

## Housing the Centrepiece of Provincial Budget

**E**leven Housing initiatives and a 10% personal income tax cut for those earning up to \$100,000 are the focus of the 2007 Provincial Budget.

1. \$250 million from the 2006/07 surplus to establish a new Housing Endowment Fund. The fund will generate approximately \$10 million a year in interest that will be used to support new projects that may not meet the criteria for established housing programs;
2. An additional \$27 million over three years to increase the number of year-round shelter beds by almost 30 per cent and provide related support services;
3. \$38 million in one-time funding to projects that provide housing and support for people who are homeless, or at risk of being homeless;
4. Raising the shelter rate by \$50 a month for people on income assistance. B.C. now has the highest shelter assistance rates in Canada for employable singles, couples and single-parent families;
5. An additional \$6 million over three years to strengthen support for transition houses for women and children fleeing domestic violence;
6. \$45 million over four years to convert up to 750 social housing units to supportive housing, to make them more accessible for seniors and others with special housing needs;
7. Expanding the Rental Assistance Program by raising the income threshold to \$28,000 a year. This means 5,800 additional working families — more than 20,000 in total — will be eligible to receive up to \$563 a month to help with their housing costs;
8. The First Time Home Buyers' Program is enhanced to exempt first-time buyers across B.C. from paying the Property Transfer Tax on homes valued up to \$375,000. This will save first-time buyers up to \$5,500;
9. Extending eligibility for the Home Owner Grant to lower-income seniors, regardless of their home's assessed value;
10. Increased the Home Owner Grant threshold to \$975,000 from \$780,000; and
11. Introducing legislation to allow people to start deferring their property taxes at age 55 rather than age 60.

This represents a \$2 billion expenditure over four years (approximately \$1.5 billion in tax cuts and \$500 million in new funding). The speech also talks of working with municipal governments to help ensure that sites and zoning for new supportive housing are built into community plans so projects can move ahead quickly and smoothly.

---

## REVENUE/TAXATION MEASURES

---

- The threshold for the First Time Home Buyer's Program has been raised province-wide up to \$375,000.
- Increased the Home Owner Grant threshold to \$975,000 from \$780,000.
- Extended home owner grant eligibility to lower-income seniors regardless of their home's assessed values. This program will be administered by the provincial government and will not run through the normal homeowners grant program administration.
- The property tax deferral age will be extended to 55 from 60.
- Average residential school taxes before the application of the homeowners grant will increase by 2 percent for 2007 (provincial rate of inflation).
- Provincial non-residential school property taxes will be limited to inflation plus new construction; rates to be set later.
- As expected, the Budget implements a \$25 million in police cost taxes in municipalities less than 5,000 population and rural areas.

---

## FUNDING LOCAL GOVERNMENT & COMMUNITIES

---

The Budget also includes \$189 million over four years to strengthen BC communities through investments in local infrastructure and transportation. This includes previously announced LocalMotion, Spirit Squares, Towns for Tomorrow, and an increase in small community and regional district grants.

**Provincial Budget  
Documents available at:  
[www.bcbudget.gov.bc.ca](http://www.bcbudget.gov.bc.ca)**

---

## OTHER EXPENDITURES OF INTEREST

---

### Transit

- \$10 million for expansion in BC Transit services. This will provide an additional 66,700 service hours in 2007/08 and 117,700 hours in the following two years.
- \$22 million in capital funding for the purchase of 121 buses in 25 communities.
- \$52.5 million transferred to UBCM from the federal Public Transit Trust to help local governments reduce traffic congestion and invest in public transit.
- \$45 million in federal funding for hydrogen powered buses to be used by BC Transit.

### Policing

- \$12 million in additional funding to implement the PRIME system.
- \$38 million for improving access to courts and enhancing court security.
- An additional \$25 million over three years for traffic fine revenue sharing.

### Environment

- The focus of next year's budget will be on climate change with \$4 million this year.
- \$2 million for Green Cities Awards.
- \$15 million for park upgrades.
- \$14 million for air quality initiatives that includes retrofitting diesel buses and incentives to reduce the use of conventional wood stoves.
- Extension of provincial sales tax relief for the purchase of hybrid vehicles until 2011 (maximum of \$2000).
- The exemption of alternative fuels expanded to all biodiesel fuel.

### Economic Development

- \$9 million for repair and maintenance activities on non-industrial forest service roads and bridges to enhance access to rural areas.