

## LETTER: Land rich, cash poor owners struggling

North Shore News

January 8, 2016 12:00 AM

**Dear Editor:**

Re: 2016 [Assessments Going Up — Way Up \(http://www.nsnews.com/news/2016-north-shore-property-assessments-going-up-way-up-1.2132070\)](http://www.nsnews.com/news/2016-north-shore-property-assessments-going-up-way-up-1.2132070), Dec. 13 news story.

It's time for a reality check regarding the presumption of municipalities that escalating real estate prices with updated assessments should naturally result in high property taxes.

Taxes should be related to the cost of delivering services, period. Simply because incoming buyers are willing to pay three times more than a house sold for a decade ago does not mean the cost of sewers, trash collection and street maintenance have likewise risen. Municipalities' incessant push toward increased density triggers the need for updated infrastructure. But these costs should be responsibly tied to the increasing number of new taxpayers, and should not penalize current homeowners out in the suburbs.

Homeowners who bought years ago at lower prices, now informed their properties are worth millions, do not suddenly have more money for taxes. Welcome to the land-rich, cash-poor paradigm. Only by selling and moving out does cash materialize. Many homeowners who wish to stay in their homes could be potentially forced out of their own communities by such tax increases.

The often heard comment that Greater Vancouver is becoming a haven for the wealthy is exacerbated by the unfair prospect of soaring taxes for incumbent homeowners.

Young families in White Rock are now deferring property taxes to simply stay in houses they own; some are resorting to reverse mortgages.

The City of Vancouver has begun to address the attitude of incoming absentee buyers who see homes as nothing more than an investment. The housing "market" is firstly a community where people dedicate their lives, hoping the same for their children.

Municipalities in California have begun to address tax-creep inequality by exempting homeowners who bought at previous lower prices. When a property sells, taxes are then raised for the new owner.

Let us hope that municipal stewards do not crumble in the face of brute market forces as ultimate authority, forcing families to move far from the neighbourhoods they helped build.

It is within the power of municipalities on the North Shore and surrounding regions to ensure fairness in property taxes.

**Allen Hawirko**  
**North Vancouver**

*What are your thoughts? Send us a letter via email by clicking [here \(http://www.nsnews.com/opinion/send-us-a-letter\)](http://www.nsnews.com/opinion/send-us-a-letter) or post a comment below.*

© 2016 North Shore News

[Sign up for the North Shore News FREE digital newsletter to receive top headlines from each issue in your Inbox. \(http://www.nsnews.com/newsletter/subscribe\)](http://www.nsnews.com/newsletter/subscribe)