Subject: FW: Annual Report for 2004, Date: Tue, 5 Jul 2005 21:53:54 -0700 From: "Ernie Crist" <ernie_crist@dnv.org>

To: <fonvca@fonvca.org>

Subject: RE: Annual Report for 2004,

A MESSAGE FROM ERNIE CRIST

The 2004 District of North Vancouver Annual Report is indeed well crafted. It means that staff have done an excellent job of making it readable. But, beyond that, it has little meaning. For one thing the 3.75% across the board tax increase is a total misnomer since the District has once again siphoned off millions of dollars from its Reserve Funds to bolster operating expenses.

I take issue with the interpretation by some members of Council that District operations are fiscally sound. Indeed, the very opposite is true. Because of long standing mismanagement, the District faces serious financial difficulties. The Provincial Government has been anything but helpful, but the District shares the major guilt by far. Years of mismanagement have taken their toll.

Talking about the report per se and the fiscal situation of the District is one thing, talking about fiscal reality is quite another. It is comparing apples and oranges. I accept some blame for not pointing this out during the recent debate. By the time I realized this, the opportunity to clarify this point had passed. As a result, District residents may well believe that the District is not only the best place to live but is also the best managed in the world which it is not.

Mayor Harris widely quoted in the press clearly confused our unique North Shore environment and liveability with our fiscal reality - two totally different issues.

Here are some facts?

The District now has the second highest taxes in the region. Twelve years ago they were the second lowest. Today, taxes for the same value house in the City of North Vancouver are \$600 lower than they are in the District. What is true for residential is also true for business properties. Notwithstanding, the District continues to subsidise the City big time.

Recreation and playing fields are two examples. The City is building the high-rises and the District is building the playing fields, free of charge. At the same time, there is not enough money in the District budget for community policing for Parkgate, as promised, or sidewalks in many places.

Out of every 4 recreation facilities in both City and District 3 are in the District and although the population of the City is more than half of the District, the City is not contributing a single penny to the capital maintenance of the facilities in the District. The result is that despite a \$6 million annual subsidy to the Recreation Commission, facilities are deteriorating at a rapid rate.

It is little wonder that any suggestion to amalgamate the two municipalities is met with scorn by the City. Needless to say none of these points are mentioned in the report. Neither does it mention that the Mayor, while professing to protect the environment and green space, does so only as long as it does not interfere with development or the creation of monster houses and even public foreshore land.

Unlike the City, whose Heritage Fund is intact, the District has used

7/5/05 10:44 PM

tens of millions of dollars from its land sales, i.e. Heritage Fund, to cover operating expenses. This is like a farmer selling a piece of his land each and every year to stay in business. The result? - the District Heritage Fund is gone more or less.

The District Infrastructure Reserve Fund too is gone. It was \$ 91 million in 1997 or \$1,100 per capita. In the City of North Vancouver and in West Vancouver, it is still \$1,300 and \$ 1,700 per capita respectively.

The District of North Vancouver is today the only municipality in the Lower Mainland without such a Fund. As the Heritage Fund was used as a slush fund more or less, so too, was the Infrastructure Reserve fund. It certainly was not used to renew the infrastructure it was supposed to when it was set up in 1984. This too means added cost for the District taxpayers.

Another area of unbelievable incompetence is the administration of the Arts on the North Shore. We have no less than 3 separate administrations. The waste is colossal. My efforts to rectify this and other serious shortcomings were dismissed by the present and previous Mayor as making "too many motions".

The District Land Lease policy too is dubious. The District continues to subsidise certain lease properties without rhyme or reason. This is not only un-businesslike and in violation of the spirit of the Municipal Charter, it is also unethical. This has been pointed out repeatedly. Indeed, some people ask why this is not being addressed and why my personal efforts to that effect have been ignored. Indeed, why has my campaign to address this matter resulted in false charges of impropriety against me? Was this an attempt to divert attention?

That the District has been mismanagement is evident by the numerous scandals from Northlands to Canlan to mention but two. One of the most shameful policies by the present and the previous Council, without question, is the continued inaction in not allowing public access to the public waterfront. A promise to that effect by the present mayor was made to a special interest group in return for their support (CCA) during a previous election.

All this has been pointed out on TV, in the press, during elections and letters to the editor. Notwithstanding, District residents continue to be largely silent. No wonder, therefore, that the fiscal situation in the District continues to deteriorate - flowers on top of the coffin notwithstanding. As it is, the situation can only get worse. This will become evident, when the proverbial chickens come home to roost.

That is to say, when the only way out is to sell land on a large scale as a temporary solution and/or if the District engages in a massive densification, a solution favoured by the present Mayor and real estate interests. However, all this will do is create more traffic, more pollution and the loss of our cherished liveability. It will not, in the long run, improve the fiscal posture of the District.

There are many reputable community activists who will attest to the veracity of the statements made above. They include activists like Mr. David Sadler, John Hunter, Dr. Corrie Kost, and many others.

Ernie Crist



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2 of 3 7/5/05 10:44 PM

FW: Annual Report for 2004,

3 of 3