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November 12th, 2021

Kate White
Leader of the Yukon NDP
MLA Takhini-Kopper King
Yukon Legislative Assembly
Box 2703
Whitehorse, Yukon
Y1A 2C6

Dear Ms. White,

Re: Proposed changes to the Municipal Act and Taxation and Assessment Act

Thank you for your letter of November 5th regarding Bill No.3, *Act to Amend the Assessment and Taxation Act and Municipal Act*. Our newly elected council recently revisited the Better Building Program issue. While we fully support the program and its intent, we remain opposed to using the Local Improvement Charge (LIC) to collect the loan. This program places an unnecessary burden on municipalities. We are also not happy with the process that Yukon Government followed in making the legislative changes.

While the Better Buildings Program is based on the PACE model used by several municipalities across Canada, we have concerns about how the Yukon Government conceptualizes the program for the territory. We acknowledge that Yukon Government has taken on this program for the benefit of Yukoners. Furthermore, we also recognize that the Energy Solutions Branch will be taking on client intake for the program, which is a significant task. We realize that collecting taxes and remitting the local improvement charges to Yukon Government seems to be a minor part of the program. However, this task is a major concern for our small municipality.

The process of levying and collecting taxes may appear to be perfunctory. The Yukon Government has proposed charging a fee, suggested as \$500, to cover this task. However, these loans are over 15 years, and this fee will not cover the administrative burden for the loan even if all goes well. It should be noted that Yukon Government is not paying for this fee; the taxpayer would pay it.

Estimating the actual cost of collecting the taxes is difficult given many unknowns and variables. All may go well, but our experience with Rural Well Program is that we still field questions about the levy when it appears on taxes. If the taxpayer has difficulty paying their taxes, our staff will work diligently to resolve the issue. Should the taxpayer default on the payment, it will be the municipality's burden to go through a burdensome tax lien process, which, if successful, puts the Village of Teslin council in the position of taking a community member's house. This is an

uncomfortable position in our small community since the taxpayer could be a friend, neighbour, or relative.

We know that once the loan becomes a LIC, it will be the municipality's responsibility to resolve any issues with collection. Therefore, as currently conceptualized, the Yukon Government gets credit for the Building Better Buildings Program while placing the downstream difficulties on another organization at no cost.

This cross-organizational responsibility is where the Yukon version of the retrofit differs significantly from other PACE programs in Canada. In the rest of Canada, one organization takes on conceptualization, intake, and the responsibility of loan collection. We request that one organization in the Yukon also take on the entire program from beginning to end and feel that Yukon Government is best equipped to take on this task.

As for the proposed legislative changes, municipalities requested the wording many months ago and were told it was impossible to share the legislation. A copy of the proposed Act was finally provided to us earlier this week, at a time when it is too late to give comments or make changes. It should be noted that the *Municipal Act* states that the Government of Yukon must consult with the Association of Yukon Communities on any amendments that a Minister proposes to the Act.

In closing, we feel that climate change is an important issue and are committed to *Our Clean Future*. We are currently retrofitting our municipal buildings and exploring electric vehicles for our fleet as part of the initiative. We also like the Better Building Program and feel it will be beneficial to Yukoners. However, we suggest that it would be best if one organization took on the entire program, which is Yukon Government.

The Village of Teslin appreciates your attention and support on this issue. Please feel to call me anytime for further discussion or additional information.

Sincerely
VILLAGE OF TESLIN



Gord Curran
Mayor

CC: MLA Pelly-Nisutlin, Executive Council Office of Teslin Tlingit Council, Association of Yukon Communities.