Subject: RE: Response to Brad Eshleman

Date: Sun, 19 Jun 2005 18:31:51 -0700

From: "Ernie Crist" <ernie_crist@dnv.org>
To: "Ernie Crist" <ernie crist@dnv.org>

CC: "Mayor and Council - DNV" <Council@dnv.org>, "Senior Management Committee" <managecomm@dnv.org>, <fonvca@fonvca.org>

Dear Kai and Grethe Jensen:

The email below hopefully will explain to you at least some of the reasons why your taxes are so much higher in the District than they are anywhere else and why you and your business are suffering as a result.

There is a great deal more to tell and if you call me at 986 4531, I will be more than happy to elaborate and tell you what needs to be done to reverse this disaster. The question is are you ready to face the truth and are you ready to act accordingly?

Yours truly,

Ernie Crist

From: Ernie Crist in response to an email from an A. S. a businessman in the District of North Vancouver.

Hi

Good points, but what are you going to do about it? The City is not interested in amalgamation. Taxes for a house with the same assessed value in the City as the one in the District are \$ 600 less. Why would anybody in his right mind amalgamate with the District. Their Heritage fund is intact while ours is gone. Their Infrastructure Reserve Fund is intact while our is gone. They are building the high rises and we continue building their playing fields free of charge even though we have a surplus in the District. We have 3 out of 4 recreation facilities but they are not contributing a single penny for the capital maintenance of those facilities. Why would anybody who gets such a good deal from such stupid people want to give that up.

The people in the District know this because I have told them one hundred thousand times and still they do nothing about it. However, what they did do is endorse the Council NERDS who are responsible for this fiasco but not me (NET) who pointed all this out during the last election. And to make sure that every body knows that they are stupid they elected the man who is responsible for this fiasco and promoted him to parliament - I rest my case. Have a nice weekend.

Ernie Crist

Dear Mr.....

Thank you for your letter re taxes. As you are aware, property taxes are virtually the only source of income for municipalities. Canada is the only modern country where this is the case. To put it bluntly Canadian Municipalities and Cities where close to 90 % of the people of Canada reside and where all the staggering problems of a modern society are being played out, have no constitutional power. We are politically so backward that it defies the imagination. To put it bluntly, it is nothing short of astounding.

In other Countries municipalities are recognised under their relevant constitutions and they have powers that enable them to deal with the issues they face much more effectively. They either receive a portion of the gross national or state budgets or they receive guaranteed grants. In other cases their powers are such that they can

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tax gasoline, tobacco, liquor etc, as the case may be, which means they have more room to protect jobs in the community in a highly competitive world.

When it comes to fiscal policies the situation is especially serious in the District of North Vancouver for a number of reasons. During the Bell and Dykeman administrations literally hundreds of million of dollars received from land sales instead of being put into the Heritage Fund, as was suggested back in 1986 by me and by Councillor Craig Clark, these proceeds were used as a slush fund more or less.

The idea of an accumulated Heritage Fund was to use only the interest generated by this Fund but only for genuine capital projects. Needless to say this would have positively impacted taxes in the District. The issue was brought to the attention of the community a thousand times but nobody including the business community did anything to rectify this scandalous practise. What is true for the Heritage Fund is also true for the Infrastructure Reserve Fund. Some areas of municipal responsibility, including public recreation are mismanaged to such an extent that it is hard to believe. All this has been stated a hundred times by me as well as others.

Even today the District continues to subsidise the City of North Vancouver for purely political reasons, by that I mean purely stupid reasons. Suffice it to say that the Arts on the North Shore are administered by no less than 3 different administrations - talk about incompetence. Suggestions which would make the delivery of public recreation more efficient and save the taxpayers millions of dollars a year have been consistently ignored. Those are just a few examples. The revelation of the KPMG, the Northland, and the Canlan scandals have apparently done nothing to shake the apathy of this community, including the business community. One would think that somebody would have voiced some concern but there was total silence including from the Captains of Industry.

I believe the North Vancouver business community, including the Port industries, should use their clout to press the federal government to rewrite the Canadian constitution and give municipalities sufficient powers so local industries can compete with industries in other jurisdictions on the same level playing field.

I also urge you to make sure that the District is run based on sound business practises rather than in the irresponsible manner as has been the case in the past,

I have submitted countless proposals as to how this can be done. My suggestions have always been based on common sense business principles - principles I was taught in first class institutions of learning I might add. I can assure you that I fully understand the need for jobs and the creation of wealth in a highly completive environment. I am sure you are also aware of our responsibilities to our residents who cannot write off taxes as can be done by business

The bottom line, Mr...., is that the BUSINESS community will have to take local government far more seriously than is the case at present and not just around the question of taxation and during budget discussions. Local government is complex and requires the cooperation of all its members to face the issues including cultural, social, transportation, health, liveability, environment and, of course, employment and taxation.

A good start would be to help us push for a new constitution - one that recognises the realities of the modern world rather than one that is based ON AN ACT WHICH DOES NOT EVEN RECOGNISE MUNICIPALITIES AS LEGITIMATE LEVELS OF GOVERNMENT AND IS A HUNDRED YEARS OUT OF DATE.

Yours truly,

Ernie Crist

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