

# Tofino Ratepayers Association

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Duncan McMaster

**1) So, the first question is the obvious one. Tell us about yourself and in general terms why you have chosen to run.**

I have been a resident and property owner in Tofino since 2006. Initially my wife and I owned and operated a B&B. We planned to B&B for 10 years and ended up doing 12 years then downsized to a smaller house.

I was born and raised in Manchester, England and most of my family lived on Council Estates which may explain my interest in affordable housing.

I graduated from Liverpool University with a degree in Geophysics. The majority of my career was spent working internationally in inhospitable places conducting geophysical/seismic operations. In addition, my wife and I owned and operated a small family restaurant in Bragg Creek, Alberta for 10 years.

I was first elected to Council in 2011 and have served on the Audit Committee, the executive of the Vancouver Island Regional Library Board and as chair of the Tofino Housing Corporation.

I'm running again because I care about our community and am worried about the problems we face: affordability, housing, water and the lack of amenities many communities take for granted. My international work taught me that Canada is the best country and I believe Tofino is the best place to live – I want to keep it that way.

**2) What qualification or life experience has prepared you for the responsibilities you are seeking by running for office?**

As mentioned above most of my career has been spent working in geophysical operations either hands-on or in management. Completing jobs on time and on budget was imperative. I gained a sound knowledge of contract law, risk analysis and finance which has been invaluable in my Council career.

Having owned a family restaurant and more recently a B&B gave me an insight into small business and the inherent thin margins.

**3) Residents have expressed many concerns over the years. Number the items from 1 to 14 on the basis of your sense of priorities with #1 as your top priority. The item you would feel most urgently needs to be addressed. Should you wish to comment on any item please do so below your ranked list.**

The following order of priority is based on what I think would benefit the community presently now. However, as a member of Council, rather than impose my personal opinions it is my job to listen and act in finding the best solutions for the community.

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## #1 Recreational facilities

As we know Tofino is a great outdoor playground with its beaches and ocean. However if we expect to keep families here (both young and old) we need better recreation facilities especially during the “bad” weather months. Ideally I would like to see Tofino have its own facility as I believe it would be used more than having to travel down the road to the site of the proposed Multiplex. Tofino will only have its own facility if it is successful in acquiring provincial grants for which the competition is fierce. Therefore, I also support the efforts of the Multiplex society and hope they are successful.

I would like to see more research done into the economics of running a swimming pool, as it is ridiculous living where we do and not having a place for people to learn to swim. When the Liquid Waste Management Plant is complete and operating, enough heat should be generated from it to heat a pool, which may then make a pool viable.

We also need to upgrade the facilities we have, especially the Community Theatre and the tennis/pickle ball courts.

## #2 More privately developed housing

Priorities #2 & #3 could easily be switched or combined as Tofino desperately needs housing. Historically, private developers seeking to maximize the return on their investment build luxury homes, expensive homes for which buyers, as real estate sales statistics verify, can always be found. While this does increase the “supply” of housing, it increases the supply of **expensive** housing, not **affordable** housing. In addition, it also increases competition among buyers and renters seeking less expensive housing, which then emboldens holders of less expensive real estate to increase the prices of housing they control.

The solution to the **affordable** housing crisis is to build **affordable** housing. Building expensive housing increases the supply of expensive housing and drives the price of all housing higher not lower. To conclude, **affordable privately developed housing** in Tofino should be prioritized over expensive private developed housing.

## #3 More publicly funded housing

Through the efforts of the Tofino Housing Corporation (THC), I believe that Tofino has been punching above its weight recently with the completion of 14 rental units at Creekside and the future 72 units at Headwaters. These rental projects will have a definite impact on the Tofino housing market, but likely won’t solve the housing crisis that Tofino and every other community faces. I do believe it is time for a pause while we assess the take up of the new rental units and the future needs of the community.

Without further federal/provincial funding I doubt that the THC will be embarking on any building projects in the near future, yet we have to be ready for when any funding is issued. In this period of “pause” we need to assess where and if we can build. In addition, THC needs to look at opportunities to collaborate with private developers.

Affordability is generally associated with building density. Whether or not to increase

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density is a subject that the community needs to be involved in.

I am concerned about the “missing middle” and worry that Tofino may become a place only for the wealthy and those who qualify for affordable housing.

## #4 Water Supply

All know “Water is Life”. The latest modelling demonstrates that with adequate conservation efforts and the projected growth of Tofino that will have sufficient supply until 2035. When one considers how long it took to study, design and obtain funding for the Liquid Waste Treatment Plant, 2035 is not very far away! The silver bullet is Kennedy Lake but I cannot contemplate how much that would cost to access. This has to be high priority of the next Council(s). In the interim we must continue to work on our conservation and rainwater collection efforts.

## #5 Vacation Rentals

The proliferation of vacation rentals is a divisive subject and has had definite impacts on our community including affordability, removing long term rentals and effects on neighbourhoods.

While many locals rely on vacation rental income to be able to afford to live here others look at it as a business opportunity and we are now seeing corporations buying up residential properties to turn into vacation rentals.

We need a community discussion on this subject. When talking to residents I have yet to meet anyone who complains that we don’t have enough vacation rentals but many who feel we have far too many.

I believe that vacation rentals should only occur at the principal residence, that only one vacation rental business license per person is permitted, that future zoning should not allow vacation rentals, and that we continue to lobby BC Assessment such that vacation rentals or the proportion of the property used for vacation rentals is assessed commercially rather than residentially.

## #6 The proportion between commercial and residential taxes

Prior to Covid it was shown that the apportionment of taxes was slightly higher in the residential sector than the commercial sector. Now that the pandemic is winding down this subject need to be brought back to the table and a fair consensus reached.

## #7 Making Tofino a more affordable community for those who live and work here

Tofino like any coastal community is an attractive place to live and people want to move here which increases the cost of housing. In addition, due to the remoteness everything costs more which is compounded by inflation. Property taxes are high in order to pay for the Liquid Waste Treatment Plant and are likely to remain high to solve the water supply issue.

We have had some success in lobbying the province for a portion of the Municipal & Regional District Tax (MRDT) to be used to service the debt on the loan for the Liquid

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Waste Treatment Plant. This lobbying needs to continue to gain a greater share of the MRDT funds and less control as to how the funds are spent.

The use of RMI for the pop-up ice rink in the winter and the fun fair in the summer was great to see. Events like that may not make things more affordable but possibly more livable for locals.

## #8 Pay Parking

Pay parking has been a success at the beach and brought in some much needed revenue.

I am in favour of implementing a similar scheme in the downtown whereby locals do not pay.

## #9 High property taxes

BC Assessment determines the value of one's property, which combined with Tofino's needs and wants leads to high property taxes. Historically Tofino property values plateau rather than drop during a recession, therefore combined with increased asks from VIHA, RCMP, ACRD and VIRL, I believe high property taxes are here to stay for the foreseeable future. Sorry I don't like them either.

## #10 Greater economic diversity

The arrival of high-speed internet and the pandemic spurred many entrepreneurs to move to Tofino and set up business. Consequently, the local economy is more diverse than ever. However, the greatest number employers are still tourism related, fish farming and local government.

## #11 More staff housing

When I arrived in 2006 I felt staff housing was seriously lacking when compared to Banff and Whistler. Things have improved somewhat, resulting in the demise of residential housing and neighbourhoods. I believe any future expansion of our resorts should include staff housing on site.

## #12 Promoting tourism

I believe Tourism Tofino has done a great job and some would argue too good a job. I have been in business long enough to know that one cannot turn marketing on and off like a tap. However, I would be happy to see more funds directed towards education of tourists and also would support our marketing being directed at the kind of visitor we want to attract to Tofino (e.g ecotourists).

## #13 Justice for First Nations

This is a Federal and Provincial responsibility. While beyond Municipal control, we can support our neighbours as they try to right the wrongs of the past. Like ourselves our First Nation neighbours are impacted by tourism and also like ourselves want their fair



share.

## #14 Climate change

Again, more a Federal and Provincial issue, but Tofino is doing its bit, although miniscule, in the grand scheme of things. Banning plastic bags and straws, the liquid waste treatment plant, the tree preservation bylaw, District vehicles gradually being replaced with EV models, the bus is an EV, more EV chargers are appearing around town and new building codes are aimed at reducing a homes' carbon footprint.

A sensitive issue for the Community is densification. Aside from the effect on housing affordability mentioned above, densification reduces the carbon footprint when compared to an equivalent number of sprawling homes.

Climate modelling demonstrate that things are going to deteriorate. Having talked to several climate scientists, many feel it will be a lot worse than the modelling predicts.

## Other

new hospital, new library, new town hall, new theatre, new Rec centre

## 4) Recent studies have identified that, over the course of a year, for every Tofino resident there are 300-500 tourists, depending on the study. Should tourists be paying a greater share for operating the municipality?

Aside from being an expensive place to live, Tofino is also a very expensive place to visit. There is no doubt that tourism takes a toll on our infrastructure (sewer, water, roads, trails, washrooms & bylaw) and environment. However, it also enhances the local economy, creating jobs, opportunities and amenities that are enjoyed by both visitors and residents.

Tourists are already paying MRDT and RMI when they come here. Therefore I believe the first issue is how do we capture and retain these taxes and spend them as the

Community deems appropriate. We have been lobbying the Province for years to gain access to these funds and have only recently had some mediocre success. Our lobbying efforts with the Province must continue and we must not be satisfied with token gestures.

I do not see the Province allowing Tofino to instigate a local sales tax as some have suggested, but could see them agreeing to extending MRDT beyond accommodation providers.

## 5) Last year Tofino initiated a pay parking scheme for the beach areas. Partly in an effort to secure money from tourists to help the town in paying for needed infrastructure. It seems to be a success. The plan was that this year the program was to expand into the downtown area where summer parking problems abound. The implementation of that plan has been delayed,

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apparently while the need for Offshore parking and the parking needs for downtown businesses are reconciled. Do you think pay parking is an important initiative for the community and a good way to generate money? How would you proceed? How should any revenues over the costs of operation be spent?

Rightly or wrongly, pay parking is almost the norm throughout Canada and the western world. Consequently, I believe visitors are quite willing to pay for parking, they accept it as a norm. The scheme at the beach whereby locals did not have to pay was successful and brought in some much-needed funds. I hope a similar scheme is implemented downtown next year. To date, the revenue has gone to the costs of implementing the scheme and bylaw. As revenue hopefully increases, I would like some of the revenue to go towards recreation and/or affordable housing and/or road maintenance.

Increasingly, housing issues in Tofino are becoming complex. Businesses are buying existing residential homes and converting them to staff housing. Vacation rental by absentee property owners seems to be commercializing our residential areas. These more commercial uses of residential property can apparently pay a higher purchase price for the home than families trying to live here can afford. They may also be able to write off expenses against income that resident homeowners are unable to do.

Rates of home ownership in Tofino are in decline.

6) Currently we have a complaint driven bylaw system in which bylaw responds to problems only when infractions are reported by citizens. Issues such as illegal vacation rentals and illegal uses of property with, for example, trailers and motor homes parked as rental units on residential property are becoming increasingly problematic. This pits neighbour against neighbour. The argument is that lack of enforcement of vacation rental infractions and other forms of commercialization results in a loss of much needed residential housing units while the quality of neighbourhoods is deteriorating as they fill up with temporary and substandard rental units. For the good of the town, does bylaw need to be more proactive in enforcing important Municipal bylaws?

I am not at liberty to go into details, but bylaw has been successful in enforcing vacation rental bylaws. This took a lot of time and a considerable amount of money. The majority of VRs are now licensed and compliant. Major offenders have now ceased operations. Unfortunately, people will always look at ways to get around bylaws, thinking about themselves rather than the Community. Only with more co-operation from the Community, can we expect bylaw to close every illegal VR.

Although I believe bylaw's role is education resulting in compliance, there are times they need to be proactive and send a clear message. I have never met anyone who unknowingly broke a bylaw, myself included.

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7) Going forward, will increasing numbers of vacation rental with absentee owners, and other quasi commercial uses of residential property actually reduce the number of residential properties and pose a threat to the long-term viability of Tofino as a place to live?

Yes. We are already seeing this with long term rentals being converted to vacation rentals and absentee owners/corporations purchasing residential properties and turning them into vacation rental properties. The usual “Tofino Shuffle” is upon us and worsening; it is apparent renters are having a harder time than usual in finding accommodation.

8) Tofino’s taxation and spending increases at a rate exceeding the rates of population growth, inflation, and wages for the average Tofitian. It has been argued the divergence is so apparent in terms of livability, versus the cost of operating the municipality, that spending must be curbed, and/or alternate sources of revenue must be found. In response to this dilemma, it has recently been proposed that Tofino petition the provincial government to allow a sales tax to be applied to all commercial transactions (hotels, retail stores, charter operations, restaurants, etc.) in an effort to 1) secure the infrastructure Tofino needs as it grows and 2) to place the burden of the necessary taxation more properly on tourists. Please comment.

As mentioned previously although it would be nice, I cannot foresee the Province singling out Tofino and allowing Tofino to implement a sales tax.

I think a better strategy is to continue our lobbying efforts for greater access and control of the MRDT. In addition, petition the Province to extend the MRDT from accommodation providers to all commercial transactions (retail stores, charter operations, restaurants, etc.). To aid in this lobbying it would be useful to demonstrate how many tax dollar a vibrant Tofino contributes to the Province’s coffers.

9) Do you think Tofino is facing a crisis as families leave because they cannot afford to live here? The **Tourism in the Clayoquot Sound Biosphere Region A Vital Snapshot | 2021** report states the following re: the Living Wage:

*At \$19.63, our region’s living wage—the hourly pay that each parent must earn to cover the basic expenses of an average family of four—was the highest in BC in 2019.*

*Few people actually receive this wage, however, and more than half of the region’s population earns below \$31,000.<sup>15</sup> Over 16% of women and 18% of men earn less than \$10,000 a year.*

*Between 2017 and 2019, monthly family expenses have increased by approximately \$300 (or 5%) in our region. Rising housing costs are largely driving up the cost of living.*

Please comment.

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Tofino is a highly desirable place to live and has always been an expensive place to live. People move away for lots of reasons: housing costs and availability, high cost of living, schooling, better career opportunities, health reasons, seniors wanting to downsize to a smaller house, etc.

A very large proportion of the residents work in close to minimum wage jobs. The disparity between income and housing costs (rental and ownership) increases year by year, such that many will never own a home in Tofino. One can argue that the cost of housing has increased province wide, but I do not believe the wage disparity is as great.

I hope future developments (private or THC) will include some price restricted housing, so that such homes remain affordable for future generations.

**10)** It has been 20 years since Tofino has done anything significant to improve/increase its water supply. It is an issue for discussion in many reports and council meetings. For example, the availability of water is often cited in regard to the consideration of rezoning for housing development. Recommendations from the most recent staff report offer, as a solution, further water restrictions and methods to reduce consumption layered on top of the current system of seasonal water restrictions. It also tentatively suggests the consideration that certain businesses in Tofino may need to close for the summer months. As well, the study identifies opportunities for increased supply and storage to avert the potential for summer shortage. The report identifies that within a few years of the end of the upcoming council term, Tofino's water demands will begin exceeding supply. Are you prepared to make the decisions necessary to avert Tofino's current and looming water insecurity?

According to the most recent water study, the year 2035 is when demand may exceed supply during the summer month's based on current growth rates and conservation efforts. 2035 will come very rapidly. An alternative water source such as Kennedy Lake will require co-operation from the First Nations and the ACRD. In addition, the cost will be considerable. To develop a plan and raise money from both the Federal and Provincial governments will take a lot of time and effort.

During the summer months the top 10 users consume 25% of the supply. Aside from asking these businesses to step up their conservation efforts some may be able to alter their operations to take advantage of higher rainfall months.

Our conservation efforts could definitely be better. We still have leaky pipes on some of the older infrastructure, and rainwater collection efforts by both residents and businesses could be improved.

The modelling is only as good as the data it's based on, so we must continually update the models. The modelling is based on current growth projections. To gain more time are we prepared to curb growth as some towns in Ontario and Alberta have done. This is a discussion I feel I have the knowledge to participate in at Council and with the Community.

**11)** What else would you like to address?



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Many of you know that I had a hip operation in May 2021. During rehab, initially with a walker and then crutches, it became very apparent how “unfriendly” Tofino is for those with mobility issues. Many streets are gravel and/or have no sidewalks, access to many buildings is by stairs only and the MUP can be a danger zone. The beaches are great, but it is very difficult to negotiate the soft sand to get to the hard packed. I applaud the efforts of Tourism Tofino in providing access to sand capable wheelchairs. It is just a small point when we have big issues to face, but we do have an aging population that will increase, and we should be considering this in our planning.

**12) Let’s say you have a very successful term in office. How would Tofino be better in the future than it is today, because of your successful efforts? How did you bring that about?**

A 4-year Council term may seem like a long time but with the challenges we face it will go quickly. There is little doubt in my mind that the next Council term will be very challenging. Tofino has so many needs and wants, which don’t come cheaply. The debt accumulated for the liquid waste treatment plant must lead to a period of austerity and every project/expenditure needs to be evaluated as to cost and necessity. If elected I will continue to ask the difficult questions and apply “common sense”, financial knowledge and risk analysis to any decisions. If successful I would hope that the Liquid Waste Treatment Plant was fully operational and came in on budget, a “pipe dream” would be that the housing crisis would be resolved but hope the affordable housing efforts continue, a plan to develop an alternative water source was agreed upon and costed, a Rec centre in Tofino and/or the Multiplex was built, the growth of VRs was reined in, progress is made on a new hospital and library. If those were achieved, I think that would give the following Council a good foundation.

I mentioned earlier that our neighbouring First Nations suffer the impacts of tourism much as we do. We often share the same goal of gaining access to the tourist dollar. We can likely achieve more by working together more often.

From an early age I was raised under the mantra:

Knowledge \* Skill \* Action = Success

I know I/we have the knowledge and skill. Where we have suffered in the past is the lack of action. I believe some action (large or small) is better than no action at all.