

April 15, 2024

The Town of the Blue Mountains  
Thornbury, ON

Re: Resort Condominium Tax Class

Attn: Mayor Matrosovs, Deputy Bordignon and Councillors

Following the April 8 Council's discussion regarding the Resort Condo tax class, I wish to express my concerns with several comments.

- The Resort Condo criteria is very specific and I quote, "The unit is self-contained and furnished and is operated or managed in a manner to provide transient living accommodation for a fee or charge for minimum periods of less than 30 days." There is no possible valid argument to support these units being classified as residential.
- Key words "operated and managed", "provide transient living accommodation for a fee", "less than 30 days". What part justifies residential?
- The Blue Mountain Resort is a commercial operation. The only resort in Ontario that enjoys this tax class. Why? Regardless, most can agree the accumulative tax loss over almost twenty years is significant. As a tax-payer, I consider the continuation of this preferential tax class insulting and discriminatory.
- In watching the 2018 BMVA Rental Management Agreement meeting, some owners voiced their concerns regarding the low financial returns on their investment. It is evident these owners purchased these units, especially when the some own more than one unit, as a financial investment. This is a commercial operation.
- Investors realize and accept the fact that any venture carries risk and ultimately may result in diminished returns or financial loss. Business success depends upon the ability to adapt to changing conditions and it is completely unreasonable to suggest financial viability is dependent on this class.
- Mr. Dinsmore confirmed the class will become null and void most likely with the next census but the reality is, the Town needs all the financial resources now!
- It will be prudent if Council eliminate this class asap before the proposed hotel for the Village might use this as an incentive to promote sales.
- Also, it was extremely concerning and disappointing to hear that several councillors seemed to be more concerned with the financial impacts on the condo owners and the Village. This indicates the political influence exerted by the Resort and Village Assoc. is a disturbing reality. What other company or association enjoys direct representation on Council. Supporting this relationship also questions the validity and integrity of Council and may be a key issue during the next election. Members should not have to be reminded the Resort is a private sector operation and it is perfectly capable of addressing concerns directly to Council in a transparent manner without jeopardizing Council's credibility and integrity. Hopefully, the Transparency and Accountability can make

positive recommendations to ensure residents the Town is striving to provide a level playing field for all. Council must ensure that all decisions favour the best interest of the majority, not those of special interest groups.

- All residents should question the motivation and commitment to the community of any councillor that supports the continuation of the tax class.
- Finally, the MAT is a completely different discussion and should not be a consideration for this issue. Just as the developers are concerned with the proposed DC increases, it shouldn't come as a surprise the investors are voicing objections. Today's reality, everyone is being challenged by escalating costs. All levels of government are desperately looking for new revenue streams to maintain current service levels and to continue moving forward. Councillors have a responsibility to administer in a fair and equitable manner to serve the best interests of the entire community and as everywhere industry is expected to do the heavy lifting.

Respectfully

Rick Tipping

cc: Town Clerk- Ms Corrina Giles