

Date February 5, 2020
Author Shawn Tomlin, CAO
Subject AKBLG Resolution – Taxation of Broadband Infrastructure

REQUEST

To submit a resolution to the Association of Kootenay and Boundary Local Governments requesting the Province to alter the valuation scheme for broadband infrastructure serving rural communities.

RESOLUTION

1. THAT the following resolution be submitted to the 2020 Association of Kootenay and Boundary Local Governments Convention:

WHEREAS the cost to deploy broadband infrastructure to support connectivity services is significant and revenue opportunities in rural areas are often not adequate to provide a return on investment that would attract private investment, resulting in underserved rural communities throughout the province;

AND WHEREAS both the Provincial and Federal Governments have made universal access to broadband services a priority including through the provision of infrastructure grants to encourage private investment in rural areas; however, the ongoing property taxation of broadband infrastructure creates a significant additional cost which further inhibits the already strained business case for private investment in broadband connectivity;

NOW THEREFORE BE IT RESOLVED that the UBCM petition the Province of British Columbia to alter the valuation scheme for broadband infrastructure serving rural communities.

BACKGROUND/ANALYSIS

Director Stan Doehle is requesting the Board's support to submit the resolution outlined above to the 2020 Association of Kootenay and Boundary Local Governments Convention.

The resolution was submitted to the UBCM Convention in 2019, however no RDEK Directors were available to speak to it when it came forward for consideration, and it was not endorsed. The wording of the resolution has been amended to remove the reference to exempting all Broadband telecommunications assets from property taxation, as this may have been seen as too far-reaching and may have impacted general support. Bringing it forward to the AKBLG Convention will allow for further local discussion and endorsement going forward to the 2020 UBCM Convention.