

Ref: 50773

March 12, 2024

The Honourable Sean Fraser, P.C., M.P. Minister of Housing, Infrastructure and Communities

Email: minister-ministre@infc.gc.ca

## Regarding: B.C. Mountain Resorts and *Prohibition on the Purchase of Residential Property by Non-Canadians Act*

Dear Minister Fraser:

As the Minister of Tourism, Arts, Culture and Sport for the Province of British Columbia, I am writing to you about the recently extended *Prohibition on the Purchase of Residential Property by Non-Canadians Act* (Act). I formally request an exemption to the prohibition to purchase residential property by non-Canadians for three of British Columbia's (B.C.) top destination mountain resorts, Apex Mountain Resort, Silver Star Mountain Resort, and Sun Peaks Resort.

I request an exemption for several reasons. First, the federal regulations clearly state that the prohibition will not apply to recreational properties. Undoubtedly, properties within these mountain resort communities are recreational in nature, have been purpose-built, and are dependent on international tourism markets.

Second, Apex, Silver Star, and Sun Peaks are the only mountain resort communities in Canada where foreign purchase of recreational property is prohibited. Whistler, Banff, Mont Tremblant, and Blue Mountain are all exempt due to the geographic inclusion criteria outlined in the Act. These three mountain resorts communities are at a serious disadvantage as they compete to develop Canada's international tourism markets. These communities are reliant on international purchasers to develop tourist short-term accommodation and commit foreign families to annual vacations, which in turn result in positive economic benefits. In fact, cumulatively, the B.C. ski industry attracts 7.4 million skier visits, and the industry generates \$2 B in expenditures and employs over 20,000 people.

Staff in B.C.'s Ministry of Tourism, Arts, Culture and Sport administer development of mountain resorts on Crown Land including these three resorts. In B.C., mountain resorts have been built to meet growing outdoor recreation and tourism demand, bringing a wide range of social, cultural, and economic benefits to Canadians. The Province has invested in and carefully guided development of these resorts via a detailed master development process, resulting in signed Master Development Agreements between resort developers and the Province, which authorize resort development. The Province is concerned that, without exemptions for these three mountain resorts in line with other mountain resorts in Canada, the *Purchase of Residential Property by Non-Canadians Act* will continue to negatively impact growth and development planned through Master Development Agreements. Each of the three resorts in question are in good standing with the Province.

The Province of B.C. respects and appreciates the policy intentions associated with this legislation and in fact has brought in several measures with similar aims including the Speculation and Vacancy Tax and, most recently, the *Short-Term Rentals Accommodation Act* (STRAA). The Speculation and Vacancy Tax was not extended to resort communities in recognition of resort development and operations. The STRAA regulations have specifically exempted mountain resort areas from the principal resident requirement to protect investment and development potential, support visitation and revenue generation, and ensure success at existing and future resorts.

In conclusion, I request you exempt Apex, Silver Star, and Sun Peaks from the *Prohibition on the Purchase of Residential Property by Non-Canadians Act*. I would be happy to meet with you to further discuss implications of this Act on the B.C. tourism industry.

Sincerely,

Lana Popham

Minister of Tourism, Arts, Culture and Sport

pc: The Honourable Chrystia Freeland, P.C., M.P. Deputy Prime Minister and Minister of Finance

The Honourable Soraya Martinez Ferrada, P.C., M.P. Minister of Tourism

Their Worship Al Raine Mayor Sun Peaks Mountain Resort Municipality

Amanda Shatzko Director Silver Star – Regional District of North Okanagan Area C

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pc: Subrina Monteith

Director

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Christopher Nicolson President and Chief Executive Officer Canada West Ski Areas Association