

**DATE:** August 30, 2018

**TO:** COUNCIL

**NAME AND TITLE:** Lyn Hall, Mayor

**SUBJECT:** Changes to Municipal and Regional District Tax (MRDT) to be used for affordable housing initiatives

**ATTACHMENTS:** Letter dated July 30, 2018 from Tourism Prince George regarding request for Council direction on use of Municipal and Regional District Tax (MRDT)

**RECOMMENDATION:**

That Council provide direction on whether Council would or would not like to move forward with using the Municipal and Regional District Tax (MRDT) for affordable housing initiatives.

**PURPOSE:**

For Council direction and consideration.

**STRATEGIC PRIORITIES:**

Affordable, accessible housing is one of the goals for Council within the 2016-2018 Corporate Plan.

**SUMMARY AND CONCLUSION:**

The Municipal and Regional District Tax (MRDT), which was established in 2010, has been used to fund marketing activities promoting Prince George as a tourism destination. Affordable housing was added as a permissible use of funds in Budget 2018 to help address local housing needs and ensure tourism workers can find housing. Tourism Prince George requests a resolution from Council on whether Council **would or would not** like to move forward with using the MRDT (the new online accommodation platform revenue and/or the general MRDT revenue) for affordable housing initiatives.

The revised Program Requirements include the following clarifications:

- MRDT revenues from online accommodation platforms can be used for affordable housing initiatives;
- General or traditional MRDT revenues cannot be used for affordable housing initiatives unless the designated recipient can demonstrate support of tourism stakeholders and accommodation providers; and
- The requirement to demonstrate accommodation provider support will remain unchanged (at least 51% of the number of establishments that collect the tax representing at least 51% of the total number of rooms). Individual hosts that only list on online accommodation platforms will not need to be consulted.

Designated recipients have the flexibility to define, identify, and fund affordable housing initiatives that they deem appropriate to meet local needs. This could include housing for workers in tourism-oriented communities facing worker housing challenges.

Designated recipients may use MRDT revenues for the following purposes for spending on affordable housing initiatives:

- Acquiring, constructing, maintaining or renovating housing or shelter;
- Acquiring or improving land used for, or intended to be used for, housing or shelter;
- Supporting the acquisition, construction, maintenance, renovation or retention of housing or shelter or the acquisition or improvement of land intended to be used for housing or shelter;
- Supporting housing, rental or shelter programs; or
- Paying expenses related to the administration or disposal of housing, shelter or land acquired with money paid out of MRDT revenues.

Should Council support the initiative, all reporting requirements will be reviewed by Tourism Prince George and administration to ensure documentation and submissions meet the legislated guidelines.

Council will have an opportunity to review and approve the 2019 MRDT Tactical plan prior to the submission deadline of November 30, 2018.

**RESPECTFULLY SUBMITTED:**



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Lyn Hall, Mayor

**MEETING DATE:** September 17, 2018