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September 22, 2017

Honourable Shaye Anderson  
Minister of Municipal Affairs  
132 Legislature Building  
10800 - 97 Avenue  
Edmonton, AB  
T5K 2B6

via Email

Dear Minister Anderson:

**RE: Residents Associations and COPTER**

We are disappointed in the Province's decision to further restrict the viability of not-for-profit Residents Associations through the Community Organization Property Tax Exemption Regulation (COPTER). Rather than valuing the substantial services and cost savings they provide to our municipalities, the Province has opted to further limit their ability to exist. Through discussions between the City of Calgary and Residents Associations we know the City will be removing the tax exempt status of Residents Associations based on the Province's proposed changes to the COPTER Regulation.

What seems to either have been either misunderstood or ignored throughout this process is that:

1. Residents Associations provide professional property management of facilities that are used by an entire community (3,000 to 30,000 residents) using a model which is entirely self-sustaining. They do not have to rely on any municipal funding, government grants or charitable donations to sustain their operations. By limiting their ability to sustain themselves, municipal governments will be required to replace the services presently provided by RAs.
2. The facilities provided by Residents Associations are, in many cases, the same facilities that are provided by Community Associations and in many cases even provide a facility which is also used by a Community Association for such things as office space, meeting facilities and programs. Community Associations will remain tax exempt while Residents Associations will not.
3. Taxing Residents Associations results in double taxation of residents as the facilities provided, often transfer value to the surrounding residences. The provision of a lake within a community is a good example of value transference. We have also seen this transfer of value in communities without a lake as well as the land value in communities with a Residents Association tends to be higher than in surrounding communities.

We are urging this government to re-evaluate the proposed regulation and once and for all grant tax exempt status to Residents Associations. Without doing so the Province will be risking the financial viability of these associations to the point where they will need to either reduce the services they provide or potentially close. This will also likely discourage the creation of new, unique communities that many developers have begun designing in recent years. This change will result in less park space and fewer services in new communities. If you would like more information on the value of Residents Associations or the implications of the proposed policies, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink that reads "Donna Moore". The signature is fluid and cursive, with a long horizontal stroke at the end.

Donna Moore  
Chief Executive Officer, BILD Alberta

CC: Gary Sandberg Assistant – Deputy Minister, Municipal Services and Legislation Division  
Janice Romanyshyn – Executive Director, Grants and Education Property Tax Branch  
Nathan Seatter – Manager, Education Tax and Equalized Assessment  
Keith McLaughlin – Chief of Staff, Office of the Minister Municipal Affairs