Subject: Response to letter from Brad Eshleman V. P. Finance & Administration, adressed to Mayor Harris with copy to Ernie Crist re Assessment Appeal.

Date: Thu, 9 Jun 2005 15:54:21 -0700 **From:** "Ernie Crist" <ernie_crist@dnv.org>

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

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> Dear Mr. Eshleman:
> 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 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 and 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.
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> 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. Eshleman, 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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