

THE CORPORATION OF THE DISTRICT OF BURNABY

January 25, 1971

His Worship, the Mayor,
and Members of the Council.

Gentlemen:

Re: 1971 Assessment Roll

The principal influences on the 1971 assessed values were the real estate market and the 10% limit on increases of individual School and Hospital values. While the number of property sales and buildings constructed was substantially less than in former years, the prices of those properties which did sell continued to increase at a fairly steady rate. Land values particularly continue to show this upward trend of value, and, as a result, most land assessments were increased for 1971 and there is every indication that a further increase will be required for 1972.

A 10% limitation on increases of individual School and Hospital values was imposed to minimize procedural difficulties which were foreseen following Mr. W.A.C. Bennett's announced intention of passing legislation this spring which would apply retroactively against 1971 assessed values. The effect will be to destroy the equitable relationship between individual properties in Burnaby and place an extra burden of School and Hospital taxes on ordinary residential properties. It will also make School and Hospital assessments of different communities within a Regional District less comparable. (A detailed breakdown of how taxes will be reallocated by the 10% limitation will be known in a few weeks after the Data Centre is able to run an analysis.)

Two-Value Assessment Roll

The advantages of the two-value system are particularly evident when such arbitrary limits as those imposed this year are placed on School and Hospital values. General Purpose values remain as a direct reflection of market value and provide property owners with reasonable criteria for judging the level of their assessments. Whereas, School and Hospital assessments bear no consistent relation to any value as they are the lesser of two amounts--either 47% of the General Purpose value or 10% greater than the 1970 School and Hospital value (providing that no New Construction or New Development took place on the property during the year).

Pollution Control Facilities

For the second year exemptions were allowed for installations controlling pollution. Facilities on 25 properties qualified for exemption in 1971. Their values are listed below. (Figures in brackets indicate exempt amounts in 1970).

	<u>General</u>	<u>School</u>
Land	\$ 2,065 (--)	\$ 970 (--)
Buildings	650,042 (463,308)	305,490 (217,740)
Machinery	--	364,837 (384,600)

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New Construction

The net change of \$25,000,000 in the General Purpose Improvement values was all due to New Construction.

Taxable Assessed Values
for 1971

	General Purpose	Increase over 1970	School & Hospital	Increase over 1970
Land	\$338.5 Million	10.1%	\$157.5 Million	7.1%
Improvements	515.7 "	5.1%	256.6 "	4.6%
Machinery	--	--	40.0 "	10.5%
* Net Taxable Amounts	\$725.3 Million	7.3%	\$380.0 Million	6.1%

* 75% of Improvement and Machinery values and 100% of Land values used.


N. J. Goode
MUNICIPAL ASSESSOR

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