
FINANCE AND CIVIC DEVELOPMENT COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

SUBJECT: 2014 HOME OWNER GRANT THRESHOLD CHANGES

RECOMMENDATION:

1. THAT Council receive this report for information.

REPORT

The Finance and Civic Development Committee, at its meeting held on 2014 June 26, received and adopted the *attached* report providing information regarding the decrease in the number of Burnaby homes eligible for the 2014 Home Owner Grant Program.

Respectfully submitted,

Councillor D. Johnston
Chair

Councillor C. Jordan
Vice Chair

Councillor P. McDonell
Member

Copied to:	City Manager Director Finance
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TO: CHAIR AND MEMBERS
FINANCE AND CIVIC DEVELOPMENT
COMMITTEE

DATE: 2014 June 20

FROM: DIRECTOR FINANCE

FILE: 7400-03

SUBJECT: 2014 HOME OWNER GRANT THRESHOLD CHANGES

PURPOSE: To provide information regarding the decrease in the number of Burnaby homes eligible for the 2014 Home Owner Grant Program.

RECOMMENDATION:

1. **THAT** the Finance and Civic Development Committee receive this report for information.

REPORT**1.0 BACKGROUND**

The purpose of the Provincial Home Owner Grant Program is to reduce the amount of residential property tax British Columbians pay on their principal residence. The Home Owner Grant is available to qualified residents that pay property taxes to their municipality. The City of Burnaby collects Home Owner Grant submissions from property owners in Burnaby on behalf of the Province of BC. The Province of BC paid \$153,584 to the City in 2013 for the administration of this program.

2.0 FINDINGS

The Province reviews BC Assessment's property value information annually at July 01 and adjusts the Home Owner Grant thresholds accordingly. Based on Burnaby's BC Assessment information 88% (2013- 92%) of eligible homeowners can claim the full amount of the Home Owner Grant based on their property's assessed value.

For 2014 homes below the lower threshold of \$1.1 million (2013 - \$1.295 million) are eligible for the full basic Home Owner Grant of \$570. Owners with homes valued above the lower threshold may still be eligible for a partial grant. Eligible property owners will receive a reduction of \$5 in the basic grant for every \$1000 above \$1.1 million up to \$1.214 million (2013 - \$1.409 million).

Table 1 - Threshold Information

Thresholds	2012	2013	2014	Change over prior year (%)
Average residential value*	\$665,456	\$677,687	\$669,435	- 1.22
Lower threshold	1,285,000	1,295,000	1,100,000	-15.06
Upper threshold basic grant (< 65)	1,399,000	1,409,000	1,214,000	-13.84
Max threshold additional grant (> 65)	1,454,000	1,464,000	1,269,000	-13.32

Burnaby's average 2014 residential property assessment value is \$669,435. This value is well below the Home Owner Grant lower threshold of 1.1M, however the number of eligible residential properties in Burnaby is less than the Provincial Target of 93.8% at only 88%.

Table 2 – Properties that Fall Below the Lower Threshold

* based on the BC Assessment Revised Roll for Burnaby

Properties	2012	2013	2014	Change over 2013 (%)
Total Class 1 Residential properties *	66,514	67,897	68,694	1.17
#Properties Below the Lower Threshold*	61,603	62,500	60,335	-3.46
% Eligible based on assessed value	93%	92%	88%	-4.35
% Provincial Target	95.5%	95.5%	93.8%	-1.78

Included within Class 1 residential properties, are properties for which residents will not be eligible to claim a grant due to reasons such as: not residing on the property, running a business on the property, or having filed a claim on another property.

The basic grant amount of \$570 and additional grant of \$275 have not changed since 2006, prior to which they were set at \$470 and \$275 respectively. Homeowners can claim an additional Home Owner Grant of \$275 for a total grant of \$845 if they meet the criteria and fall into one of the following alternatives thresholds apply for the additional grant.

- Is over 65 years of age
- Is in receipt of disability allowance
- Is permanently disabled or have a disabled spouse or relative
- Is a veteran or the spouse of a veteran

Before the Basic Home Owner Grant or the Additional Home Owner Grant can be applied, a minimum annual amount of property tax (\$350 for those who qualify to apply for the Basic Home Owner Grant and \$100 for those who qualify to apply for the Additional Home Owner

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From: Director Finance
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Grant) must be paid to ensure that all homeowners contribute towards the funding of municipal services.

3.0 RECOMMENDATION

The number of residential properties in Burnaby has increased by 797 from 2013 to 2014. The number of properties that do not meet the lower threshold of the Basic Home Owner Grant in 2014 has increased by 2,962; 2,165 of these properties were eligible in 2013 and 797 are new properties added to the role in 2014.

It is recommended that the Committee receive this report for information.



Denise Jorgenson
DIRECTOR FINANCE

DJ:RR

Copied to: City Manager