

Calgary tax hike trimmed to 4.8%

Aldermen add funding to fight vandalism

BY KIM GUTTORMSON AND JASON MARKUSOFF, CALGARY HERALD NOVEMBER 24, 2009 6:14 AM

CALGARY - Next year's tax increase is 4.79 per cent, even though council boosted snow clearing and graffiti clean up, eliminated the park-and-ride fee at bus lots and cut \$200,000 from its budget Monday.

Council made a number of modest changes to its final 2010 plan--paying for some of them out of reserve funds--but ultimately rejected all the bigger-ticket items raised, including a bid to hire 12 more transit security staff and to pay for work on the Race City site.

It also voted against pulling another \$2.9 million out of its rainy day fund to bring the rate down to 4.5 per cent, saving the average homeowner \$3 a year. More than \$13 million was already used to bring the rate down to 4.8 per cent.

"Well, four sounds better than 4.5 and three sounds better and two sounds better and zero sounds better, until you look at the domino effect or the unintended consequences," Mayor Dave Bronconnier said. "And council, your long-term strategic plans are the right ones."

He called it a matter of leadership rather than salesmanship.

Council also killed a proposal to start charging for parking on Sundays or for longer hours, while referring contentious fine and impound fee increases back to the parking authority board.

At the same time, council approved reducing rates for shorter-term stays in the city core.

"It's a very fine balance for an economy that's transitioning from somewhere to something better," Ald. Gord Lowe, chairman of the finance committee, said of the 2010 budget.

A 4.8 per cent tax increase would add just under \$54 to the municipal portion of the average residential tax bill.

The only money actually removed from the budget was \$200,000 from human resources, suggested by Ald. Andre Chabot, the equivalent of lowering the rate by 0.02 per cent.

After the budget passed, Ald. Ric McIver asked that city staff try to cut an additional one per cent from department budgets, and report back next spring.

Bronconnier called it cavalier and a waste of resources.

"There's more to get, and we're not doing our jobs well enough unless we keep asking until we get

what there is to get," McIver said.

But his move to cut \$2.8 million from the corporate services budget was rejected, with Ald. Diane Colley-Urquhart calling the attempt reckless when no one could determine what the potential impacts might be.

"You've got to do your homework on this," she said. "Just coming up with a carte-blanche amendment with no idea what it's going to do doesn't work."

Other major items that didn't make it into--or out of--the budget included \$ 1.3 million to add more transit security officers, a recommendation from the transit safety audit.

An attempt to reduce the park and ride fees at LRT lots to \$1 a day from \$3--at a revenue hit of \$4.5 million --was voted down.

However a move to eliminate the fee at three bus park-and-ride lots passed, with transit saying they could absorb the \$100,000 loss within existing budgets.

Paying \$3.1 million for work at the city-owned Race City site, which would allow the organization to continue operating for another five years, didn't pass.

Two tries to cut grants to civic partners-- one including the library, the other not--were also rejected.

As well, council agreed to fund \$1 million in each of the next two years for a pilot project that would see small private contractors called in to deal with trouble spots during heavy snowfalls. The money will come from a reserve fund and doesn't affect the property tax increase, unless aldermen decide to continue it after 2011.

They also took \$200,000 from the reserve to cover increased graffiti cleanup on private property.

Proposed increases to sewer and water rates were also reduced because of lower capital costs. The average metered bill will now increase by \$3.04 a month instead of \$4.06, while non-metered bills will go up by \$3.61 rather than \$4.82, on average.

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