



August 4, 2021

Tofino Ratepayers Association Newsletter

I am pleased to be able to report on the most recent meeting of the directors of the Tofino RPA. In attendance Directors: Kevin Midgely, Steven Thicke, Harold Sadler, Tammy Shymko and Jack Gillie.

Subjects for discussion:

ITEM ONE Regional Bus Service

Later in August, the Regional District of Alberni Clayoquot, will entertain a motion to exclude Salmon Beach from the areas subject to taxation in support of the bus initiative. A 2/3 vote of the directors is required. You may recall we opposed this initiative at the time of approval for the borrowing bylaw. This new motion is troubling on many levels.

The motion, if passed, would put increased burden on others still required to pay the tax, your taxes would likely go up. Tofino taxpayers will share more of the burden as the rate of taxation is set against assessment. So, one of the initial problems for Tofino taxpayers, an unfair distribution of the burdens of taxation. will be exacerbated. Taxation that is based not on use or ability to pay but a system of assessment that is widely disparate from one community to another. Tofino assessments generally running double the regional.

It also opens the door for other parts of Area C that do not have direct access to the bus, to ask to be excluded as well. For example, property on Vargas Island, Catface and Cypre River areas, Recreational properties at Hesquiat, and in Barkley Sound, to name a few. This could turn into a disaster for those left holding the bag. Even those supporting the busing scheme should have second thoughts

This new motion calls into question the legitimacy of the original process where we were required to participate on the basis of a system of sharing that will no longer exist and a petition process that will end up based on false premises.

We continue to oppose and will oppose the bus proposal because 1) the projected needs and use were not adequately substantiated, 2) costs were disproportionately distributed, 3) local business providing service at no cost to the taxpayer would inevitably be eliminated 4) Local residents subject to the tax were not given adequate say in developing the proposal or approving the funding bylaw.

WE encourage the Regional Board to take this opportunity for a fresh start and a redraw of this entire proposal.



ITEM TWO The Scale of Local Government

It has been a couple of years since we first presented a set of graphs and charts (still available on the Tofino RPA website) that tried to capture the tax situation, past present and future, that the community of Tofino is facing. No doubt we got some attention and inevitably ruffled a few feathers.

It is time to add more current information to this effort. To update our information. Have our forecasts come about? You intuitively know the answer, but we need to substantiate it with facts about the growth/cost of local government, spending increases and taxes. And the implications. It seems a wise thing to understand the past to help predict the future.

ITEM THREE Progress on the MRDT?

During the last election, it was clear to us that the broader community was behind the idea of getting a share of the MRDT (money directly from the tourists) to help shoulder the burden of the costs of Tofino's infrastructure needs. It seemed fair to most that a town of 2000 could not and should not have to support infrastructure for more than a million visitors. (I don't know what the current number of visitors is, who can keep up?) The looming costs of sewage treatment made this point abundantly clear.

Council will be trying to negotiate a new deal on the MRDT. They need our support and encouragement to not shy away from getting the best result possible for us. There is an expectation that 1/3 of the current 3% tax would come to Tofino for infrastructure (sewer water). This is not only possible, it is necessary.

WE don't know where the process is at. We would like to be more informed, but regardless I would say to our elected representatives "you have the hammer, don't sign a deal that is unacceptable to the residents of Tofino".

Contact your Councillors and Mayor, let them know the public has their back. We want them to negotiate hard for Tofino. Don't get whittled down. C'mon Mayor and councillors, get it done.

As an aside to this discussion, we would add.

Currently Tofino Council has allocated an additional \$450,000 of your municipal dollars for redesigns and a search for cost savings on the sewage treatment proposal. If cost savings can be found that is good for the Taxpayers of Tofino. But it becomes apparent that it will also be good for the Senior levels of government who will be asked to contribute mightily to the project. Why can they not contribute to engineering and analysis that reduces costs for everyone?



ITEM FOUR Tofino Housing Corp.

Concerns persist around the Tofino Housing Corp and “affordable housing”.

Some of our members would like to see a full accounting of what this has cost the community. Those who have information that could contribute to assembling this file please send it to us. Help us do the research. We note that the DOT has taken to advertising for necessary rental accommodations, after selling off it’s stock of housing, gifted to Tofino as “amenity contributions”. The monies used to help fund the “Affordable Housing” project. Confusing isn’t it.

Some folks may have been for or against this project, but I have yet to encounter a resident who doesn’t think the granting of tax-free status, that is, complete relief from annual property taxes, is a bridge too far. After all it is not social housing for the needy. Many of the future residents in these facilities will be making reasonable wages and contributing nothing to the town’s coffers by way of property tax.

ITEM FIVE The “Inflection Point” and a Point of View.

In geometry the inflection point is where a curve on a graph takes off in a different slope or direction. In accounts of human events, it refers to a change in historic and social events. Where things dramatically change for better or worse, where a different paradigm takes over.

In the 90’s Tofino was engaged with the Sustainable Development of Clayoquot Sound. As part of the effort a working group of locals lead by L. J. Maclean was tasked with doing a “community values survey”. Their report entitled “Some Implications of Community Values for Community Planning”

I know that this report was well researched. Ms. Mclean personally interviewed over 95% of the resident Tofino population. This was no projection based on a small sample. It makes for a good read. It contains some humorous local issues of the day but also an amazing amount of foresight about the problems about to descend on Tofino. Unfortunately, within a few years it was forgotten, left to the dustbin of history. We have pulled it out of the dustbin and attached it to this email and also posted it on the Ratepayers website -- tofinorpa.ca

One fact I want to share is that at the time of the survey, 68.5% of the residents of Tofino owned their own homes. The balance being tenants. That was the character of the community. Today, nationally, the numbers are about the same ranging from 65% to as high as 70% for most Canadian municipalities. That has been the underpinning of our property tax system. Residential Use taxes contribute by far the most taxes as a tax class to local government across Canada. This burden is shared by most Canadians

By the 2016 census Tofino was down to 58% of the residents in an ownership position, slipping well below national averages.

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This comes as no surprise. My only question is, “Are they adequately accounting for all the staff housing, parked campers, temporary use zones that are around?” Does it account for young folks who are fortunate to get into ownership but have to rent a room or two to friends to make it work? In any event, the driving forces in this equation have continued unabated for another five years since the 2016 figures.

It is very likely to probable that home ownership has slipped into the low 50% range in the last 5-6 years.

Now we come to the Tofino Affordable Housing Projects, which between Sharp Road and DL114, have by my count just over 100 units planned. That is over 10% of the housing stock identified in the 2016 census. These numbers, regardless of any other happenings, all other existing trends continuing, will put Tofino into the mid 40% range for home ownership. We are falling off the map in regards to home ownership. I have seen no evidence that any other municipality in the Country has approached these levels. I beg to be informed.

If councillors are ever asked what makes Tofino different or unique, these facts need to be part of the answer.

We need to ask, “What impacts does this have on the town, socially, politically, economically, when most residents don’t directly pay tax?” Is anyone on council thinking about this? As municipal spending continues to climb, renters’ rents are restricted to 2% annual increases or as prescribed by provincial law. The landlord foots the bill. Part of the reason some people choose VR use over long term rental for their extra suite. There is no restriction on the amount of tax that a homeowner can pay. It is more than ironic that the more homeownership declines and spending increases, the more homeowners are required to pay in tax. Also putting additional impediments in the way of those who would like to own.

This is not a criticism of renters. That would be plain stupid. Almost everyone has rented, either out of necessity or choice. Everyone has the right to vote, get the services and facilities they want and contribute to the community in various ways. And many do.

But there is a social contract underpinning our tax system and government process. What happens when the majority is not required to contribute directly to the funding of local government through property tax? We are approaching an inflection point in Tofino. Where does it take us? I don’t think anyone has thought much about it.

That is why lately, we have put effort into the exploration of alternate ways of raising funds for the District’s expenditures. The future survival of the community as we have known it may depend upon it.

We encourage members and others to share their views with their elected officials.

We encourage you to share this newsletter with friends and neighbours.

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We also welcome your feedback. Anyone who is interested in becoming a member, who wants to contribute, who wants to work on developing and researching these issues, please contact us. We want to hear what you have to say and welcome you. We need your help.

Cheers Jack Gillie