

I wish to clarify comments made by Tim Bousquet in his annual “City Council Report Card” article in the June 3rd issue of the Coast Newspaper, in particular reference to the tax reform motion. In the article he stated I voted for tax reform which would have significantly increased the rent paid by apartment dwellers. This is not the case. In my opinion, the comments bring into question the reporter’s level of awareness and objectivity in reporting on Council activities.

First, the motion was “to continue to **explore** moving away from the current assessment-based property tax system – it was not a motion on whether to accept or reject tax reform.” Mr. Bousquet must have missed this as he certainly did not make it clear in either his article or his assessment of my overall performance in Council over the past year.

The motion was defeated by two votes. As your Councillor, I wanted to have more information on tax reform in order to arrive at a fair and balanced budget for 2010-2011. I wanted a clearer understanding of what tax reform would provide, and in particular as it relates to taxation on solid waste, transit and the tax base.

The Clayton Park area (District 10) is a high density community and one of the fastest growing Districts in HRM with a 34.4 percent increase in population. It has more than 130 apartment buildings, condos, a number of shopping malls that include offices, restaurants, grocery stores, as well as the Bayers Lake Business Park (one of the busiest retail parks in Atlantic Canada). It is unique in many ways.

Solid Waste Tax: With the uniqueness of our district in mind, I wanted to learn more about the process for taxing solid waste and how it affects the large number of apartment buildings and businesses. Homeowners pay taxes for solid waste and have their garbage collected each week. Apartment and business owners **also** pay the general tax rate for solid waste but **do not** have their garbage collected by HRM. They are paying for a service they do not receive.

Apartment and business owners must hire private contractors to collect their garbage. One apartment building owner advised me, that in addition to the property tax, it costs approximately \$6,000 a month to have the garbage collected. Other businesses face similar costs. These costs, in whole or in part, are passed along to tenants or customers.

Since the earlier debate on tax reform was defeated, HRM has moved to increase the property tax which will result in increased costs for businesses, apartment owners and homeowners. Some tenants have advised their rents have already increased.

Under the proposed tax reform, the solid waste tax **would have been removed from the general tax rate** and it would have resulted in significant savings for apartment owners and businesses and may have reduced the need to increase rents. Unlike homeowners, most apartment buildings are ineligible for the assessment cap; therefore, their taxes will continue to rise with the value of the property.

Transit Tax: Another issue I wanted more clarification on relates to the transit tax. In order to provide better bus service for Clayton Park West, Fairview, and Rockingham-Grosvenor, the tax reform motion suggested everyone living within 1 km of a bus stop would pay a transit tax. It was either this approach or add it to the general tax which would require all residents to pay. The transit tax, similar to that in the tax reform motion was defeated and put forward as an added tax in the current budget.

Property Tax: My final concern I wished to explore fully was the overall property tax issue. Some owners of lower-medium priced homes would have had an increase in property tax due to the greater number of homes in this grouping; however, lower income property owners would have received a tax break. In District 10, according to the charts provided in the tax reform motion, a number of residents would have received a lower property tax.

In conclusion, I voted to explore and discuss the new tax reform in more detail to determine potential benefits. I did not have the opportunity to, but if the outcome was unfavourable, I would have voted against it.

As for the other questionable comments in the Coast article regarding my performance in Council, the reporter needs to be reminded that I, like the other Councillors, cannot be judged solely on what we say or didn't say while Council is in session. We also spend a great deal of time serving on various HRM committees and boards as well as community organizations, much of which goes unreported in the mainstream media.

If you wish to discuss any of the points raised or any other issue, please call 490-7028 or e-mail: wilema@halifax.ca