

TO: CITY MANAGER
FROM: DIRECTOR FINANCE

2003 January 08

SUBJECT: 2003 PROPERTY ASSESSMENT ROLL

File: A 73-1

PURPOSE: To provide information related to the 2003 property market value assessment roll.

RECOMMENDATION:

1. THAT this report be received for the information of Council.

REPORT

B.C. Assessment's 2003 assessment roll (Completed roll) has just been released and Burnaby taxpayers will be receiving their 2003 assessments in the early part of January.

The taxable market value assessed roll totals, percentage change from last year and the New Construction assessed totals are as follows:

Property Class	Class	2002 Authenticated Assessment Roll	2003 "Completed" Assessment Roll	Average Market change	2003 New Construction	2003 Total "Completed" Assessment Roll
Residential	1	14,577,117,600	15,858,476,800	8.79%	216,146,500	16,074,623,300
Utilities	2	143,701,920	143,337,815	-0.25%	723,300	144,061,115
Major Industry	4	105,332,300	104,172,000	-1.10%	(645,500)	103,526,500
Light Industry	5	402,882,800	404,092,600	0.30%	(4,860,300)	399,232,300
Business & Other	6	3,802,355,206	3,824,245,357	0.58%	53,057,994	3,877,303,351
Recreation	8	29,597,900	29,614,000	0.05%	1,391,100	31,005,100
Farm	9	1,507,500	1,461,300	-3.06%	(200)	1,461,100
		<u>19,062,495,226</u>	<u>20,365,399,872</u>	<u>6.83%</u>	<u>265,812,894</u>	<u>20,631,212,766</u>

The market values reflect the valuation as at July 01, 2002 (Valuation date) and are based on the physical condition and permitted use (zoning) of the property as of October 31, 2002.

Property owners receive their 2003 assessment notices early in the new year and have until January 31 to submit a written request for a review of their valuations by the property assessment review panel. Information is provided with the assessment notices on the procedure for requesting a review. Any changes as a result of a review are reflected in the Authenticated Roll sent out in mid-April.

Since assessments can be appealed (reviewed) and property taxes cannot, requests for a review must be based on the class or value placed on the property and not on the potential property taxes. However, it is important that the property be correctly valued in order to ensure that the share of property taxes borne by the property are fair in relation to other properties.

Residential

For the six year period from 1996 to 2001 property values in Burnaby and the region have been decreasing. In 2002 the trend reversed with a modest (1.22%) increase in market value. This year the residential market recovered a substantial amount of its value with an 8.79% average assessment increase in Burnaby.

Properties that experience a greater than average (8.79%) increase in assessed value will be faced with general municipal property tax increases that are greater than any rate increase approved by Council (currently the 2003 Provisional budget contemplates a 2.95% increase, although staff have been directed by Council to try to reduce the increase for the Annual budget in May). Assessment increases that are less than the average would be faced with less than average tax increases. As an example a home valued at \$300,000 in 2002 would be subject to tax increases based on the following examples of assessed value changes:

				Average		
Assessed Value	2002	300,000	300,000	300,000	300,000	300,000
	2003	310,000	318,000	326,370	330,000	342,000
Change	\$	10,000	18,000	26,370	30,000	42,000
	%	3.33%	6.00%	8.79%	10.00%	14.00%
Taxes	2002	1,196.82	1,196.82	1,196.82	1,196.82	1,196.82
	2003	1,170.31	1,200.51	1,232.11	1,245.82	1,291.12
Change	\$	(26.51)	3.69	35.29	49.00	94.30
	%	-2.21%	0.31%	2.95%	4.09%	7.88%

Non-residential

The value of non-residential properties has changed very little from 2002.

New Construction

Property values may change as a result of the construction (increase) or demolition (decrease) of structures and other improvements on the property. The total new construction value for 2003 is \$265,812,894. For the city, the new construction represents an increase in the taxable property base and it is anticipated that about \$1.5 million worth of additional property taxes will be generated from the new construction. This amount is lower than has been anticipated in the 2003 Provisional budget by about \$0.5 million and will, therefore, result in service adjustments to balance the Annual budget to be presented to Council in May this year.

The above is provided for the information of Council.


 Rick Earle
 DIRECTOR FINANCE