

City of Prince George – Proposed Property Tax Increase - 2025

There are several arguments against a city property tax increase. These include concerns related to economic impacts, fairness and government spending.

1. Increased Financial Burden on Homeowners

- **Affordability Issues:** A property tax increase will create a financial strain on homeowners, particularly in the City of Prince George with already high property values and where residents are already struggling with rising living costs. It will make it increasingly difficult for people, especially seniors or those on fixed incomes, to stay in their homes.
- **Disproportionate Impact on middle to low-income Residents:** Homeowners who are not in the upper percentile of income will find it especially challenging to absorb higher property taxes, as their incomes are not rising and certainly not at the same rate as their property values.

2. Negative Effect on Property Values

- **Decreased Property Values:** Higher property taxes in Prince George are now at the point where they discourage out-of-area potential buyers, which will decrease demand for homes in the area, potentially lowering property values overall. This will create a vicious cycle, where homes lose value and the city will want to increase taxes even more to make up for declining revenue.
- **Impact on Market Stability:** The proposed higher property taxes in Prince George will reduce the affordability of homes even more, leading to slower market activity and possibly stagnation.

3. Discourages Investment

- **Reduced Incentive for Property Improvements:** The proposed higher property taxes will discourage homeowners from making improvements or renovations to their properties, as the increased value of the home may result in even higher property taxes. This will reduce long-term investment in the community and negatively affect overall neighborhood development.
- **Business Concerns:** For commercial property owners, increased taxes will undoubtedly make it harder to operate, leading to decreased investment, higher prices for goods and services, or even business closures. This can lead to job losses and reduced economic

activity within the city. There are already many examples of businesses who have moved out of the City of Prince George district due to the high taxes that increase costs and therefore limit their competitiveness in the marketplace.

4. Unfair Tax Burden

- **Regressive Nature:** Property taxes are regressive, meaning that they disproportionately affect lower- and middle-income families. While wealthier homeowners might be able to absorb increases more easily, those with limited incomes or in lower-value homes may feel the impact much more significantly.
- **Lack of Flexibility:** Property taxes that are based on the value of a home, doesn't reflect a homeowner's ability to pay. A person whose home has increased in value due to market conditions (but who has not seen an increase in income) may find themselves paying much more in taxes, creating a mismatch between financial capacity and tax burden.

5. Potential for Government Waste

- **Inefficiency in Government Spending:** Arguments against increasing property taxes often involve concerns about how the government manages taxpayer money. If a local government is not effectively allocating resources or cutting unnecessary expenditures, raising taxes will be seen as an ineffective way to balance the budget. In the case of the City of Prince George, undoubtedly each resident will have their own complaint. Some glaring issues are:
 - the use of an “individual’s” tax dollar to support non-tax payer’s housing, food, cellphones and by extension, their drug habits;
 - The unsubstantiated tax dollars that go to “Protective Services”;
 - the purchase of multiple properties way above market value and justifying the ineffective spending with [excuses](#) that BC Housing is paying the bill (Knights Inn and the North Star Inn). The Prince George city council’s argument that the community tax dollars are going to the government’s left hand and that it is paying the government’s right hand makes no difference. The reality is that my tax dollars are paying for the City of Prince George’s inefficiencies, whether that tax dollar is ultimately spent by the Provincial government or the local government makes no difference. In the end, my tax dollar is ineffectively spent, and on a segment of the community that gives no tax-paying citizen any community benefit. Whether my tax dollar is spent by BC Housing or the City of

Prince George makes no difference, the bottom line is the City is spending my tax dollars ineffectively and more-so against the public's wishes.

- The pumping station at the bottom of the Yellowhead bridge (the east end of 1st avenue): A City employee manning that pump 24 hours a day in a city truck. Surely that task could have been remotely monitored with sensors or even cameras at a far less cost. (Admittedly, I saw an upgrade taking place there. Time will tell if the City implemented a more cost-effective system).
- All tax paying residents each have their own priorities for “community” money being spent. Some want art galleries and some want trails (or some other community benefit). The question is the extent that the city is using “community” money to fund a special interest group's cause. The art gallery has minimal exhibits and at least three city staff. There are building maintenance costs and utilities. It would be interesting to know, based on a per capita use, how much the city is spending on the art gallery versus the per capita use of the city trails. I suspect the art gallery's cost is exponentially higher. That is not to say the special interest group that lobbied for the art gallery should not be funded. It is to say to what extent?
- The issue of subsidised housing in Prince George has been raised numerous times in social circles. Why do people who need subsidised housing need garages (or even carports). There is no shortage of homes of tax-paying citizens in Prince George that do not have garages (or carports). The ineffective local government spending is a problem.
- **Lack of Accountability:** Taxpayers in Prince George feel that their money is being used inefficiently and irresponsibly, leading to frustration and a lack of trust in the local government. Without clear accountability or demonstrated outcomes from the increased revenue, residents should not and do not support higher property taxes. The mayor's excuse that he inherited many of the problems is of no value. There are numerous cost savings that could have an immediate impact on the community. Property tax increases are a cop-out, Band-Aid solution at best.

6. Alternative Revenue Sources

- **Other Funding Options:** The City of Prince George should concentrate its efforts on finding new ways to attract investment to the area without burdening homeowners. That is not to say that we, the taxpayer, encourage spending on frivolous “investment

trips” to foreign lands. The internet in the City of Prince George’s office works just as good as any other business in Prince George.

- **Cutting Non-Essential Spending:** The most effective way to resolve any supposed shortfall in the budget is by reducing government spending on non-essential services or programs, or finding more efficient ways to deliver services, which would negate the need for a property tax increase.

7. Economic Recession and Job Loss

- **Increased Risk During Economic Downturns:** Our local economy is struggling. The effect of the reduced logging industry is obvious. The completion of the Coastal Gaslink project marked another significant loss of employment and spending for our area. A property tax increase will add another unneeded strain on local businesses and residents. Higher taxes during these tough economic times will worsen the financial situation for many people, further harming the local economy.

8. Potential for Regressive Impact on Renters

- **Pass-Through to Renters:** Property tax increases will lead landlords to pass on the additional costs to tenants in the form of higher rents. This disproportionately affects renters, many of whom are also struggling with affordability issues. Therefore, even if property owners are taxed more, renters may bear the brunt of the tax increase.

9. The Data

- **House value increases vs Inflation:** Because housing prices having been mostly increasing in the City of Prince George, so too has the City’s income. The City of Prince George has argued that the increase in house values is not enough in contrast to inflation:

Year	House Value	Inflation	PG Tax Rate Change [±]	PG Tax Rate Benefit
2021	+20% to \$401,000	+1.2%	1.000564%	
2022	+12% to \$450,000	+8.8%	0.892134%	
2023	-2.67% to \$438,000	+3.9%	0.858409%	
2024	+3% to \$451,000	+2.9%	0.909567%	
Average	+8.0825%	+4.2%	-0.0997%	+3.7828%*

[±]<https://wowa.ca/taxes/princegeorge-property-tax>

*House Value minus Inflation minus Tax rate change = Benefit

The data makes it clear that the City's argument is unfounded. The City has benefited from an increased tax rate over the last 4 years of +3.8% over and above inflation.

- **City geographical size/density:** The City of Prince George has made some passing arguments that due to its geographical size compared with its density, the tax rate comparison to other municipalities is unfair. The City's argument is grounded on the data that, in Kamloops (a city of similar size and industry), they pay an average property tax that is 45.4% lower than residents in the City of Prince George.

Year	Kamloops [§]	PG Tax Rate Compared to Kamloops	PG [±]
2021	0.718240%		1.000564%
2022	0.603820%		0.892134%
2023	0.572230%		0.858409%
2024	0.624620%		0.909567%
Average	0.629728	+45.4% =	0.915169

[±]<https://wowa.ca/taxes/princegeorge-property-tax>

[§]<https://wowa.ca/taxes/kamloops-property-tax>

- In terms of size and density, the numbers are as close as it gets. Kamloops has a geographical size of 299.23 km² and a density of 286.3 people per square kilometer¹. Prince George has a geographical size of 316.74 km² and a density of 242.2 people per square kilometer². A difference of only 17.51 km² and 44.1 people per square kilometer. Semantics in terms of tax rate. Prince George's 45% tax rate **higher** than Kamloops has no justification.

10. Spending public money where there is little or no public benefit

- **The drug problem:** By far the most expensive cost with no benefit to the civic taxpayer. While, no doubt, every community (in the world) seems to struggle with this issue, the City of Prince George is not showing any innovation to deal with this pervasive issue. They have done little to no research to solve the problem (or, at least, have not made any reasonable efforts public). The issue is simple, in a manner of speaking. There is nothing beneficial to the taxpayer to house those who do not, themselves, pay taxes. On this authors personal note, I have seen the unhoused in Mexico work feverously to create a "boat launch" in the daily-changing sand for the fisherman to come in each day. For their efforts, the fisherman gladly hand over fish to each and every unhoused

¹ <https://worldpopulationreview.com/cities/canada/kamloops>

² <https://worldpopulationreview.com/canadian-cities/prince-george-population>

Mexican that worked hard to smooth the sand into a boat launch. In Prince George the City hands over money for housing, food, cell phones, power (city lamp posts) and a monetary stipend (that likely goes to drugs) for zero incentive to earn their keep. All the while, UNBC closes their outdoor stairs in the winter because they have no one to shovel them. Undoubtedly there is no shortage of minority but vocal “do-gooders” that will argue they “all” can’t work for one reason or another. This argument is unfounded in the facts that are beyond the scope of this letter. The solution must encompass an overall basis that “if you don’t build it, they will not come”. As long as the City of Prince George keeps generously giving our money away to non-tax payers, they will keep asking for more and more. The “doo-gooders”, who are not giving any of their personal money to the cause, will continue to advocate for these non-taxpayers. We need to learn from Google, who used to give their employees generous pay and working conditions but now is clawing that back because the employees could never have enough and kept asking for more. This fad needs to stop of giving the homeless free housing, food, cell phones, power (and who knows what else) because, at some point in their life, they chose to put the needle in their arm (or whatever that started their affliction). We can offer them help, but without a cost to them in the sense of earning that housing, food or cell phone, this gravy-train of giving more and more increased comforts will never end. We, as taxpayers, did not agree to give our hard-earned money so freely.

- **Protective Services:** The City has promised it will publish these letters, and they should (hopefully unaltered and not redacted). Every civic tax payer should pay close attention to their “tax information” they get every spring. They should note the “protective services” portion and how it occupies more than double of all the other services. The city gives us no hint of how that breaks down. One can easily imagine how it relates to the paragraph immediately preceding. The courts are completely disconnected from the issues at hand. With their \$360K+ annual earnings³ and the **guaranteed** annual wage increase they wrote for themselves, **in law**, they cannot and do not advocate for the taxpayer.

The City has forgotten that tax dollars are to be spent for public benefit, not the vocal minority “do-gooders”. It begs the question why we need to fund raise for our schools, health care, seniors and veterans yet the vocal minority “do-gooders” advocate to keep giving more and more of our public tax money to individuals that do nothing for the community good and do not

³ <https://www2.gov.bc.ca/gov/content/careers-myhr/all-employees/pay-benefits/salaries/salarylookuptool/legal-judiciary/judge-provincial-court-of-bc>

pay taxes. Maybe those “do-gooders” could spend their immense amount of free time fund raising rather than lobbying government to spend taxpayer money.

The City of Prince George has tremendously failed to appreciate the economic impacts, fairness, and the colossal wasteful government spending. A property tax increase is an easy way to mask the underlying issues that plague the Prince George City council.

The City of Prince George has not provided any reasonable foundation for a property tax increase. It already has a tax rate that is far higher than comparable communities. There should be no tax rate increase but rather a plan to decrease property taxes.

Sincerely,

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