

Hamilton, ON

July 4, 2016

Huan (Jessy) Vu

Hamilton, ON

Dear Council,

My name is Huan (Jessy) Vu. I am writing this letter in regards to the property located at **52 Cannon St. West, Hamilton**. Currently this property has an estimated taxes in arrears of \$374,000.00. The taxes in arrears was accumulated through many years. The bulk of this arrears was attributed mainly from the development charges which was incurred during the development of the property in 2008 and the 15% interest rate on the \$169,958.00, Which amount to roughly \$258,000.00 with 15% accruing interest.

When we started the development process, we had request the city for this charges to be exempted. Unfortunately the timing of the exemption was not approved until 2009. Between 2005-2012, the City of Hamilton inviting developer to build downtown and gave out many incentives, again these incentives were not in our favour.

To make a long story short, we have recently secured some fund to paid all the taxes in arrears less the development charges and the interest which it incurred. The amount we can pay is \$116,000.00 (\$374,000 - \$258,000 = \$116,000). Within the passed 4 years, we have paid over \$230,000.00 in taxes and arrears not including \$116,000.00. Altogether we will be paying \$346,000.00 in 4 years for a 12000 ft² property.

Below are some of reasons why we think the exemption of both the development charges and the accrued 15% interest on the DC amount;

1. There was no cost or minimum cost to the City associated with infrastructure at 52 Cannon St. West, which normally attributed to the new infrastructure or new sub-division development, sewers, roads, utilities etc. Non of these services applied to the address mentioned.
2. The Development cost was exempted in 2009, which, based on City record our project was not certified by the City yet.
3. The City call for developer to invest downtown, which we did. Should the City not help us given that we support this call to build downtown?
4. Had we not developed this land, the taxes collected on vacant land will only be around \$10K vs \$40K developed, a difference of \$300K over 10 years. Not to mention many other benefits for the City.
5. Currently the property do not receive any regular services from the City eg. Garbage collection etc.
6. I don't agreed with the 15% interest on the taxes in arrears, while the bank charges 4-5%. I understand that reason is to discourage taxes in arrears, but when people can't pay, they can't pay.
7. Finally, when you read recent new like the City gives Hamilton Health Sciences \$700K to relocated, it is more upsetting to us. HHSC receiving money from the City and mean while we are charged with all sort of fee and penalties.

With all due respect, we just want to clear all the taxes that we own the City thus far and beseeching the City in helping us by exempting the development charges and the accrued interest so we do not go bankrupt! Again, we have secured from the bank a lump sum of fund to try to clear the taxes that is in arrears. We hope that the City of Hamilton provide to us a justly needed help.

Respectfully,
Jessy Vu