

MAYORS' COUNCIL REITERATES OPPOSITION TO USING A REFERENDUM, AND PROPOSES ALTERNATIVES, TO COMPLETE THE 10-YEAR VISION

Revised #CureCongestion Voters' Guide includes clarification on BC Liberal and BC NDP commitments to Pattullo Bridge replacement based on proposed tolling policies

May 4, 2017 (New Westminster) – The Mayors' Council on Regional Transportation today confirmed its opposition to any referendum on funding for the next phases of the 10-Year Vision region-wide transportation plan, and called on the next provincial government to look to the windfall revenues from the existing Provincial Transfer tax and School Property Tax as sources for the region's share of the next phases of the plan.

The Mayors' Council is responding to recent statements by the BC Liberal party confirming it will force a referendum on new revenue sources for transit if the party is re-elected.

In a meeting held earlier today, the Mayors' Council adopted the following resolution:

The Mayors' Council on Regional Transportation:

- 1. Reaffirms its opposition to the use of additional local government property taxes to fund Phase Two or any future phases of the 10-Year Vision for Metro Vancouver Transit and Transportation (10-Year Vision);*
- 2. Remains opposed to, and will not participate in, a second transit referendum;*
- 3. Requests that the regional share of funding for Phase Two of the 10-Year Vision come from the provincial transfer tax and provincial property tax that is paid in Metro Vancouver, which in 2016 increased by over \$1 billion.*

The Mayors' Council agrees with the BC Liberal Party's position that the regional share of the 10-Year Vision should be funded from existing revenues. On April 4, 2017 Metro Vancouver released a new report [Provincial Property-Based Taxes in Metro Vancouver](#) that identified over a billion dollars in additional School Property Tax and Provincial Transfer Tax revenues that were collected in this region last year (see backgrounder below for more information). The Mayors' Council agrees that the most appropriate source of transportation funding is this growing windfall the province is collecting from Metro Vancouver homeowners, which should be reinvested into this region's priorities in transit, housing and local infrastructure.

The Mayors' Council said that a referendum will delay the urgent transportation improvements needed to reduce congestion in Metro Vancouver, and is just not necessary. The Council is ready to work with whoever forms the next government to enact a regional charge on new development to fund transit, and recapture some of the taxes already being paid by the region's homeowners which are currently going into general provincial revenues.

PATTULLO BRIDGE REPLACEMENT PROJECT

On May 1, the Mayors' Council asked the BC Liberal Party and BC NDP to clarify their commitment to the Pattullo Bridge replacement, in light of election promises they have made on tolling policies that would create significant uncertainties for this urgent transportation project.

A new analysis by TransLink has determined that the loss of toll revenues – under either the BC Liberal or BC NDP policies – puts the Pattullo project's timing and viability at risk. Under the current project plan, up to two-thirds of capital costs for the bridge are to be funded by toll revenues or alternatives.

Should either party form government, the Province would need to work closely with the Mayors' Council and TransLink to address these new funding complexities immediately, prevent the imposition of additional costs on TransLink and regional taxpayers, and ensure the bridge replacement project stays on track.

The #CureCongestion [Voters' Guide has been updated](#) to reflect both parties' responses:

- The BC NDP committed to meeting the short timelines to replace the bridge and addressing the shortfall in revenues created by the party's proposed elimination of bridge tolls.
- The BC Liberals committed that under the party's proposed toll cap policy (\$500-per-vehicle annually), the province would reimburse TransLink for the value of all tolls for each B.C. commuter – not including commercial or out of province users – after the first \$500.

The Pattullo Bridge is 80 years old and must be replaced by 2023 due to significant seismic and structural concerns, and any delay increases the risk of the old bridge closing before the replacement bridge is built.

Confirmed funding must be in place by September 2017 so the project can move forward to procurement. More information is available in a [backgrounder](#) at www.curecongestion.ca.

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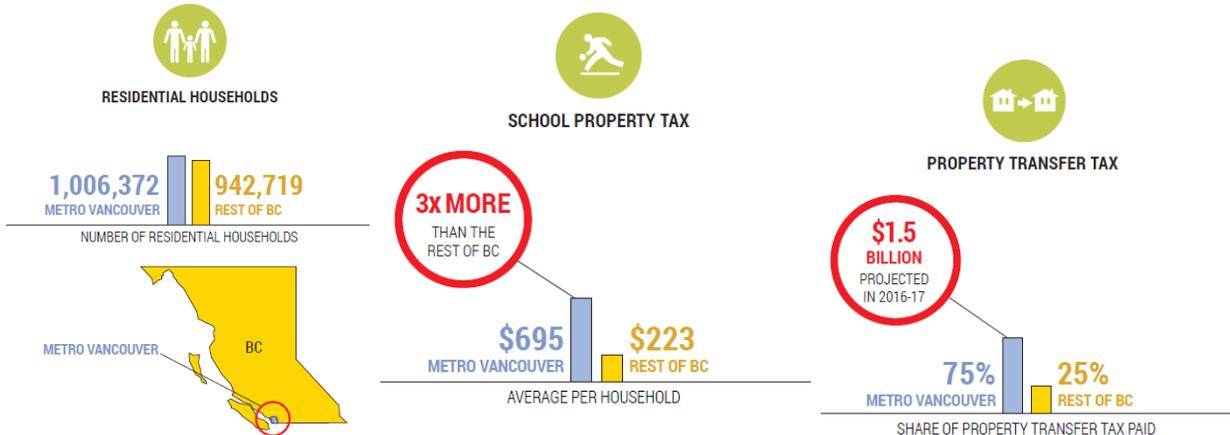
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BACKGROUND

PROVINCIAL PROPERTY-BASED TAXES IN METRO VANCOUVER

Key Findings from [Metro Vancouver report](#) released in April 2017



- Local governments in Metro Vancouver receive **11¢ of every tax dollar paid** (including regional transit taxes), from which they are expected to fund over **50%** of the total lifecycle operating and capital costs of the 10-Year Vision.
- **36%** of the average total property tax bill paid in Metro Vancouver goes to the Province of BC, the **highest share** of any province in Canada.
- School Property Tax paid per household is **3 times** higher in Metro Vancouver than in the rest of BC. The “School” Property Tax covers only **46%** of the provincial education budget.
- **51%** of British Columbia’s population lives in Metro Vancouver, yet **75%** of the revenues from the Property Transfer Tax (PTT) that the province collected last year came from homeowners in this region.

- Provincial PTT revenue has **doubled** in two years, increasing from **\$1.1 billion** per year in 2015 to **\$2.2 billion** per year in 2016, with Metro Vancouver home buyers contributing **\$900 million** of that increase.
- Metro Vancouver homeowners paid over \$1 billion MORE in PTT revenues into the provincial treasury last year than the entire rest of the province COMBINED.

WHY DON'T METRO VANCOUVER TAXPAYERS PAY THE PROVINCIAL HOSPITAL TAX?

- The province collects \$116 million (or 0.9%) of its \$12.5 billion health care budget through a levy on the property tax bill of homeowners and businesses in BC.
- In 1998, the Metro Vancouver portion of the hospital tax (equivalent to about \$150 million annually, today) was re-allocated to support regional transit and transportation costs. Property taxes in Metro Vancouver were not reduced as a result of this decision.
- In fact, Metro Vancouver pays almost **twice as much per capita** in regional taxes and fees for transit compared to any other region in BC, even when hospital tax is included.
- Metro Vancouver residents contribute on average over **\$300 each** annually in taxes and fees dedicated to transit, which is **three times more** than the Capital Regional District, and almost **eight times more** than Kelowna, or Kamloops or any other Regional District in BC.