

Members of Annapolis Royal Town Council,

Thank you for the opportunity to address you this morning.

We are here today representing the majority of business owners and some residents to express and demonstrate to you our concerns with respect to the proposed 2009/2010 budget, and most importantly, the proposed increase to commercial property taxes.

Last year at this time, the Town Council, a number of members of which continue to serve today, heard very clearly from the business community that many of them could not bear further increases to their operational expenses in light of economic conditions and continued decline in business. At that time the Council heard the message and retreated from its proposed commercial property tax increase. In the past year the situation for the business community has not improved, and in fact has worsened, due to the worldwide economic downturn. At the same time there has not been any significant economic stimulus from the Town to attempt to counter the effects of the economic downturn; rather it appears that the expectation is that the business community should give more in order that the Town can "stay the course".

It is customary in the business world that when times get tough you make sacrifices in order to sustain yourself for the future. After having reviewed the proposed budget in great detail there is a real sense among the majority of commercial taxpayers that they are the only ones facing the need to make sacrifices while there is no real evidence of any attempt by Town Council and the Administration to make meaningful cuts to the Town's operating costs.

Upon learning of the proposed increase to commercial property taxes, several members of the business community took it upon themselves to thoroughly review the proposed budget to try to understand any justification for the increase. A number of meetings and discussions have taken place over the past

week, out of which a document was developed that will also be presented to members of Council today.

That document outlines many of the questions that have arisen through the dialogues that have taken place. In addition, the package includes copies of comments received from business owners who were not able to attend meetings and/or be here today, but who wanted their thoughts to be shared with you.

It is the consensus of the commercial taxpayer's coalition that an increase in business tax, in the context of the budget as it is currently proposed, is not an acceptable option. We are calling upon you to alter the budget in recognition of the economic difficulties facing our local business community and the province in general. Reductions in total spending can and will eliminate the perceived need to increase business tax. While encouraging Council to look more closely at opportunities to decrease spending, our group also feels that this cannot come at the expense of making meaningful investments to market our community. In the Challenge Document it is specified (and reflected in the proposed budget) that while monies are being allocated for the coming year for marketing, there are 'zero' dollars allocated in subsequent years. We can only surmise that this is an oversight, otherwise, how does the Town expect to attract more visitors, businesses and residents?

Having said this, we believe there are many creative solutions to the dilemmas faced by the Town, and the business community believes that we have much to offer in the way of advice and ideas that we would be willing to contribute, given the invitation. We are requesting that you provide us the opportunities for meaningful dialogue before finalizing the budget.

Again, thank you for your time, and we look forward to hearing from you.