

January 15, 2011

To: Mayor and Council

Re: Request for grant – Sauble Area Medical Clinic

In his January 1, 2011 letter to council (COW agenda, 18 Jan 2011, item 3.2, page 33), Mr. Carl Noble requests that the town guarantee a mortgage on the property owned by Sauble Area Medical Clinic Inc.

Mr. Noble implicitly suggests that the clinic is *entitled* to a mortgage guarantee. The clinic is in no way *entitled*. Granting the request would be illegal swiping of money (to cover defaulted payments) from the people and would be contrary to the public interest. The request should be denied.

Even the suggestion that the group is *entitled* to swipe money from the people of the town is an offense to the people of TSBP.

The same request was already denied by the previous council. Mr. Noble suggests that the earlier request was denied mainly because of “personal reason by previous members of council and infighting within council”. This is untrue. The request was denied because it would have been both illegal to grant the request (Municipal Act Paragraph 106) and also because it would have been contrary to the public interest.

To suggest that the previous council were bad people because they denied a similar request for mortgage guarantee is ridiculous. In denying the request, previous council was actually protecting the public interest and doing its job.

The letter by Mr. Noble is full of misleading statements. My comments on the most outrageous of these statements follow.

In his January 1 letter Mr. Noble indicates:

“The clinic lost 10 feet along the front to the county as well as 10 feet along the east side to the town”.

I believe that the clinic was given the land without the allowances and so the clinic never owned the allowances and so did not “lose” anything. (The town should never have given the people’s asset to the clinic in the first place. Giving it was in my view a contravention of the Municipal Act paragraph 106 and was also not in the public interest as it is not in the public interest to swipe the people’s asset and give it to a small group of people, especially when there is no community-wide benefit and certainly no benefit commensurate with the loss of the asset.)

In his January 1 letter Mr. Noble indicates:

“the delay by the town in making their decision has cost the clinic approximately \$60,000.”

This is pure rubbish. The clinic may indeed be \$60,000 poorer than it would have been if the town had illegally guaranteed the mortgage, but that does not make the people of TSBP responsible for the clinic’s financial situation. The people never ever agreed to the request and have never asked for or accepted responsibility for the clinic’s financial situation and so did not breach an agreement, and so are not responsible for the \$60,000 or any other amount. And as an aside, the people are better off for council past having denied the request, so in denying the request in 2010 the public interest has been served.

In his January 1 letter Mr. Noble indicates:

“other communities have donated amounts from \$250,000 to \$750,000 plus the land.”

We’re not in other communities. Council makes decisions based on what’s right for our community, not what’s done in other communities. And TSBP residents vote based on candidates positions in TSBP, not in other communities. And most communities do not make grants to commercial enterprises, even not-for-profit ones.

In his January 1 letter Mr. Noble indicates:

“what the board of the clinic would like to see is that we be apprised of any problems which may be raised by the town’s legal counsel.”

This is a ridiculous and arrogant request. Mr. Noble should receive a response to his letter – this is protocol. Beyond that Mr. Noble should just follow council’s deliberations and decisions the same as anyone else – by attending meetings or reading the minutes.

The clinic may indeed be a *non-profit* organization, but I do not believe the clinic is truly a *not-for-profit* corporation. But I suggest that the request for guarantee of mortgage should be denied regardless of whether or not the clinic is truly not-for-profit.

Council will receive many requests for grants. These may take many forms including requests for cash, in-kind services or goods, loan guarantees and more. All of these requests will say the grant is for a good cause and will focus on the requestors characterization of benefits. All requestors will talk about their significant contributions to the community. Few if any will talk about the costs to the people who are forced to pay the bill. And few will admit that the benefits flow to a small group and to a different group than those paying the costs. And few will talk about the consequences of swiping people’s money to make the grants. These consequences are some loss for every taxpayer, and severe consequences including loss of homes for those already on the edge.

When granting a request would be either unfair to some taxpayers or not in the public interest (or both), council must, as representatives of the people, say no. Granting the current request would be both unfair and contrary to the public interest because the benefits would accrue to few while most of those forced to pay would not benefit and would thus suffer a net loss.

Please say no to Mr. Carl Noble's request for a mortgage guarantee.

Craig Gammie
Sauble Beach