

ITEM 7
MANAGER'S REPORT NO. 69
COUNCIL MEETING 85/11/04

RE: 1986 PRELIMINARY ASSESSMENT ROLL

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of Director Finance be adopted.

* * * * *

TO: MUNICIPAL MANAGER
1985 October 31
File: A73-2

FROM: DIRECTOR FINANCE

RE: 1986 PRELIMINARY ASSESSMENT ROLL

RECOMMENDATION

1. THAT this report be received for information purposes.

SUMMARY

REPORT

The amount of new growth on the 1986 preliminary assessment roll is \$122,596,374 and is expected to generate about \$1 million of new municipal taxes in 1986 based on 1985 tax rates. The roll is subject to change relative to the Court of Revision. Also on the roll for the first time are assessments totalling \$1,180,500 that are eligible for tax abatement in 1986 under the Partners in Enterprise agreement Burnaby signed with the Province of B.C. Based on 50% tax abatement and 1985 tax rates, the amount to be rebated is \$10,589. The Area Assessor determines which properties are eligible and he identifies them on the assessment roll. Municipalities that have an agreement in place are responsible for abating the correct municipal tax amount as stated in the agreement. Burnaby cannot abate less than 50% of the eligible tax amount, but has yet to determine if it will be more than 50%.

INTRODUCTION

Burnaby recently received the 1986 preliminary assessment roll from the Area Assessor (copy attached) which shows about \$122.6 million of new construction. The amount of new taxes that may be generated from this growth and a comparison to prior years' growth is discussed in this report. Also discussed is the method by which industrial assessment improvements become eligible for municipal tax abatement under the Partners in Enterprise program in which Burnaby is participating with the Province of B.C.

1986 PRELIMINARY ASSESSMENT ROLL

Burnaby recently received from the Area Assessor the 1986 assessment roll which is preliminary and subject to change relative to the Court of Revision. The package from the Area Assessor, including his letter, growth table and assessment roll, is attached.

Because 1986 is the second year of a biennial roll, and market values are unchanged from the 1985 roll, the major change of \$122,596,374 (excluding machinery and equipment) is due to new construction, new developments, etc., for the full fiscal year 1984 October 01 to 1985 September 30, but valued as of 1984 July 01. In the previous 1985 assessment roll, the new construction, new growth et al amounted to \$125,314,956 for the fiscal period 1984 January 01 to 1984 September 30. Council will recall there was a one time loss of three months of construction, which was reflected in the 1985 roll, due to the advance in timing of roll preparation, but thereafter new growth is assessed for a full fiscal year, from October 01 to September 30.

The new growth on the roll is less than the \$1,500,000 anticipated when the Municipal Manager's 1986 challenge was prepared, at which time the projected growth was based on the previous year's growth of nine months projected for a full year. The impact of the lower than anticipated new growth will be considered during the 1986 budget planning process. Based on 1985 tax rates the new growth shown for 1986 is expected to generate \$1,017,448 in new municipal purposes taxes for 1986, as summarized below:

Class	New Assessment \$	Percent of Growth %	1985 Tax Rate	Municipal
				New Taxes in 1986 \$
Residential	91,236,250	74.42	5.8954	537,874
Utilities	2,257,785	1.84	20.6337	46,586
Industrial	1,294,100	1.06	17.9396	23,213
Business/other	37,341,250	30.46	12.4274	464,054
Seasonal/Recreational	(9,520,550)	(7.77)	5.6949	(54,219)
Farm	(12,461)	(0.01)	4.8463	(60)
	122,596,374	100.00		1,017,448
	=====	=====		=====

All classes show growth except seasonal/recreational and farm. The seasonal/recreational share shows a decline due to the Aga Khan Mosque becoming exempt for 1986.

In 1985 the \$125,314,956 of new assessment growth generated about \$1,108,950 in new municipal taxes. The actual amount generated is dependent upon the mix by class.

B.C. "PARTNERS IN ENTERPRISE" PROGRAM

On 1985 May 29, Burnaby and the Province of B.C. signed an agreement for the Partners in Enterprise program which, in part, obligates Burnaby to abate at least 50% of municipal taxes on eligible new improvements in the industrial assessment class for the years 1986 through 1990.

Qualification for the tax rebate is automatic - no formal application is necessary. The Area Assessor, as a regular part of his preparation of the assessment roll prepared after 1985 September 29, determines and lists separately the parcels that qualify and identifies the amount included in the industrial class in the roll totals. The 1986 roll total for Burnaby identifies three properties that have eligible improvements of \$1,180,500 of assessment and these improvements will be specially coded on the assessment computer tapes. Two of the these properties are owned by Trans Mountain Pipeline, and the third is owned by Hallmark Holdings Ltd.

It is up to the municipality that has entered into the agreement with the Province to abate the municipal taxes to the eligible taxpayers when taxes are billed and collected. Burnaby has not yet determined the percentage of abatement of municipal purposes tax, but based on the signed agreement it cannot be less than 50%. Based on the 1985 tax rate of 17.9396 dollars per thousand dollars of assessment for the industrial class and 50% rebate, the amount of tax eligible for abatement on the \$1,180,500 of eligible improvements in 1986 is \$10,589.

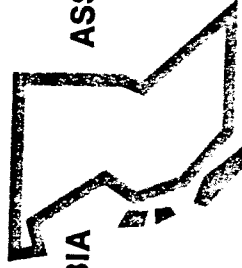
Submitted for the information of Council.

Howard Karras
for

Howard Karras
DIRECTOR FINANCE

Attach.
cc: Director Planning &
Building Inspection

BRITISH COLUMBIA



ASSESSMENT AUTHORITY

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COUNCIL MEETING 85/11/04

Burnaby-New Westminster Area Assessment Office
#301 - 4911 Canada Way
Burnaby, British Columbia V5G 1M1

Telephone (604) 294-6441

September 30, 1985.

Mr. M. J. Shelley
Municipal Manager
Corporation of the District of Burnaby
4949 Canada Way
Burnaby B.C.
V5G 1M2

RECEIVED

1985 SEP 30

MUNICIPAL MANAGERS
OFFICE

Dear Sir:

Re: 1986 Revised Assessment Roll

We have now completed the 1986 Revised Assessment Roll for the District of Burnaby and I would like to indicate some of the conditions which have affected it.

As a result of the Biennial Roll procedure enacted by the Provincial Government, the values for the 1986 revised roll will be the same as shown on the 1985 Assessment Roll. In accordance with the biennial roll, the 1986 revised roll will only include properties where a change occurs from what is shown on the 1985 roll. New construction, new development and change in ownership are some examples of what changes are permitted. Only those properties shown on the 1986 revised roll will receive an assessment notice. All other properties will remain unchanged from the 1985 assessment roll. For your information, we have enclosed herewith a copy of our public information brochure which will accompany the 1986 assessment notices which will be mailed today.

Because of the biennial roll system, the 1986 revised roll does not contain any market adjustments.

The attached form, Comparative Study of the 1985 to 1986 Assessment Roll, indicates that all classes with the exception of Class 8 show modest increases or negligible decreases. Column 1 - Authenticated Roll Values - includes all supplementary changes, including the legislative amendment exempting B.C. Transit properties (except the Maintenance Centre), as well as the area of the B.C. Hydro Rail right-of-way occupied by ALRT. Class 8 indicates a substantial reduction due to the Aga Khan Mosque becoming exempt for 1986.

A further legislative change, Provincial-Municipal Partnership Act (Bill 25), has been enacted for the 1986 roll. The agreements only apply to buildings, and \$1,180,500 may be eligible for consideration.

Appeals from the decision of the Court of Revision to the Assessment Appeal Board:

The greatest majority of the decisions pertaining to the 1985 Assessment Roll are still outstanding and the hearings will not be completed until mid-April 1986. The Assessment Appeal Board decisions are also applicable to the 1986 Assessment Roll. In addition, the 1986 Assessment Roll totals are preliminary, as they are subject to change relative to the Court of Revision.

Please contact me if you require any further information.

Yours truly,

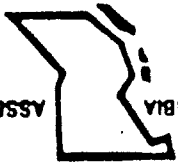
N. G. Moulder
AREA ASSESSOR

COMPARATIVE STUDY OF 1985 TO 1986 ASSESSMENT ROLL NET TAXABLE VALUE

FOR DELIVERY WITH COMPLETED ROLL as of SEPTEMBER 30, 1985

301 - DISTRICT OF BURNABY

JURISDICTION



BRITISH COLUMBIA ASSESSMENT AUTHORITY

PROPERTY CLASS	1985 AUTHENTICATED ROLL	1985 COMPLETED ROLL	% CHANGE	NEW CONST/DEV. INCLUDED IN 1986 COMPLETED ROLL	COMPLETED ROLL WITHOUT NEW CONST/DEV.	% CHANGE by market movement	% of total roll from 1985	% of total roll from COMP. ROLL
1. RESIDENTIAL	4,486,327,254	4,577,563,504	+ 2.03	91,236,250	4,486,327,254	-	72.74	72.78
2. UTILITIES	78,588,170	80,845,955	+ 2.87	+ 2,257,785	78,588,170	-	1.27	1.29
3. FORESTRY								
4. MACHINERY/EQ	275,627,950 *	273,939,200	- 0.61	- 1,688,750	273,939,200	-	*	*
5. INDUSTRIAL	239,829,200	241,123,300	+ 0.53	+ 1,294,100	239,829,200	-	3.88	3.83
6. BUSINESS/OTHER	1,341,500,690	1,378,841,940	+ 2.78	+37,341,250	1,341,500,690	-	21.75	21.92
7. TREE FARM								
8. SEASONAL/REC	19,965,950	10,445,400	-47.6	- 9,520,550	10,445,400	-	0.32	0.17
9. FARM	819,783	807,322	- 1.52	- 12,461	807,322	-	0.01	0.01
TOTAL	6,167,031,047	6,289,627,421	+ 1.98	+120,907,624	6,157,498,036	-		

REMARKS:

1985 Values from Supplementary Roll #6 and are totals for General Purposes only.

* Class 4 M/E is taxable for Non-Residential School & Hospital Purposes and is not included in the Total Taxable Values.

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