

RE: 1987 PRELIMINARY ASSESSMENT ROLL

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Director Finance be adopted.

* * * * *

TO: MUNICIPAL MANAGER
FROM: DIRECTOR FINANCE
RE: 1987 PRELIMINARY ASSESSMENT ROLL

1986 October 15
File: A73-2

RECOMMENDATION

1. THAT this report be received for information purposes.

SUMMARY

The amount of new growth on the 1987 preliminary assessment roll is \$140,286,600 and is expected to generate about \$1,465,000 of new municipal taxes in 1987 based on 1986 tax rates. The roll is subject to change relative to the Court of Revision. Also on the roll for the second time are assessments totalling \$5,594,450 that are eligible for tax abatement in 1987 under the Partners in Enterprise agreement Burnaby signed with the Province of B.C. Based on 50% tax abatement and 1986 tax rates, the amount to be rebated is \$43,845. The Area Assessor determines which improvements 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. Based on the assessment roll 0.3% change in residential market values, the median home which was \$99,700 for 1985 and 1986 (assessment roll is the same value for two years), is estimated to be \$100,000 for 1987 and 1988, subject to any changes resulting from the Court of Revision. These subjects are more fully discussed below.

1987 PRELIMINARY ASSESSMENT ROLL

Burnaby recently received from the Area Assessor the 1987 assessment roll, which is preliminary and subject to change resulting from the Court of Revision. The package from the Area Assessor, including his letter, growth table and assessment roll, is attached.

Because 1987 is the first year of a biennial roll, it reflects both changes in market values from 1984 July 01 to 1986 July 01 and in new construction, new development, etc., for the full fiscal year 1985 October 01 to 1986 September 30, but valued as of 1986 July 01.

Based on market value changes only, the total market values increased by 0.31%, which is also the same for the increase in Residential values. Based on this percentage change, the median home which was \$99,700 for 1986 will be valued at about \$100,000 for 1987 and 1988. Market values also increased for Utilities, up by 2.34%; for Business/Other, up by 0.86%; and for the Farm class, up by 5.67%. However, market values decreased for the Industrial class, down by 2.13%, and for the Seasonal/Recreational class, down by 14.57%, reflecting additional depreciation and change in taxable status to Exempt, respectively.

ITEM 7
MANAGER'S REPORT NO. 63
COUNCIL MEETING 86/10/20

New construction and development for the fiscal year was \$140,286,600 which, if based on the 1986 municipal tax rate, would generate \$1,465,386 in new municipal purposes taxes for 1987, as summarized below:

Class	\$ New Assessment	% of Growth	1986 Tax Rate	\$ New Municipal Taxes in 1987	
Residential 01	55,632,000	39.7	6.2698	348,801	
Utilities 02	1,020,800	0.7	21.9443	22,401	
Industrial 05	(2,604,900)	(1.9)	15.6745	(41,395)	
Business/Other 06	86,254,500	61.5	13.1666	1,135,678	
Seasonal/Rec. 08	(15,800)	-	6.2698	(99)	
Farm 09	-	-	6.2698	-	
	140,286,600	100.0	10.4457	1,465,386	
	=====	=====	=====	=====	

weighted average

119

In 1986, approximately \$122.6 million of new assessment growth generated about \$1.0 million in new municipal taxes. In 1986, about 70% of the new growth was Residential and about 30% was Business/Other. The roll for 1987 shows that the growth of these two classes has been reversed, compared to 1986. The 1987 reduction in the Industrial class reflects the class change of the Dominion Glass plant to Business/Other.

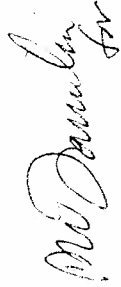
B.C. "PARTNERS IN ENTERPRISE" PROGRAM

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. Council adopted a 50% rebate policy for 1986. The program will be reviewed at annual budget time as permitted by legislation.

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, determines and lists separately the parcels that qualify and identifies the amount included in the Industrial class in the roll totals. The 1987 roll total for Burnaby identifies properties that have eligible improvements of \$5,594,450, up from \$453,800 in 1986, and these improvements will be specially coded on the assessment computer tapes. The eligible improvements for 1987 include \$5,110,000 for the Cimbria Group's research and development facilities at Discovery Park and \$484,450 for Trans Mountain Pipeline, a continuation of 1986 eligible improvements, plus new construction.

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. Based on the 1986 tax rate of 15.6745 dollars per thousand dollars of assessment for the Industrial class and Council's 50% rebate policy, the amount of tax eligible for abatement on the \$5,594,450 of eligible improvements in 1987 is \$43,845.

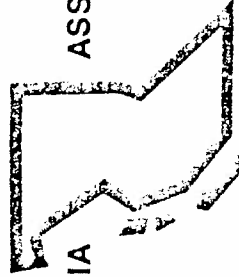
Submitted for the information of Council.



Howard Karras
DIRECTOR FINANCE

PWT:gw
Attach.
cc: Director Planning & Building Inspection
Secretary-Treasurer, School District No. 41
Area Assessor

ITEM 7
MANAGER'S REPORT NO. 63
COUNCIL MEETING 86/10/20



BRITISH COLUMBIA

ASSESSMENT AUTHORITY

Burnaby-New Westminster Area Assessment Office
#301 - 4911 Canada Way
Burnaby, British Columbia V5G 1M1
Telephone (604) 294-6441

October 7, 1986.

Mr. M. J. Shelley
Municipal Manager
District of Burnaby
4949 Canada Way
Burnaby B.C.

Dear Sir:

Re: 1987 Assessment Roll

The 1987 Assessment Roll for the District of Burnaby has been completed and assessment notices have been mailed to all property owners.

For the 1987 Assessment Roll all values are based on the valuation date as of July 1, 1986. The roll will be in effect for two years, and the only changes permitted in the second year will be those due to the enumerated reasons in the Assessment Act, Section 2(1.2)(b)(c) which include, for example, new construction, new development, etc. For all other properties, 1988 value will be the same as that shown in the 1987 Assessment Roll.

The attached form, Comparable Study of the 1986 to 1987 Assessment Roll, indicates minor changes have occurred. Column 1, Authenticated Roll Values, includes all supplementary entries upto and including the Supplementary Roll of September 24, 1986.

The following is a brief explanation for each classification:

Class 1 - Residential

This includes all homes, stratas and apartments. Values since July 1, 1984, have remained fairly stable, with current sales showing a minor increase in value. The actual values for strata properties are currently under review as they appear to be on the low side.

Class 2 - Utilities

Changes in value, other than new construction, are due to the changes in the Commissioners Statutory Rates.

Class 5 - Industrial

Generally, industrial properties have remained fairly stable with minimal changes. Special properties based on the cost approach have



- 2 -

121

decreased due to additional two years of depreciation. Column 4 indicates a 2.6 million decrease due to new construction and development. This was primarily due to Dominion Glass plant changing from Class 5 to Class 6, which has offset new construction such as the Cimbria plant.

Class 6 - Business and Other

This class is basically commercial properties and office buildings. Income properties have remained fairly stable due to little or no change in rents or vacancy. Areas of concern, such as Metrotown, have been monitored and adjusted where required. The total of new construction in Column 4 would include the class change of Dominion Glass Plant from Class 5.

Class 8 - Seasonal/Recreational

The major reason for the decrease in value as shown in Column 6 is the movement of the Salvation Army Church on Cariboo, changing from taxable in 1986 to exempt in 1987.

Class 9 - Farm

The major reason for the change in value as shown in Column 6 is the fact that an additional property was given farm class.

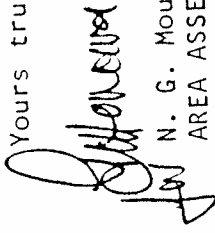
Assessment Appeal Board

Currently, there are 11 outstanding appeals which have not yet been reflected on the 1987 Assessment Roll. Decisions of the Board will be processed as soon as possible upon receipt.

Chevron Canada Ltd., an outstanding appeal from 1983, was returned back to the Appeal Board by the B. C. Court of Appeal. The hearing took place on September 23 and 24, 1986. No decision has yet been received.

Please contact me if you require any further information.

Yours truly,


N. G. Moulder
AREA ASSESSOR

Encl.
GTH:jb

COMPARATIVE STUDY OF 1986 TO 1987 ASSESSMENT ROLL NET TAXABLE VALUE

COMPLETED ROLL as of SEPTEMBER 30, 1986

301 - DISTRICT OF BURBARY

JURISDICTION



ASSESSMENT AUTHORITY

PROPERTY CLASS	1986 AUTHENTICATED ROLL	1987 COMPLETED ROLL	% CHANGE	NEW CONST/DEV. INCLUDED IN 1987 COMPLETED ROLL	COMPLETED ROLL WITHOUT NEW CONST/DEV.	% CHANGE BY MARKET MOVEMENT	% of total roll from 1986	% of total COMP ROLL
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RESIDENTIAL	4,574,699,483	4,643,047,412	+ 1.50	+55,632,000	4,587,415,412	+ 0.30	72.96	72.15
UTILITIES	81,008,605	83,926,913	+ 3.60	+ 1,020,800	82,906,113	+ 2.34	1.29	1.30
FORESTRY	-	-	-	-	-	-	-	-
INDUSTRIAL	236,304,650	233,885,450	- 1.02	- 2,604,900	231,280,550	- 2.13	3.77	3.64
BUSINESS/OTHER	1,366,604,940	1,464,653,150	+ 7.17	+86,254,500	1,378,398,650	+ 0.86	21.80	22.76
TREE FARM	-	-	-	-	-	-	-	-
SEASONAL/REC	10,445,400	8,939,850	- 14.41	- 15,800	8,924,050	- 14.57	0.17	0.14
FARM	807,322	853,098	+ 5.67	-	853,098	+ 5.67	0.01	0.01
TOTAL	6,269,870,400	6,435,305,873	+ 2.64	140,286,600	6,289,777,873	0.31	100.00	100.00

REMARKS: 1986 Values from Supplementary Roll of September 24, 1986.

ITEM 7
MANAGER'S REPORT NO. 63
COUNCIL MEETING 86/10/20

ITEM 7
 MANAGER'S REPORT NO. 63
 COUNCIL MEETING 86/10/20

123

A S S E S S E R S I N F O R M A T I O N



B U R N A B Y

13 SEP 86

ASSESSMENT AREA 10 - BURNABY-NEW WESTMINSTER
 JURISDICTION 301 - DISTRICT OF BURNABY

1 9 8 7 R O L L T O T A L S

NET TAXABLE VALUE TOTALS

CLASS	RES VACANT	RES SINGLE FMLY	RES ALR	RES FARM	RES OTHER	1 * TOTAL RES	2 UTILITIES	5 INDUSTRIAL	6 BUSINESS/OTHER	8 REC/NON-PROFIT	9 FARM	2 ELIG IND IMPS	4 SEC 407 M.A.	NET TAXABLE ASSMT GENERAL	SCHOOL RESIDENTIAL	SCHOOL NON-RESIDENTIAL	SCHOOL TOTAL
OCCURRENCE	4,189	40,316	38	37	653	45,233	207	227	2,658	175	69	2	4	6,469,066,273	6,469,066,273	6,435,305,873	6,469,066,273
NET	44,954,650	4,056,413,182	3,537,300	696,200	537,446,080	4,643,047,412	83,926,913	233,885,450	1,464,653,150	8,939,850	853,098	(5,594,450) *	33,760,400	6,469,066,273	33,760,400	6,469,066,273	6,469,066,273
NET	44,954,650	4,056,413,182	1,768,650	696,200	537,446,080	4,641,278,762	117,687,313	233,885,450	1,464,653,150	8,939,850	426,530	(5,594,450) *	33,760,400	6,469,066,273	33,760,400	6,469,066,273	6,469,066,273
NET	45,302,900	4,056,413,182	1,768,650	696,200	537,446,080	4,641,627,012	240,861,662	233,885,450	1,476,151,000	8,939,850	426,530	(5,594,450) *	33,760,400	6,601,891,504	1,960,264,492	6,601,891,504	6,601,891,504
NET	45,302,900	4,056,413,182	1,768,650	696,200	537,446,080	4,641,627,012	240,861,662	233,885,450	1,476,151,000	8,939,850	426,530	(5,594,450) *	33,760,400	6,601,891,504	1,960,264,492	6,601,891,504	6,601,891,504

FOLIO COUNT - 48,123
 NUMBER OF ROLL ENTRIES - 50,465

A S S E S S E R S I N F O R M A T I O N



B U R N A B Y