

An open letter to City Council

Residential Taxes: The New Mortgage

I am writing to express my ongoing frustration with the current state of residential taxes in Hamilton. For many, property taxes have become their new mortgage payment. The burden on local residents has indeed reached a "tipping point".

As of May, 2015, approximately 173, 000 households are issued property tax bills. Of those, 22, 000 are in arrears for a combined total of \$70, 500, 500! As our taxes continue to rise, more citizens will be unable to pay, especially as they retire. Obviously, the current system is both broken and unsustainable.

Since purchasing my home, my taxes have risen to \$550.00 a month. A close friend in Stoney Creek pays taxes of over \$1100.00 a month. We both purchased our homes to raise our families, and have, over the years, seen our investment rise in value. Now, upon retirement, we will no doubt be forced to sell our homes prematurely, through no fault of our own. It has indeed reached the point where a younger couple would think twice about relocating here. Hard work and sound money management will pay down a mortgage, but high property taxes are a fixed cost that continues to rise. I don't even understand how a retired person on a fixed income even manages to pay them. Perhaps that accounts for the 22, 000 default households.

Resolving our current predicament will not be easy, but surely we can all agree that something needs to be done. Briefly, here are some suggestions:

- 1) Appeal to the provincial government for more autonomy as to how you raise local taxes. If it's good enough for Toronto; it's good enough for Hamilton.

2) Cut local costs with particular attention to the Police Department Budget. The Police Levy is hugely disproportionate to the other levies.

3) Lobby the government to make residential taxes a tax exemption, particularly if you are paying premium taxes, and, in fact, subsidizing those whose bills are much smaller.

4) Continue to fight for sustained infrastructure assistance, lessening the burden on local tax payers.

It's time to, not only talk about "the elephant in the room", but to begin dealing with it before we are all crushed by the weight of unrealistic taxes, and the future prosperity of Hamilton is jeopardized.

Sincerely,

David Borsellino