

MEMORANDUM

TO: Mayor Kogon and Members of Council

FROM: Gregory D. Herrett, CPA, CA
Chief Administrative Officer

DATE: December 17, 2018

SUBJECT: CAP Pilot Project

Attached is a memo from the NSFM soliciting interest from municipalities in participating in a potential pilot project to remove the assessment cap. At this point there is no commitment and it's simply an exercise in gauging interest. Further information will be provided later by the NSFM and a final decision can be made by Council at that time.

In terms of what a potential pilot could look like, Will Brooke at the NSFM advises me that there could be variations along a few themes. These include raising the cap to 10-15%, 7-10 year phase-outs, or other options. We understand that there will be a CAP discussion paper circulated before Christmas discussing some of the possible options.

Regardless of the option, any pilot in place would have a few essentials in place: a spike protection mechanism; low-income protection mechanism of some kind (deferral or relief); changes to assessment base and tax rate would be revenue-neutral for the municipality, except for CPI increases or other required increases in service costs, or council decisions; and it would remove the distortion from the assessment base.

It's recommended that Council direct me to advise NSFM that the Town of Amherst is interested in the pilot, subject to final details.