



April 8, 2015

Premier Christy Clark  
Office of the Premier  
PO Box Stn Prov Govt  
Victoria, BC V8W 9E1

Dear Premier Clark:

RE: Fair Share Program

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We are requesting that you immediately halt the current process to impose a new Fair Share agreement on municipalities in Northeast BC. We are also requesting that you convene a meeting of all parties for the purpose of developing an MOU that will guide the parties toward development of a new Fair Share agreement to start in 2020 when the current agreement expires.

We are very alarmed at the process outlined by the Ministry of Community Sport and Cultural Development unilaterally announcing that a new 15 year Fair Share agreement was to be put in place and that our municipalities had 6 weeks to participate in 'negotiations'.

It is an unreasonable and impossible request. It can only be characterized as an attempt to force municipalities to accept a Provincial cost cutting agenda which unfortunately would also break the existing Fair Share Program. The net result would be that our municipalities never share in future economic growth as we would be severed from the industrial tax base that is the life blood for our municipalities.

On March 21, 2015 the Provincial Negotiator tabled a Provincial position that is completely unacceptable to the District of Taylor and the City of Fort St. John. It was clearly stated that he had no mandate to negotiate beyond the fundamentals of the tabled proposal. This Provincial Proposal effectively breaks the 15 year Fair Share Agreement that is in place until 2020. The existing MOU provides that the 2015 grant in lieu of our industrial tax base (Fair Share) would exceed \$46 million and municipalities have already included these funds in operation and capital budgets. The loss to Fort St. John will exceed \$32

million over the next 5 years. The long term losses would be staggering. As we are already one of the fastest growing communities in the province with Site C and LNG imminent we are nothing but dismayed by this proposal.

	2015 Loss by Municipality/ Rural Area	Loss by Municipality/ Rural 2015-2019
Chetwynd	\$ 469,313.00	\$ 4,671,527.12
Dawson Creek	\$ 1,807,864.00	\$ 20,907,872.51
Fort St John	\$ 2,674,828.00	\$ 32,763,371.09
Hudsons Hope	\$ 32,322.00	\$ 677,951.65
Peace River Rural	\$ 195,447.00	\$ 3,370,557.20
Pouce Coupe	-\$ 31,973.00	\$ 593,401.89
Taylor	\$ 149,779.00	\$ 1,753,960.59
Tumbler Ridge	\$ 731,343.00	\$ 5,294,681.81
Total	\$ 6,028,923.00	\$ 70,033,323.86



Municipalities Only - Per Capita No indexing 2% population growth			
Actual 2014	43205	40,500,000	\$937
Provincial Proposal Per Capita			
2015	44069	37,500,000	\$851
2019	47701	37,500,000	\$786
2024	53719	37,500,000	\$698
2029	58148	37,500,000	\$645



For example, a conservative population increase of 2% would result in a cost per capita decrease of \$292 or 31% over the life of the Provincial offer.

We are reconfirming our position that the current process and the offer from the Province are unacceptable in every way. It is a slap-in-the-face to municipalities in the Northeast and, in our view, sets a very dangerous precedent for British Columbia. An annual grant-in-lieu of taxation is required because the Northeast municipalities do not have access to the industrial tax base which they service. The current MOU includes an indexing formula that is directly linked to the rate of economic growth and funds the corresponding impacts on municipalities. Access to the industrial tax base is the lifeblood for any resource municipality and we will not abandon this principle for the sake of a 'political quick fix' solution that will penalize our citizens for decades to come.

Our citizens and taxpayers are preparing for the Site C dam and B.C.'s new LNG industry and they deserve safe, sustainable municipalities with paved streets and modern water, sewer and other infrastructure in which to raise their families.

In 2013, in committing to extend the Fair Share Program, you stated,

*"This resource drives the economy, not just here but all over the province. I believe that is it not only right but it is fair that it should drive your growth, your jobs, your wealth and just as importantly improve your community here. We are going to work with the Peace River Region to ensure you continue getting your fair share." You went on to state; "We've been able to afford these things because we're growing our economy and we're growing our economy in large part because of the hard work, the ingenuity of the Peace River Region. The people in the northeast are driving B.C.'s economy and are going to be very soon driving our national economy."*

We have every faith that the Province wants to work with us to reach a new long term Fair Share agreement that reflects the true spirit of partnership between the Province and municipalities in Northeast BC that has worked so well for many decades.



We also realize the Province has some current fiscal challenges that will impact all areas of government service and spending. We want you to know that we are prepared to do our part to help deal with BC's current fiscal challenges but we'll only do so in the spirit of true collaboration and cooperation without jeopardizing our long term future.

Yours Truly,

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Mayor Rob Fraser  
District of Taylor

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Mayor Lori Ackerman  
City of Fort St John

Cc: Minister Oakes  
Minister Coleman  
Minister Anton  
Minister Fassbender  
John Horgan, Leader of the Opposition

Minister Bennett  
Minister de Jong  
Minister Rustad

MLA Selena Robinson  
MLA Pat Pimm  
MLA Mike Bernier  
Senator Neufeld