

Re: LETTER FROM THE GREEN TREE VILLAGE RECREATION CENTRE
3rd FLOOR, 1050 WEST PENDER STREET, VANCOUVER
REQUEST FOR REDUCTION FROM TAXES

Appearing on the agenda for the September 12, 1977 meeting of Council is a request from the Ad Hoc Board of Directors of the Green Tree Village Recreation Centre for either a grant or a reduction in taxes.

It will be recalled that Council considered a similar request from the Directors on April 25, 1977. Copies of that request and a related report (Item No. 9, Report No. 31) are attached for convenient reference.

The latest appeal from the Directors for some form of favourable consideration is related to "...the obvious reduction of the use of neighbouring Burnaby public facilities by our residents" and "...in allowing the (Green Tree) Recreation Facility to be available for organized activities proposed by the Burnaby Parks and Recreation Department with participants in those activities including residents or youngsters from outside of the Green Tree community". Further to the information contained in Item No. 9, following are comments from the Parks and Recreation Administrator on the second of the two statements quoted above:

"Item 9, Manager's Report No. 31, April 25, 1977, stated (on page 2e):

"At the time of the review, the Parks and Recreation Department was willing to consider the provision of specific enrichment programs utilizing the private recreational facilities subject to further discussions with the Strata Corporations."

At that time, and in subsequent discussions that took place through Mrs. Linda Sanderson, of our Department, and representatives of the Village, no agreement was reached and the Village retained the Y.M.C.A. to program the Centre.

During the summer, we ran an Adventure Play program on Greentree Park. Through arrangements by on-site Recreation staff and the field representative, children from the Adventure Play program used the Recreation Centre on two occasions because of rain through agreement with the Y.M.C.A. representative on-site. Theoretically, the Adventure Play program is open to all Burnaby residents; practically, it is dominated by Greentree residents and, of course, on rainy days only Greentree residents showed up and made use of the Centre. There is no further involvement planned by this Department.

It should be noted that the Department has discussed similar subjects with other group housing projects, as the result of which no action has been taken except in the case of Simon Fraser Hills. At Simon Fraser Hills, by request, the Department has organized a "Mcm and Tot" program. The residents feel that this program is not open to the public and to date our staff have gone along with this theory, on the basis that the residents have provided a fully-subscribed class on each occasion. It has not been necessary, therefore, to go out to public subscription. However, this one instance is of some concern to me and I shall now pursue it further.

In our opinion, nothing has changed at Greentree Village."

In conclusion, there is no legal authority to grant a reduction of or exemption from taxation with respect to this particular situation, and even if such an authority did exist, the administration of such a policy would be very difficult due to the many variables that are inherent in the operation of privately owned recreational facilities.

RECOMMENDATIONS:

1. THAT the request from the Ad Hoc Board of Directors of the Green Tree Village Recreation Centre be denied; and
2. THAT a copy of this report be sent to the Board of Directors.

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MANAGER'S REPORT NO.	61
COUNCIL MEETING	Sept. 12/77

GREEN TREE VILLAGE RECREATION CENTRE
c/o 3rd Floor, 1050 West Pender St.,
Vancouver, B.C. V6E 3S8

April 12, 1977

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The Corporation of the
District of Burnaby,
Municipal Hall,
4949 Canada Way,
Burnaby, B.C. V5G 1M2

MUNICIPAL MANAGER'S
OFFICE

MAYOR'S OFFICE

Attention: Mayor Thomas Constable;
Alderman Gerald Ast;
Alderman Douglas P. Drummond;
Alderman Allan Emnott;
Alderwoman Doreen Lawson;
Alderman William Lewarne;
Alderman Frederick Randall;
Alderman Roderick Stewart; and
Alderman Victor Stusiak.

Dear Sirs:

Re: 1977 Taxes
Green Tree Village Community Centre
4295 Garden Grove Drive
Burnaby, B.C.

We have received a copy of the 1977 Assessment Notice covering this property and in applying the District of Burnaby's 1976 mill rate, we estimate the real estate taxes for land and improvements to be in the neighbourhood of \$6,000 to \$6,500 in 1977.

Unlike many residential developments, Green Tree Village has its recreation facilities housed in a separate building on a discrete piece of land. Its operating budget including property taxes for 1977 is \$73,206. These operating costs are totally borne by the 400 families that the facilities accommodate.

We understand this community facility was built to accommodate the recreational needs of the residents as a condition of the development of Green Tree Village imposed by the District of Burnaby. We believe that it is reasonable to assume that the cost of the facility has been passed on to the individual owners. It is our understanding that the B.C. Assessment

CC: Mun. Mgr. -for your attention &
Mun. Clerk. possible rept. to Council.
M.C. 14/4/77

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Authority considers the sales prices of recently constructed residential dwellings in arriving at its evaluation. If this is the case, then the residents who have borne the capital cost and continue to bear the operating costs are being taxed twice.

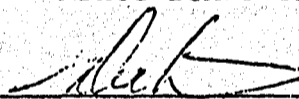
Even if the assessed value of the individual dwellings has not been influenced by sales prices, it seems an injustice that the residents should bear the additional tax burden of a community recreation facility whose existence greatly benefits the District of Burnaby by providing, at a minimal cost to the District, a recreation facility that accommodates in excess of 400 families.

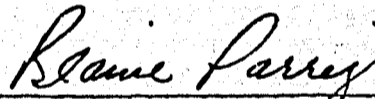
It is our understanding that the District can grant certain relief by the application of a lower mill rate under special circumstances.

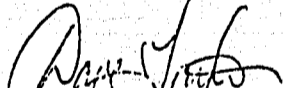
It is our hope that favourable consideration will be given to our circumstances and that a complete tax dispensation can be given.

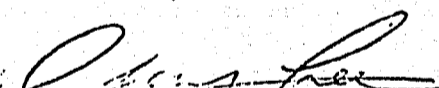
We would very much appreciate receiving your advice as to the extent of the mill rate application which the District intends to apply should a total dispensation not be possible. If necessary we would be pleased to attend any meeting of Council in order to explain our position further.

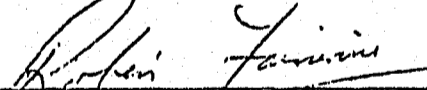
GREEN TREE VILLAGE RECREATION CENTRE
ADHOC BOARD OF DIRECTORS

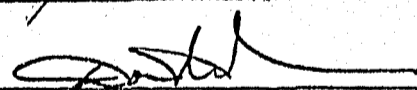

Glen Dirksen, on behalf of
The Owners, Strata Plan NW-194


Blaine Parry, on behalf of
The Owners, Strata Plan NW-208


Dave Taylor, on behalf of
The Owners, Strata Plan NW-310


Gerry Lee, on behalf of
The Owners, Strata Plan NW-440


Robin Fairservice, on behalf
of All Single Family Owners


Don Weber, on behalf of
Daon Development Corporation

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ITEM	9
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COUNCIL MEETING	Apr. 25/77

Re: LETTER FROM GREEN TREE VILLAGE RECREATION CENTRE
c/o 3rd FLOOR, 1050 WEST PENDER STREET, VANCOUVER
REQUEST FOR EXEMPTION FROM TAXES

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Appearing on the agenda for the April 25, 1977 meeting of Council is a request from the Ad Hoc Board of Directors of the Green Tree Village Recreation Centre for exemption of taxes on the community centre facility. The Planner, Treasurer and Solicitor have reviewed this correspondence and advise as follows:

1. Green Tree Village is not the only housing complex in Burnaby which has separate recreation facilities. Central Park Plaza and Vantage Point (Lougheed/Springer Area) are others that come to mind. In other words, it is not a simple question of just dealing with the Green Tree Village Recreation Centre. It is a significant matter of policy to be considered. Rather obviously we could not very well give a grant to the Green Tree Village Board without giving similar grants to any apartment complexes, either strata title or commercially-owned, which also have varying degrees of recreation facilities in their complexes.
2. Notwithstanding the question of policy, there is the legal question to consider of whether or not we can grant relief from taxation under the Municipal Act. The Municipal Treasurer is of the opinion that we cannot because the only two sections of the Municipal Act which remotely have bearing on the matter of tax exemption do not apply in this instance. He points out that Section 328(1)(b) refers to land or improvements owned or held by an athletic club or association or service club or association and used primarily as a public park or recreation ground or for public athletic recreational purposes, and in his opinion this does not apply because the Green Tree Village Recreation Centre Board is not an athletic club or association or a service club or association and certainly the land and improvements are not used principally as a public park or recreation ground or for public athletic or recreational purposes. It is used exclusively by the owners of the strata parcels and their friends.

The other section of the Act, Section 202(h), empowers Council to give a grant in aid to any organization deemed by Council to be contributing to their general interests and advantage of the Municipality. We do not feel that this applies in this case.

The Municipal Solicitor at the request of the Treasurer has examined the letter from the representatives of Green Tree Village Recreation Centre and has offered the opinion that he can see no way of granting relief from taxation, as has been requested.

3. On November 3, 1975 the Manager received an informational memo from the Director of Planning as a result of an inquiry that we had received from the management firm representing the Green Tree Village Strata Corporation in connection with the Municipality taking over the ownership and/or the management of the community recreational facilities which were under construction at that time. The matter was considered by the Parks and Recreation Administrator and the Director of Planning and the following points were made then:
 - a. Similar to provisions in most large multiple-family residential developments, this recreational facility was proposed by the developer as a private facility to be owned and operated by the Green Tree Village Strata Corporations. It should be noted that there is more than one Strata Corporation involved and a somewhat complex management arrangement had been set up by the developer allowing single family dwelling residents of Green Tree Village to use the recreation facilities subject to certain conditions.
 - b. The proposed facility was probably not constructed to standards as provided in publicly-owned recreational developments such as pool size, finishes, mechanical equipment, storage, staff, etc.

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- c. The staff also question whether the facility would constitute an efficient public operating unit from the point of view of operating, maintenance and staff costs in relation to the population served.
- d. It had been mentioned in staff discussions at that time that some residents had expressed a view they would like the recreational facility to remain under their control since if it were to become a public facility, the residents would have less say, for example, in the hours of operation and potential influx of users from areas other than Green Tree Village.
- e. At the time of the review, the Parks and Recreation Department was willing to consider the provision of specific enrichment programs utilizing the private recreational facilities subject to further discussions with the Strata Corporations.
- f. One of the main considerations then was that the Municipality should not be expected to subsidize Green Tree Village in taking over the ownership and/or management of the recreation facilities.

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As a result, we concluded we could not recommend to Council that we take over the ownership and/or management of the recreation facilities.

In summary, we do not feel that we have the legal authority to give a tax exemption in this type of instance, and even if we could, we would have to set a major policy that would govern all similar operations. Such a major policy would be difficult to set, because each of the facilities is slightly different, each is operating at a different level and not necessarily the same as a public facility. The development that we have now is one that was proposed by the developer and is being operated as proposed by the developer. Each of the members of the Strata Corporation bought into the Corporation knowing what the conditions were. There is no authority in the Municipal Act for us to apply a lower mill rate, which is one of the alternatives suggested by the Board. The only way one could accomplish the same end result of a lower mill rate, would be to give a grant for a specific amount, and we have already stated that we do not have the authority to give a grant in this type of situation.

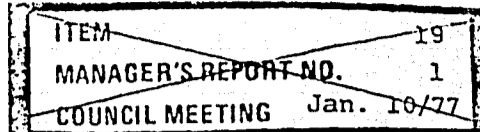
As far as the comment by the Board that the residents are bearing the operating costs and are therefore being taxed twice, we would point out that these facilities are not open to the public nor are they programmed by our Parks and Recreation Department. Contrary wise, the public facilities operated by the Parks and Recreation Department are open to the public generally, whether or not they are even Burnaby citizens. We cannot, however, state how many of the strata residents use the public facilities. The point being made is that the recreation facilities were provided on the site by the developer and paid for by the strata title residents, because we wanted to minimize any demand on Burnaby residents from the new development. Also, they are not designed for general public use and the argument used about double taxation can be used to varying degrees by almost any Strata Corporation or apartment development.

When the letter from the Ad Hoc Board of Directors was brought up for preliminary discussion last week, Council requested submission of a previous report on taxation relative to strata title properties. A copy of this report is attached.

RECOMMENDATION:

- 1. THAT a copy of this report be sent to the Green Tree Village Recreation Centre Ad Hoc Board of Directors.

Re: TAXATION - STRATA TITLE PROPERTIES



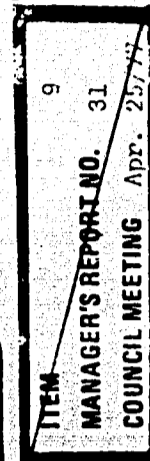
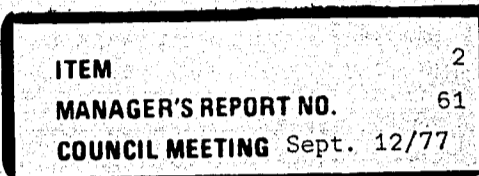
On October 27, 1975 Mr. R.M. Davies on behalf of the Burnaby Strata Owners Association, 3004 Carina Place filed a letter regarding the above with Council. Due to the pressures of other matters, this item was given a low priority. Following is a report from the Municipal Treasurer dated December 29, 1976 which reports on the taxation of strata title properties vis-a-vis single family dwellings.

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RECOMMENDATION:

1. THAT a copy of this report item be forwarded to Mr. R.M. Davies, Burnaby Strata Owners Association, 3004 Carina Place.

* * * *



MUNICIPAL MANAGER

29 December 1976

File: S81-8

MUNICIPAL TREASURER

TAXATION - STRATA TITLE PROPERTIES

The following is an excerpt from a letter filed with Council on 27 October 1975 by R. M. Davies on behalf of Burnaby Strata Owners Association, 3004 Carina Place:

"We feel that the time has come to resolve these problems and particularly the matter of garbage collection. To put the matter in terms of dollars and cents in terms of strata developments and services rendered in comparison to single family homes on the individual lots, we present the following based on the following averages:

14 strata units per acre

6 family homes per acre

The development in which I reside is composed of 121 units on approximately 8.6 acres with the 1975 taxes amounting to approximately \$63,000.00. As a comparison there would be approximately 51 single family homes on this property on the same 8.6 acres and approximately \$33,000.00 in taxes would be collected. The Municipality therefore receives almost twice the tax revenue from a strata development per acre as from single family residences while providing less services. To demonstrate that strata developments are receiving less services per tax dollar we would point out that the single family home receives the following services at no additional cost: garbage removal, roads maintenance, sidewalk maintenance, trunk line sewer maintenance, fire hydrant inspection, snow removal from the streets and storm drain maintenance just to mention a few for which most of all strata owners must pay in addition to their taxes."

The matter of garbage collection has long since been resolved, but Council instructed that a report be prepared on the subject matter of strata titles with particular reference to the above.

Due to pressure of other matters, this task was set aside until now.

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If this property had been developed for single family dwellings, R2 Residential District zoning, it could be comprised of 41 single family dwellings on 7,200 sq.ft. parcels. A comparison between a subdivision of this sort and the actual strata title corporation property follows:

		Strata Plan NW 39	Single Family Residential Dwellings
Area		8.6 acres	8.6 acres
Residential units		130	41
Floor area each unit	2 bedroom	1,129 sq.ft.	None
	3 bedroom	1,314 sq.ft.	1,400 sq.ft.
Taxes & rates all units	General	\$40,459.92	\$20,481.96
	School	44,282.27	22,429.05
	Hospital, Regional Dis- trict, etc.	3,046.77	1,543.24
	Ornamental lighting	* 1,690.00	* 533.00
	Sewers frontage tax	50.70	2,050.00
	Water	1,993.53	1,722.00
	Sewer	1,588.99	N/A
		93,112.18	48,759.55
Average taxes per unit		716.25	1,189.26
Provincial Home-Owner Grant		280.00	280.00
Average net taxes per unit		\$ 436.25	\$ 909.26

* Shown at \$13.00 per unit to be consistent

The present by-law prescribes a different rate and different frontage rules than were in effect when lighting was installed in Carina Place.

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The responsibility for the provision of roads, sidewalks, lighting, water, sewer and storm drainage is the same whether land is developed for single family use or for strata title occupancy. The capital costs must be paid by the developer and subsequently passed on to purchasers of individual lots or strata parcels, as the case may be.

A purchaser of a single family parcel must pay for the maintenance of water lines, sanitary and storm sewer lines, sidewalks, driveways and parking areas located within his property. Snow removal is his responsibility. Maintenance of water lines, sanitary and storm sewer lines, sidewalks and roadways external to his property, are the responsibility of the Municipality. Snow removal service by the Municipality applies only to arterial streets, bus routes and streets with steep grades having only one outlet. Unless the property concerned fronts one of these streets, the owner may expect no snow clearing service from the Municipality.

In the example cited, there are 130 living units in an area that could occupy 41 single family units of comparable finished area located on separate parcels of land. The owners are responsible for the maintenance of water lines, sanitary and storm sewer lines, sidewalks, driveways and parking areas located within the property. Additionally, as stated by Mr. Davies, they are responsible also for the inspection of fire hydrants to comply with fire underwriting standards. In most recent developments, fire lines are installed in registered easements, thereby making repairs and inspection the responsibility of the Municipality.

Obviously, when housing is grouped as in strata title, the sizes of mains, the length and width of driveways and the number of parking spaces and the length of sidewalks internal to the development increase over that required in a single family residential development.

This sort of thing applies also when development is vertical rather than horizontal. The internal transportation system within a highrise, passageways, staircases and elevators, together with multi-storey parking facilities, must be designed to accommodate the number of apartments being served and collectively are much more costly than internal transportation services required by a single family residence subdivision or a strata title townhouse complex occupying a similar area of land. This also applies to water and sewer services.

In the matter of recreation, single family residences usually will have recreation rooms, and sometimes swimming pools or saunas. Strata title properties are more likely to have a wider range of communal facilities such as meeting rooms, large swimming pools, tot lots, saunas, etc., reflecting the more efficient sharing capacity of a development composed of a large number of units.

All of this has a cost. An owner of a single family dwelling pays for the costs of operating his home as they occur. Also, much of the work involved in maintaining a home can be done by the owner himself. The strata owner, on the other hand, generally confines his labour to the interior of his unit and, through his Strata Council, contracts all other work out. The cost can be high - upwards of \$40.00 per month, payable monthly, which, when added to taxes, makes for sizeable costs.

Collectively, the owners of strata title parcels pay more municipal taxes and rates than would owners of single family parcels occupying an identical area of land - in the case in point, 91% more. However, individually they pay 48% less than owners of the single family residences after deduction of the \$280 Provincial Home-Owner Grant.

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Contributions towards Municipal services made by the individual owners in the two types of developments are:

	Strata Title	Single Family
General government	\$ 18.67	\$ 29.97
Police, fire & other protective services	80.92	129.88
Street lighting & traffic services	80.92	129.88
Garbage and storm sewerage	24.90	39.96
Health & welfare	24.90	39.96
Environmental development	6.22	9.99
Parks & libraries	68.47	109.93
Miscellaneous	6.23	9.99
	311.23	499.56
Schools	340.63	547.05
Hospitals, Regional District, Assessment Authority & M.F.A.	23.45	37.65
Ornamental lighting	13.00	13.00
Sanitary sewers	12.61	50.00
Water supply	15.33	42.00
	<u>\$ 716.25</u>	<u>\$ 1,189.26</u>

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Use of services by citizens is a matter of degree. Some will have children going to school. The operating cost of schools in 1976 is estimated at \$1,522 per child, of which \$992 is paid for out of property taxes. Towards this the owner of the sample strata parcel contributes \$340.63, and the owner of the sample single family dwelling, \$547.05. It may be that the owner has four children going to school, in which case the cost to the Municipality would be \$3,968 or 5.5 times the total taxes payable by the sample strata owner and 3.3 times the total taxes paid by the sample single family owner. This shortfall is made up by childless owners, commerce and industry. Some families make extensive use of parks and library services. Others do not. Some make direct use of health services. Everyone benefits indirectly from health services. This is, of course, the process of living together as a community and sharing the costs of operating the community.

To summarize:

The responsibility for the capital cost of providing roads, sidewalks, water mains, storm sewers, sanitary sewers, lighting and underground wiring in new subdivisions, whether single family lots or strata title, internal or external to the development, rests with developers. The capital costs to Burnaby for oversize services or extension or enlargement of services, is minimal.

The responsibility for maintenance of services external to the development rests with Burnaby. The responsibility for maintenance of services internal to the development, except where they are within an easement, rests with the owners of property.

The services internal to a development tend to be of larger size in strata parcels than in residential properties, but they are necessary to permit the savings in construction and more intensive land use inherent in strata building.

Multi-family buildings increase density of population. Increased densities create increased demands for service, e.g. better firefighting equipment and increased numbers of firemen to protect highrise buildings; greater density of traffic, more need for recreation facilities in excess of those already provided by the housing development.

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The outlined taxation analysis indicates that a number of services for which Burnaby residents are taxed are related to per capita or per unit costs rather than to the land area related to each dwelling unit. It is our conclusion that the comparison of strata townhouse residents with those of single family dwelling residents indicates a fair relationship and division of the tax burden. It is acknowledged that Burnaby, in order to meet its responsibility in accepting a fair share of the population growth of the region, must meet this population growth in large part through the development of multiple-family housing projects rather than single family dwelling developments; and a significant but fair proportion of the taxes collected to meet community needs and the burden of growth must be met by these new multiple-family housing developments such as strata title developments.

Submitted for the information of Council.

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A. Smyth
MUNICIPAL TREASURER

BM:gv