLUTIONS: SHIFT THE INEQUITABLE TAX BURDEN

- A **nominal tax shift** from commercial to residential to alleviate the **unsustainable** and **inequitable burden** for small businesses.
- In **Vancouver**, a **1% shift** of the tax burden would cost the average homeowner approx. **\$40/year**.*
- **Recent tax shifts:**
 - City of Vancouver Council voted 6 to 5 to approve a 2% shift over 3 years.**
 - City of Calgary Council voted 8 to 7 to approve a 2% shift for 2019.***



*Based on the city average home value of \$1,832,000 a 1% shift of the tax burden from commercial to residential would cost the average homeowner approx. \$40/yr, or for a condo of half that value it would cost approx. \$20/yr. Information provided by Paul Sullivan of Burgess, Cawley, Sullivan and Associates.

** Retrieved from: <http://bit.ly/Vancouvertaxshift>

*** Retrieved from: <http://bit.ly/Calgarytaxshift>

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

MUNICIPAL SOLUTIONS: BUSINESS PROPERTY TAX DEFERRAL

- A program for long-time businesses to help business which owns its own property, bridge the time until the property is sold or redeveloped.
- Retain the older businesses and buildings, and the character of the neighbourhood.
- Prevent accelerated closures and displaced businesses due to property taxes and subsequent developments.



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving



LET'S REASSESS THE SITUATION AND AMEND OUR ACT

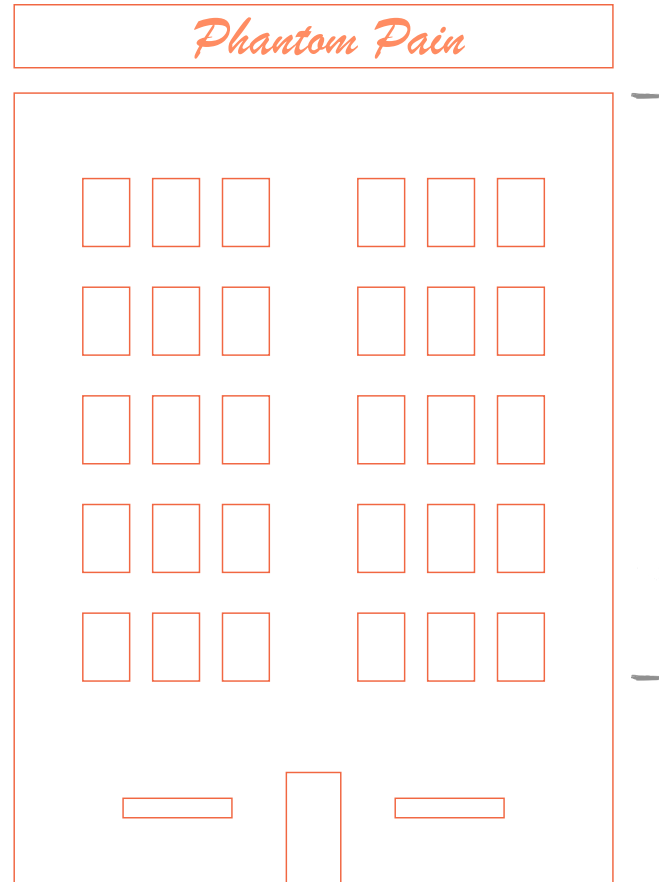


THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

Assess the air like you just don't care...

CURRENTLY
A BUSINESS
USES THIS



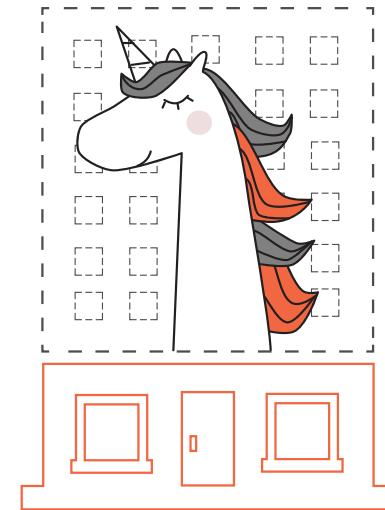
BUT PAYS FOR THIS,
AT A MUCH HIGHER
COMMERCIAL TAX RATE,
FOR A NON-EXISTANT
DEVELOPMENT
AKA. PHANTOM DENSITY
AKA. WTF?!!!

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

PROVINCIAL SOLUTIONS: SPLIT ASSESSMENT SYSTEM

- **Amending the BC Assessment Act** to require split assessments of commercial properties, would allow **taxation at different rates** for current and future use.
- For total property value, BC Assessment would be **mandated with reporting the portion based on current use**, and the portion based on future potential.
- Tax the **current use portion at the commercial tax rate**, and the portion representing **future development potential at the lower residential tax rate**.
- Apply the commercial rate on the portion actually operating as a business, versus **forcing businesses to pay taxes on imaginary, possible developments**.*



*Eg. If a one-storey bakery was assessed at its current use and the property value was \$1 million at a business tax rate of 11.6773, the tax bill would be \$11,677. However, BC Assessment assesses the property at "highest and best use" as a residential tower redevelopment, so the assessed property value is \$40 million at a business tax rate (versus residential rate of 2.8395), and consequently the tax bill is \$467,092. This is 40x the current, actual use, and 100x unsustainable. Retrieved from: <http://bbot.ca/advocacy/bc-assessments-and-property-tax/>

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

PROVINCIAL SOLUTIONS: CURRENT-USE VALUATION FOR CLASS 5 AND 6

- In 2018, the government of BC passed **Bill 42 for Class 4 businesses**, permitting BC Assessment to value major industrial properties **based on current use** rather than future highest and best use.
- There are approx. **50,000 jobs in industrial** (forestry, fishing, mining, quarrying, oil and gas sector), and **500,000 jobs in retail, accommodation and food services**.*
- Class 5 and 6 businesses deserve and need the same fair treatment and relief. The exemption **should be applied to all commercial property classes**, to **protect the thousands of jobs** they provide.**



*Retrieved from: <http://bit.ly/LOCBCpostBill42ExemptionNeededForSmallBusinesses>

**Vancouver BIAs advocated with their local MLAs to add Class 5 and 6 to the Bill. Sample correspondence: <http://bit.ly/Bill42AdvocacyLetter2018>. The Burnaby Board of Trade policy paper advocates for an exemption for long-term properties, similar to the existing exemption for long-term residential homeowners (BC Assessment Act Sect.19(8)). Retrieved from: <http://bit.ly/BBOTPropertyAssessmentandTaxPolicyPaper>

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

LET'S NOTE THE **NON-SOLUTIONS** TOO:

- The following will not address the **underlying flawed property valuation system** nor the **inequitable tax distribution** class.*
- There would be unintended and **negative consequences** for local business owners, and **for local property owners which also operate small, independent businesses.**



Split tax bills



Elimination of triple net leases



Creation of commercial sub-classes

*Retrieved from the Vancouver BIA Partnership, LOCO BC and BIABC letter to Rob Fraser, Executive Director, Property Assessment Services, Ministry of Housing and Municipal Affairs. For copies of Vancouver BIA Partnership advocacy letters, visit <http://bit.ly/VABIAAdvocacyLetters2018-2019>

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

The effects of commercial property tax imbalance...



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

Can we support merchants the way they support us?

THROUGH HARD WORK, PEOPLE BEFORE PROFIT, CARING ABOUT THE WELL-BEING OF FAMILIES AND COMMUNITY, AND EFFECTING POSITIVE CHANGE...



"This photo with my daughter represents generations in my family and how thankful I am to this country for the opportunities."

- Gloria, Owner, Aunt Em's

THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

“NO PROBLEM CAN BE SOLVED FROM THE SAME LEVEL OF CONSCIOUSNESS THAT CREATED IT.”

ALBERT EINSTEIN

Let's solve this together, through constructive dialogue and tools that are readily available;
Let's shift to policies that support the 'highest and best use' of local merchants,
property owners and community, in our small business neighbourhoods.



THE SHIFT FROM SURVIVING TO THRIVING

The Value of Small Business Neighbourhoods & How We Can Shift from Surviving to Thriving

Thank you!

