

ITEM  
MANAGER'S REPORT NO. 6  
COUNCIL MEETING 89/10/23

RE: 1990 ASSESSMENT ROLL

MUNICIPAL MANAGER'S RECOMMENDATION:

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

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TO: MUNICIPAL MANAGER 1989 October 17  
FROM: DIRECTOR FINANCE File: A73-2  
Xref: T5-23

SUBJECT: 1990 ASSESSMENT ROLL

PURPOSE: To inform Council of assessment roll growth in 1990  
and resulting new municipal tax growth.

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RECOMMENDATION

1. THAT this report be received for information purposes.

SUMMARY

The 1990 preliminary roll shows new assessment growth of \$250 million and is expected to generate \$2.6 million in new municipal taxes in 1990, based on the same tax rates as 1989. This roll is the second year in the biennial assessments, and reflects the same market values in 1990 as in the 1989 roll; that is, market values as at 1988 July 01. The roll is subject to changes from the Court of Revision. Included in this report is a trend of authenticated assessment rolls by class from 1986 through 1989, and the 1990 preliminary roll (Attachment 01).

We also have an estimate of eligible assessments for 1990 that qualify under the Partners in Enterprise program. The qualifying assessments are \$10.3 million for 1990, an increase of \$0.7 million over 1989. Based on a 50% reduction in municipal taxes as provided for in Bylaw No. 8557 adopted in 1986, and 1989 tax rates, the estimated rebate in 1990 is \$82,260, an increase of \$5,090 over 1989. 1990 is the final 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.

REPORT

1990 ASSESSMENT ROLL

We have received the 1990 assessment roll, which is subject to changes from the Court of Revision. The 1990 roll is the second year in the biennial assessment and reflects market values as of 1988 July 01, the same market value as the 1989 roll. The 1990 roll reflects, by class, new construction, new developments, zoning changes, etc. for the full year 1988 October 01 through 1989 September 30. It also reflects, by class, a summary of property improvements that are eligible for tax rebate under the B.C. Partners in Enterprise program.

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TAXES FROM NEW ASSESSMENTS

The value of new growth in assessments of \$249,837,000 is estimated to generate about \$2,653,000 in new municipal taxes. This growth is subject to changes from late entries and/or the Court of Revision, and could result in either an increase or decrease. The new tax revenue is based on 1989 tax rates and therefore the tax growth could change depending on the outcome of the final 1990 tax rates. The estimated new tax growth of \$2.65 million in 1990 compares to new growth of \$2.40 million in 1989. Details of the 1990 assessment and tax growth are as follows:

Class	1990 New Construction \$	% of Growth	1989 Tax Rate	New Municipal Taxes in 1990 \$
1 Residential	124,521,440	49.84	5.7903	721,016
2 Utilities	9,911,152	3.97	27.0642	268,237
4 Major industry	3,301,262	1.32	20.7991	68,663
5 Light industry	(570,550)	(0.23)	17.5833	(10,032)
6 Business/other	112,829,750	45.16	14.2332	1,605,928
8 Recreational	(144,400)	(0.06)	6.7761	(978)
9 Farm	(11,777)	-	-	(80)
<b>Total</b>	<b>249,836,877</b>	<b>100.00</b>		<b>2,652,754</b>
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While new assessment growth from the residential class was greater than that of the business class, the largest portion of new taxes was from the business class because of the higher tax rate.

B.C. "PARTNERS IN ENTERPRISE" PROGRAM

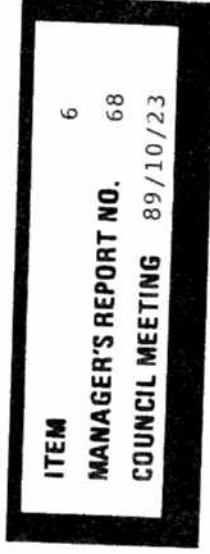
1990 is the final year in the five year agreement with the Province that obligates Burnaby to abate at least 50% of municipal taxes for eligible improvements as identified by the Area Assessor. The eligible improvements are basically new construction assessments on industrial and commercial property added to the assessment roll during the years 1986 to 1990 that qualify under the Partners in Enterprise program. In 1986 Council adopted Bylaw No. 8557 which provides for a 50% reduction in taxes on those eligible improvements for the taxation years 1986 to 1990. The percentage reduction cannot be decreased but it can be increased to 100%.

The 1990 assessment roll identifies properties by class that have eligible improvements of \$10,309,762, an increase of \$671,410 over 1989. Based on 50% abatement of municipal taxes for 1990, and using 1989 tax rates, the estimated municipal tax abatement for 1989 is \$82,260, an increase of \$5,088 over 1989.

The details, by property class, are as follows:

Class	1990		1990	
	Eligible Assessment Total \$	Increase vs 1989 \$	Estimated Tax Rebate at 1989 Tax Rates Total \$	Increase vs 1989 \$
4 Major industry	2,617,312	94,410	27,219	982
5 Light industry	177,050	-	1,557	-
6 Business	7,515,400	577,000	53,484	4,106
	10,309,762	671,410	82,260	5,088
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ASSESSMENT ROLL TREND

Attachment 01 shows the assessment roll trend by class for 1986 through 1990. 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

BURNABY GENERAL MUNICIPAL PURPOSES ASSESSMENT ROLL AND % BY CLASS

1986 THROUGH 1989 (NOTE 1) 1990 (PRELIMINARY)

ITEM	1990 vs 1989		1990		1989		1988		1987		1986	
	Increase/(Decrease)	%	\$	%	\$	%	\$	%	\$	%	\$	%
01 Residential	124,521,440	49.84	5,857,684,302	72.70	5,733,162,862	73.43	4,768,901,655	71.66	4,687,458,110	72.54	4,580,015,384	72.87
02 Utilities	9,911,152	3.97	104,979,617	1.30	95,068,465	1.22	83,660,816	1.26	78,871,202	1.22	81,008,605	1.29
04 Major Industry (Note 2)	3,301,262	1.32	148,351,494	1.84	145,050,232	1.86	128,240,050	3.22	221,234,050	3.42	237,853,200	3.78
05 Light Industry (Note 2)	(570,550)	(0.23)	88,040,450	1.09	88,611,000	1.13	85,656,200					
06 Business/Other	112,829,750	45.16	1,851,162,884	22.98	1,738,333,134	22.27	1,577,856,129	23.71	1,464,901,800	22.67	1,374,977,790	21.88
08 Recreation/Non-Profit	(144,400)	(0.06)	6,278,700	0.08	6,423,100	0.08	9,615,250	0.14	8,862,850	0.14	10,445,400	0.17
09 Farm	(11,777)		846,889	0.01	858,666	0.01	870,677	0.01	853,098	0.01	807,322	0.01
	249,836,877	100.00	8,057,344,336	100.00	7,907,507,459	102.00	6,654,800,777	100.00	6,462,181,110	100.00	6,285,107,701	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.

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