

Councillor Schaefer explains tax assessment

As indicated in Mr. Rentsch's letter (Outrageous property tax increase, KWS?July 5), actual property taxes are a function of the MPAC assessment and the tax rate (as determined by the municipality). Many home owners, but not all, have assessments with an increase greater than previous changes due to the four-year reassessment cycle.

Per MPAC, King's total assessment increased 5.1% for the residential (RT) assessment class, but I am very aware that some have seen increases of 10% and greater.

Net tax levy requirements for the Township had been projected to increase at a blended rate of 2.32% in 2017. Since the original budget we approved staff recommendation to eliminate this increase because of adjustments at York Region.

Our tax rate strategy is to be financially sustainable over the long term. If we were to reduce tax rate today we would need to significantly increase tax rates in the future given our long-term capital infrastructure plan.

A big challenge for King is our capped growth. Current population is 24-26,000; by 2031 it may be 35,000. As new development occurs, developers are required to contribute (development charges) toward the cost of building incremental capacity in municipal infrastructure.

Our 10-year capital plan also includes replacement and rehabilitation of existing infrastructure which is funded by general taxation. Hence, the need to ensure adequate provisions for infrastructure reserves and its increase to \$3.6 million for 2017.

Mr. Rentsch identifies one of our challenges: lack of a significant industrial base.

As 99% of Township is in the Greenbelt and a major portion of that is protected by the more restrictive Oak Ridges Moraine Conservation Plan there will not be a substantial increase in our industrial base. The Township is an important steward of aquifers and natural heritage systems. Although there have been studies identifying the substantial economic value of protecting these systems, including the land where our food is grown, we do not receive financial credit for this.

Mr. Rentsch asserts that the Township had the opportunity to reduce tax rates in recognition of incremental assessment that was ?directly related to the new residential developments.? It is very important to recognize that as population increases, so do demands on local municipal services.

It's not easy to answer Mr. Rentsch's question about infrastructure which is not ?directly related to the new residential developments? as often it is the increased population which justifies the investment and which partially funds it. Having said that, I offer a couple examples: the complete renovation of Memorial Park (King City); reconstruction of Church St. (Schomberg); resurfacing of 16th SDRD and 8th concession; new pool house in Nobleton; in 2018 and 2019 there will be new sidewalks in King City along both sides of Keele and King Road. The King City Library expansion and the new recreation complex on Seneca College lands will not occur without the new developments as the DCs and contributions from the latter are a key source of funding.

I have focused on what I, as a councillor, controls (i.e. the tax rate). But, I want to make a brief comment on MPAC assessment. Recent new developments in King City and Nobleton have had a direct impact on property values in established villages. As King property owners, the value of our investment has increased significantly as a direct result of the core attributes that make King a preferred community to reside. For which, expectations of certain levels of service are created and this council has made investment in core infrastructure a priority; unfortunately, there is a cost.

I accept the criticism that the communication on this issue could be better. Staff has been directed to provide a comprehensive response to the issues raised by residents to be posted on Township.

Debbie Schaefer
Councillor, Ward 5