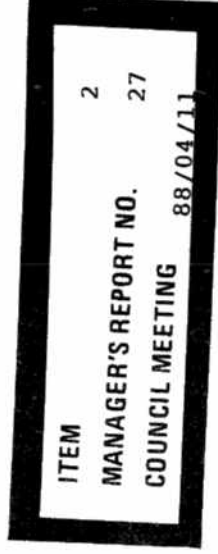


RE: 1988 ASSESSMENT ROLL

ACTING MUNICIPAL MANAGER'S RECOMMENDATION:

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

* * * * *



TO: MUNICIPAL MANAGER

1988 April 06

FROM: DIRECTOR FINANCE

File: A73-2

RE: 1988 ASSESSMENT ROLL

Xref: T5-23

RECOMMENDATION

1. THAT this report be received for information purposes.

SUMMARY

The amount of new growth and other assessment changes (net) on the 1988 assessment roll is \$192,619,667 increasing the total roll to \$6,654,800,777. The new growth is expected to generate about \$2 million of new municipal taxes in 1988 based on 1987 tax rates. The assessment roll for 1988 distinguishes between major and light industry, which were previously shown as one industrial class. Major industry assessments for 1988 total \$128.2 million and light industry total \$85.7 million. The roll is subject to change for current assessment appeals outstanding and for Court of Revision for the new major industry class appearing on the roll for the first time in 1988.

On the 1988 assessment roll are revised assessments totalling \$9,857,550 that are eligible for tax abatement in 1988 under the Partners in Enterprise agreement Burnaby signed with the Province of B.C. Based on 50% tax abatement and 1987 tax rates, the amount to be rebated in 1988 is \$70,281, an increase of \$22,482 over the \$47,799 abatement in 1987.

The 1988 assessment is the second year of a biennial assessment roll, therefore the market values are unchanged from the 1987 roll, which are valued as at 1986 July 01. Included in this report is a trend of authenticated assessment rolls by class from 1984 through 1988.

ITEM	2
MANAGER'S REPORT NO.	27
COUNCIL MEETING	88/04/11

REPORT

1988 ASSESSMENT ROLL

We have received the 1988 authenticated assessment roll which incorporates the new tax class for major industry (Class 04). It is subject to change for current assessment appeals outstanding and to Court of Revision for the major industry class introduced on the 1988 roll.

The 1988 assessment roll reflects the reestablishment of taxation of water lots, as a result of recent legislative amendments to the Assessment Act. Water lots which were previously removed from the assessment roll in 1986 have now been reinstated on the 1988 roll and will generate about \$26,000 in taxes in 1988, using 1987 tax rates.

The only other change on the 1988 assessment roll is for new construction, new developments, zoning changes, etc., for the full fiscal year 1986 October 01 to 1987 September 30, using market values as at 1986 July 01.

NEW INDUSTRIAL CLASS

As the Province of B.C. recently indicated, the 1988 assessment roll now incorporates a new tax class for major industry, Class 04, which includes "heavy" and "resource" type industries such as oil refineries, sawmills, etc. This new class was extracted from the existing industrial Class 05, which had assessments of about \$213.9 million prior to the split. The major industry portion is \$128.2 million and the light industry portion is \$85.7 million. The major industry portion retains the existing assessment values for 1988, but is expected to be revalued on September 30, which would affect the 1989 assessment roll. A separate variable tax rate can be applied to each of the major and light industrial assessment portions in 1988.

TAXES FROM NEW ASSESSMENTS

Our analysis of new growth for 1988 is compared to the 1987 authenticated roll, upon which our 1987 annual tax rates were based and which allowed for Court of Revision changes. On this basis, new construction and development for the 1988 roll is \$192,619,667 which, when using the 1987 municipal tax rate, would generate \$2.07 million of new municipal taxes in 1988. This compares with \$1.54 million of taxes from new growth in 1987. The major portion of the new growth in the business class can be attributed to the construction that has taken place in Metrotown. Details of the 1988 new assessment and tax growth are:

Class	1988		% of Growth	1987	
	\$ New Construction/Changes	\$ New Municipal Taxes in 1988		Tax Rate Per \$1000	
Residential 01	81,443,545	531,508	42.28	6.5261	
Utilities 02	4,789,614	109,402	2.49	22.8414	
Industrial 04/05	(7,337,800)	(119,718)	(3.81)	16.3153	
Business 06	112,954,329	1,548,028	58.64	13.7049	
Recreational 08	752,400	4,910	0.39	6.5261	
Farm 9	17,579	115	.01	6.5261	
Total growth	192,619,667	2,074,245	100.0		

The major portion of the industrial class reduction (prior to the major/light split) results from the reclassification of a portion of the Discovery Parks property from industrial to business class.

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B.C. "PARTNERS IN ENTERPRISE" PROGRAM

1988 is the third year in the five year agreement with the Province that obligates Burnaby to abate at least 50% of municipal taxes for eligible improvements as identified by the Area Assessor. The eligible improvements are basically new construction assessments on industrial property added to the assessment roll during the years 1986 to 1990 that qualify under the Partners in Enterprise program. In 1986 Council adopted By-Law No. 8557 which provides for a 50% reduction in taxes on those eligible improvements for the taxation years 1986 to 1990. The agreement which Burnaby entered into with the Province under the Provincial-Municipal Partnership Act remains in force until 1990 December 31. The percentage reduction can not be decreased but it can be increased to 100%. The 1988 provisional budget assumed that the 50% abatement would continue in 1988.

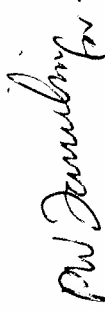
The 1988 assessment roll identifies properties that have eligible improvements of \$9,857,550, an increase of \$3,957,250 over the 1987 amount of \$5,900,300. The authenticated roll shows that there has been a reduction in the eligible improvements since the preparation of the preliminary roll. The change reflects the reclassification of a portion of the Discovery Parks property from industrial to business class. Attachment 01 identifies these eligible properties and rebates for 1988 and 1987.

Based on 50% abatement of municipal taxes for 1988, and using 1987 tax rates, the estimated municipal tax abatement for 1988 is \$70,281, an increase of \$22,482 over the \$47,799 abatement in 1987.

ASSESSMENT ROLL TREND

Attachment 02 shows the assessment roll trend by class for 1984 through 1988. The trend shows a decline in the industrial and recreation class percentages offset by an increase in the business/other percentage. The decline in the industrial class proportion has an adverse effect on the taxes generated because of its relatively higher tax rate compared to the tax rate of the business/other property class.

The foregoing is for the information of Council.



Howard Karras
DIRECTOR FINANCE

PWT:gw
Attach.

cc: All Directors
Secretary-Treasurer,
School District No. 41
Area Assessor

1988 PARTNERS IN ENTERPRISE ASSESSMENTS AND ABATEMENT

Eligible Assessments - 1988 vs. 1987

Eligible Assessments			Total for 1988			Added (Deleted) in 1988		
Name	Address of Property	Class	Class	Class	Class	Class	Class	Class
Chevron Canada Ltd.	5287 Penzance Drive	Class 04	Class 05	Class 06	Class 04	Class 05	Class 06	Class 06
Trans Mountain Pipelines	7065 Bayview Court	-	677,550	-	-	-	-	-
F. and C. Renzullo	3726 Parker Street	-	-	60,850	-	-	-	-
MacFarlane, D. & M.,	Executors	-	-	-	-	136,350	-	-
Discovery Parks	7950 Venture Street	-	136,350	-	-	-	-	-
Scardillo Cheese Ltd.	4225 Kincaid Street	-	-	-	(5,110,000)	-	-	-
Stadco Forest Products	6224 Beresford Street	-	-	2,582,600	-	-	-	2,582,600
5450 Byrne Road	5450 Byrne Road	-	50,000	-	-	-	-	-
B.C. Development Corp.	2453 Gilmore Avenue	-	-	4,344,900	-	-	-	4,344,900
A. and M. Gomes	7370 Gilley Avenue	-	-	195,000	-	-	-	-
Webb & Knapp Canada Ltd.	3131 Lake City Way	-	-	580,000	-	-	-	580,000
Total - 1988			1,957,850	7,763,350	(3,686,600)	136,350	7,507,500	7,507,500
			\$9,857,550	\$9,857,550		\$3,957,250		

1988 Abatement of Municipal Taxes (Assuming 50% Rebate)

Class	Eligible Assessments	50% Abatement Using 1987 Tax Rates	1988	1987
Major Industry	\$ 1,957,850	978,925		
Light Industry	136,350	68,175		
Business	7,763,350	3,881,675		
				\$47,799
Major Industry	\$ 1,957,850	978,925		
Light Industry	136,350	68,175		
Business	7,763,350	3,881,675		
				\$47,799
Industrial (not split in 1987)	5,644,450	2,822,225		
Business	255,850	127,925		
				\$47,799

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BURNABY GENERAL MUNICIPAL PURPOSES ASSESSMENT ROLL AND % BY CLASS
1984 THROUGH 1987 (NOTE 1), 1988 (PRELIMINARY)

	1984		1985		1986		1987		1988	
	\$	%	\$	%	\$	%	\$	%	\$	%
01 Residential	4,050,662,998	71.63	4,486,141,704	72.73	4,580,015,384	72.87	4,687,458,110	72.54	4,768,901,655	71.66
02 Utilities	68,869,572	1.22	80,908,820	1.31	81,008,605	1.29	78,871,202	1.22	83,660,816	1.26
04 Major Industry (Note 2)										
05 Industrial	244,030,187	4.31	240,846,050	3.91	237,853,200	3.78	221,234,050	3.42	128,240,050	3.22
05 Light Industry (Note 2)									85,656,200	
06 Business/ Other	1,272,593,530	22.50	1,340,029,840	21.72	1,374,977,790	21.88	1,464,901,800	22.67	1,577,856,129	23.71
08 Recreation/ Non-Profit	18,840,600	0.33	19,888,950	0.32	10,445,400	0.17	8,862,850	0.14	9,615,250	0.14
09 Farm	833,065	0.01	814,033	0.01	807,322	0.01	853,098	0.01	870,677	0.01
	5,655,829,952	100.00	6,168,629,397	100.00	6,285,107,701	100.00	6,462,181,110	100.00	6,654,800,777	100.00
	192,619,667								192,619,667	
										100.00
										100.00

Notes (1) Assessment roll values used to establish annual tax rates.
 (2) Industrial is separated into major and Light Industry classes
 for the first time in 1988. Light Industry maintains the same
 property class number, Class 05.

