

IS IT UNFAIR?

Developers happy with waiver of fee

by BOB MILLER
Staff reporter

Developers and builders are grinning from ear to ear about council's decision to waive cost charges on commercial and industrial projects for the rest of the year.

They've welcomed it as a shot in the arm, a move that will have a positive effect on construction in the city, but one Prince George realtor says the decision is wrong on a number of counts.

The man, who asked his name not be used, stands to earn commissions from the sale of industrial and commercial properties as a result of the decision. Despite his potential gain he maintains that council's action was morally wrong.

On a short-term basis the decision will increase land prices and a lot of commercial and industrial property is going to change hands, the realtor said.

Although he admits land prices have dropped because there is a glut of commercial and industrial properties on the market some of it will be "flipped" for quick profit and the taxpayer will wind up footing the bill.

A builder who stands to save thousands of dollars in development cost charges isn't going to mind paying speculators a little more for their land, he said, adding that in the space of two days this has already started to happen.

This potential for unearned profit

'Barrier to development'

Former city planner Des Parker welcomed the decision and said his only regret is that it doesn't include development cost charges on residential property as well.

He said the practice has been used and abused by a number of municipalities over the past few years, Prince George among them, and the way it's been applied it's a barrier to development.

Parker said the suggestion that deferring development cost charges until the end of a project would be a help is not realistic, given today's financing. No lender would ignore the fact that development cost charges would have to be paid, whether they come at the start or end of a project, he said.

There are certain developments that will have such an impact on surrounding services that they should pay something toward upgrading them, Parker said. But to collect development cost charges automatically on everything amounts to a deterrent when the development has no immediate impact on services.

Harry Backlin, a realtor with Century 21 Westside Realty, said the decision means costs will be less for anyone who builds this year and as a result they can charge less rent and compete better in the marketplace. He said he was surprised that no one who paid the fee and built last year objected to the decision on these grounds.

In general, Backlin said he doubts

Economic development support lost

Three of seven electoral area directors on the Fraser-Fort George Regional District have pulled their support for regional economic development and at least two more are considering similar action.

The move came at Thursday's board meeting after a prolonged debate that was interrupted while regional administrator Ken Ball phoned Victoria for advice on the procedure for individual areas dropping their ties with the economic development function.

Electoral area directors wanted assurance that the whole program would not be scrapped if they pulled their support. The regional economic development office is financed 50 per cent by the province. The regional district matches the sum, assessing municipalities and electoral areas for contributions toward economic development.

Ball said the province would continue its grant provided at least two municipalities continue the function on a regional basis. Electoral areas can withdraw if a majority on the regional board supports the move, he said.

The regional district must apply to the Ministry of Municipal Affairs to have the Letters Patent of the regional district amended to reflect this. Ball urged electoral area directors to hold off withdrawing until after next month's board meeting so the requests can be handled all at once.

Director Bob Headrick, Area D (Tabor Lake-Stone Creek); director Marilyn Wheeler, Area H (Robson Valley-Canoe) and director Henry Christensen, Area A (Salmon River and Lakes) received board support to withdraw from the regional economic development function.

The withdrawal of the three electoral areas will reduce the regional district's budget for economic development by about \$4,200 and if the other two go along another \$5,000 could disappear.

could have been avoided if council had insisted on some safeguards. The waiver of development cost charges could have been tied to long-term use of the project, he said.

For example, someone who wants to build and locate a business or industry here this year could avoid development cost charges altogether if he stayed in the building for 10 years. If he sold in the first year he would pay back the full sum to the city. In subsequent years the percentage would be lowered until after 10 years it would disappear.

"I question whether council has done the market a good turn," he said. "All you have to do is look at the over-supply of commercial and industrial space right now." According to the realtor, about 25 per cent of the commercial space in Prince George is either empty or not being fully used. All council has done is encourage new buildings that there isn't enough business to fill. Either the new buildings will remain empty, or older buildings will become empty ... the economy itself hasn't been stimulated, he said.

Council's decision amounts to support for one industry... "a sort of socialism for the select, at the taxpayer's expense," he said.

However, critics of development cost charges say waiving the fee won't affect land prices significantly and the advantages of it outweigh any disadvantages.

if waiving development cost charges will influence prices for commercial and industrial land.

Prices are dictated by supply and demand and there is enough industrial property sitting idle to last for a number of years. Property owners are fighting to move their land and no one is lining up to buy it.

There is a little less commercial land available but owners are trying to move it as well, he said, adding that he's heard no talk of anyone raising their prices.

Backlin said he has informed some out-of-town clients interested in a Prince George location for several years about council's decision to waive development cost charges but no one has jumped at the offer.

"I haven't had a single positive reaction ... they haven't even asked what the benefits would be."

Louis Matte of Matte Bros. Construction said the decision will definitely have a positive effect on construction this year. "It's going to make a difference to me — I'll have more cash to work with this year."

The two per cent that developers won't pay in cost charges this year actually translates into about a 10-per-cent saving, Matte said. Cost charges add to the capital a developer must borrow without increasing his assets in the project and as a result anything borrowed to pay cost charges is a dead loss to interest.

According to Matte many people on council don't realize this. Only a developer knows how badly it hurts. Although developers are still squeezed for cash Matte predicted some of them, himself included, will make an effort to build this year.

He termed it "sour grapes" to complain that those who build this year are getting a break that builders last year didn't get. Anyone who says the decision is unfair because they had to pay development cost charges last year has a childish attitude because it was unfair to pay cost charges in the first place.

Matte said he doesn't expect the decision to make much difference on land prices because there is so much serviced land already sitting idle. Land developers are hurting and they want to see some action. All they're concerned with is selling their land at any price, he said.

Dennis Houg of Houg Enterprises said anything that helps development is the right move.

"Development needs assistance from all quarters. People are not aware of how difficult times really are."

Houg said the thing to remember is the waiver of cost charges is for one year, a short-term stimulation of the market that is only a benefit to the person who is already considering building this year. The decision won't help someone who wants to develop raw land because the waiver period will run out before they get the necessary approval to proceed.

Rosalind Thorn, general manager of the Prince George Construction Association, said she couldn't comment officially on behalf of the association but the general feeling among members is that council's action won't cause a rush of development in the city.

"It may make a few projects more viable," she said, adding that there is some question of how fair the decision is to those who have already paid development cost charges to the city and those who will pay next year when the waiver ends.

"It could cause more problems next year. There is a possibility that developers will throw it back at council then and ask the city to continue to waive the fees," she said.

Thorn said members of the association are also concerned where the money will come from for capital projects to replace development cost charges that aren't collected this year.



Ian Johnstone, the Abbey-Yo-Yo man known for his love of children, gives a special performance for children at the Child Development Centre prior to participating in the 19-hour weekend telethon.

Citizen photo by Dave Milne

SATURDAY AND SUNDAY

Telethon aids child centre

The sky's the limit for the amount of money to be raised this weekend at the Shriners-CKPG Telethon.

Organizers of the Jan. 22 and 23 event are setting no goal, but are confident area viewers watching the 19-hour show on Channel 2 (Cable 3) will respond generously in aid of the Prince George Child Development Centre.

The program, televised live from Vanier Hall, begins at 11 a.m. Saturday, but will be pre-empted for the national hockey game at 5 p.m. and a 15-minute newscast at 11 p.m. before continuing until 1 a.m.

Sunday's event runs from 10 a.m. until the grand finale at 6 p.m.

Blake Emmons, an entertainer from eastern Canada, heads the list of performers and will appear throughout the event.

He will be joined on stage by a throng of local and visiting entertainers including Ian Johnson, Bernie and Red from Clearbrook, dance groups, choirs, an assortment of bands, singers and comedy acts as well as Snow Bear, Mardi Dog and Sleepy Bear.

Twenty phones will be manned by 90 VIPs including members from city hall, provincial and federal governments, school and hospital boards and the media as well as beauty queens and sports personalities.

Proceeds will be used for renovations and additional construction at the Child Development Centre which serves 300 children with delayed development problems.

Projected cost of the project is \$500,000, some of which can be obtained from Provincial Lottery funds, providing the community raises half the amount.

Weekend events throughout the city will compliment the main event by giving a portion of profits to the cause.

Special menu items are offered at Sea Shanty, Willy's Delicatessen, McDonald's and Burg-er King.

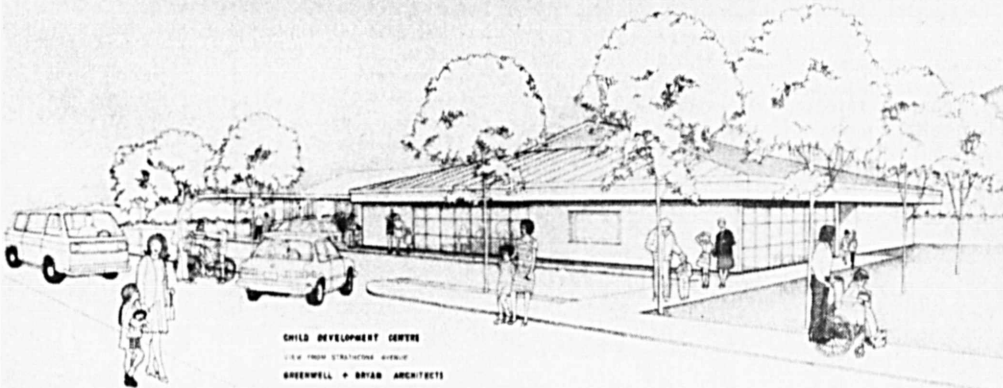
Root Cellar Restaurant will hold a dinner and dance Saturday and The Keg 'n' Cleaver features Birthday Night Sunday.

B.J.'s Fun and Games is giving 50 per cent of Sunday's profits to the cause.

Last year's event raised \$109,000 during a 17-hour show, with a portion of proceeds going to several other child development centres in the Peace River and Skeena areas.

The Prince George centre is the sole recipient this year.

Prior to 1982, telethon proceeds were used to help purchase a body scanner for the Prince George Regional Hospital.



Architect's drawing of proposed child development centre shows new addition on the right.

GUILTY VERDICT REACHED

Murder charge reduced

by BILL McEACHERN
Staff reporter

A B.C. Supreme Court jury has found Frederick Wayne Rankin guilty of the reduced charge of manslaughter in the death of his common-law wife.

The jury reached its verdict after five hours of deliberation late Thursday and Rankin sat stoically as the verdict was disclosed.

Justice C. Lander will pass sentence Feb. 15.

Earlier Thursday, in the ninth day of the trial, Crown counsel Al Bate told Justice Lander the Crown was reducing a charge of second-degree murder against Rankin to the manslaughter charge.

"I've come to the conclusion the Crown does not have a case for second-degree murder — the proper offence is manslaughter," Bate told the jury.

"Guilty — so say we

all," the jury said at 10:30 p.m.

Defence counsels Griffin Layne and Denovan Hill would not comment on a possible appeal.

Rankin, 37, was charged after Ita Elkins, 36, died in Kamloops hospital seven days after she was found unconscious in a parking lot near a Williams Lake hotel June 12 at about 8:15 p.m.

Massive brain damage forced doctors to turn off her respirator and pronounce her dead.

Rankin was allowed to appear Feb. 15 under his own recognizance as a \$50,000 surety was posted by his sister and brother-in-law.

In a motion for leniency in sentencing, defence counsels Griffin Layne and Denovan Hill told Justice Lander, Rankin has not had any alcohol since June 12.

In a brief submission before the jury began deliberation, defence lawyer Layne asked jury members to consider how Elkins received the

injury because up until 5:30 p.m. there was no indication of injury.

He pointed out that the injury could have happened in the unaccounted time between 5:30 and 6:45 p.m.

The Crown's submission revolved around Rankin's testimony that he was so drunk he blacked out and didn't remember anything.

"Being so drunk you don't remember isn't sufficient to excuse what happened here," said Bate.

HOLD YOUR NEXT GARAGE SALE WHERE THE BUYERS ARE ...
AT THE **FLEA MARKET**

OPEN EVERY SATURDAY & SUNDAY

at

PARKHILL CENTRE — 556 N. NECHAKO RD.

(Next to Klassic Auto Body)

TABLE RESERVATIONS — 963-7505

THE
NO-FEE
RRSP

■ A Registered Retirement Savings Plan with absolutely no fees of any kind.

■ Inquire about the possibility of transferring your present RRSP to our plan.

■ Savings Option at 9 1/2% with interest credited semi-annually. Rate subject to change quarterly.

■ Call collect, drop in or write to our local branch for a 16-page booklet and RRSP kit.

12 1/2%
4 YEARS

■ ANNUALLY ■ GUARANTEED ■ OTHER TERMS AVAILABLE

Rates subject to change without notice.

■ Prince George: 300 Victoria Street (604) 564-2300
Vancouver: 681-5464 ■ Victoria: 388-6601
White Rock: 531-7525 ■ Vernon: 542-4377

Credit Foncier
CREDIT FONCIER TRUST

SERVING BRITISH COLUMBIA
SINCE 1893

MEMBER
CANADA DEPOSIT
INSURANCE CORPORATION

Controversial lagoon rules spark action

Fraser-Fort George Regional Board has added its weight to the call for a provincially-financed study of sewage disposal in the Northern Interior Health Unit area.

Municipal Affairs, Environment and Health ministries were asked last week by the Northern Interior Union Board of Health to commit funds to a study of sewage lagoons built on tight clay soils in the region.

That action came as a result of public opposition to new sewage lagoon regulations imposed last fall by the health unit. After Nov. 1 of this year permits will not be issued for lagoons as the sole means of sewage disposal on rural residential developments.

The health unit based its decision on two studies of rural sewage lagoons which indicated that about 75 per cent of the lagoons were not functioning properly. However, an independent study undertaken by developers after the regulations were announced concluded only 13 per cent of the lagoons are malfunctioning.

Discrepancies between the reports and a public outcry over the regulations resulted in the call for a major study of lagoons by the province.

At Thursday's board meeting regional directors narrowly defeated a motion to demand Victoria rescind the regulations immediately until after any such study takes place. The board rejected a call to commit some of its own funds to the lagoon study but supported a motion to explore other sources of raising funds for it.

The board agreed to hold a public information meeting sometime in early February to examine all sides of the issue.

Director Harold Ebert, who represents the Beaverly area on the regional board, called for the meeting to give rural residents an opportunity to voice their concerns about the regulations.

Ebert said he has had numerous complaints from Beaverly residents and has been unable to get any response from Victoria. He said he can't get hold of Municipal Affairs Minister Jack Heinrich (MLA for Prince George North) about the problem and Health Minister Jim Neilsen is running away from it.

"I thought he (Neilsen) was in charge but it looks like everyone is running their own shop," Ebert said, in response to a letter from Neilsen in which he said he can't "arbitrarily reverse" the regulations imposed by the health unit.

Dr. Shaun Peck, chief health officer for the health unit, who fielded questions during Thursday's board meeting, said he felt "roasted" during a public meeting about lagoons at November's board meeting.

"I'm not prepared to go through that again. I want to be treated fairly in the public domain."

Board chairman Art Stauble assured Peck the meeting will be objective and won't become the "free for all" some regional directors felt is needed to clear the air.

Peck told directors he is prepared to lift the regulations once a lagoon study is under way, but he refused to rescind them arbitrarily without some assurance that the study will be done.

Prince George south MLA Bruce Strachan has published an advertisement in today's Citizen asking rural residents who have lagoons to fill in a questionnaire and return it to him.

He said he intends to take the responses to the health minister personally.

Strachan said he doesn't think the health unit based its decision on the proper evidence. He said the study done by developers shows lagoons work, the school district has lagoons at rural schools that work, regional district building inspectors have told him lagoons work, "everyone I've spoken to say the lagoons function well."

"Something stinks here ... and it's not sewage lagoons."

"It's scaring the hell out of hundreds of rural residents."

J. Ian Evans & Associates
OPTOMETRISTS

J. IAN EVANS D.O.S.
F.A.A.O.
GREGORY E. EVANS
B.Sc., O.D.
ALAN D. EVANS
B.Sc., O.D.
ALLAN W. JONES
B.Sc., O.D.
FRANK E. DECKER O.D.
Optical Wing 401 Quebec St.
Fane Building,
Prince George, B.C.
562-1305

Was Your Home Built Before 1971?

up to \$500

Federal Government Insulating Grant Available

CALL FOR A FREE BROCHURE

Comfort Insulation

562-6200



1982 J-2000

3271 Hatchback

- Tinted Glass
- Rear Window Wiper
- Custom Mirrors
- Rear Deck Spoiler
- 1.8 Litre Engine
- 4 Speed Trans.
- Tilt & Power Steering
- Aluminum Wheels
- Gauges & Tach.
- AM/FM Radio
- Radial Tires
- Front Wheel Dr.

JANUARY
CLEARANCE

\$10,000

Schultz Pontiac Buick Ltd.

1111 Central 563-0271

DL 5656