CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date:	March 4, 2014
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Meeting Date:	March 12, 2014

TO: Standing Committee on City Finance and Services

FROM: Director of Finance

SUBJECT: 2014 Property Taxation: 3-year Land Assessment Averaging

RECOMMENDATION

A. THAT Council approve the application of the 3-year land assessment averaging program in 2014 for the purpose of calculating property taxes for Residential (Class 1), Light Industrial (Class 5), and Business & Other (Class 6) properties; and THAT properties impacted by the zoning district changes as part of the Norquay Village Neighbourhood Centre Plan initiated by the Director of Planning not be excluded from the program as a result of such changes.

B. THAT Council instruct the Director of Legal Services, in consultation with the Director of Finance, to prepare applicable by-laws authorizing the use of 3-year land assessment averaging that reflects Council's decision on Recommendation A.

C. THAT, subject to adoption of the by-laws, Council instruct the Director of Finance to make appropriate arrangements with BC Assessment for the production of the 2014 Average Assessment Roll at an estimated cost of $24,200 plus applicable taxes; source of funding to be the 2014 Operating Budget.

D. THAT Council instruct staff to report back with an analysis of the Property Tax Policy Review Commission's recommendations (received on February 18, 2014) and appropriate implementation strategies for Council's consideration by June 2014.

REPORT SUMMARY

The purpose of this report is two-fold:

- to seek Council approval on the application of the 3-year land assessment averaging program in 2014 for the purpose of calculating property taxes for Residential (Class 1), Light Industrial (Class 5), and Business & Other (Class 6) properties, including those eligible properties that are impacted by the relevant zoning district changes initiated by the Director of Planning in relation to the Norquay Village Neighbourhood Centre Plan as outlined in the report; and

- to introduce the concept of the targeted 5-year land assessment averaging method recommended by the Property Tax Policy Review Commission ("PTPRC"), and its difference from the current 3-year land assessment averaging program; and a plan to report back to Council on the PTPRC recommendations and appropriate implementation strategies for Council's consideration by June 2014.

3-year land assessment averaging is an optional mitigation tool available to Council under the *Vancouver Charter*, which complements other provincial measures such as Section 19(8) of the *Assessment Act*, Property Tax Deferment and Home Owner Grant, in alleviating tax impact on eligible properties. The program has been in place since 1993. The analysis contained in this report demonstrates that the program functions as intended - to phase in year-over-year property tax impact arising from land value changes and to minimize the number of properties that experience extreme property tax increases driven by significant market volatility.

In April 2013, Council reconvened the PTPRC to work with staff on two key areas: i) tax stability and predictability and ii) tax distribution. With regards to the latter, in its report to Council on February 18, 2014, the PTPRC recommended that *"Council endorse the Targeted Five-Year Land Assessment Averaging method in place of the existing Three-Year Land Assessment Averaging program for Classes 1, 5 and 6"* that focuses on "hot" properties defined as *"properties that experience an unanticipated, year-over-year increase in total net assessed value, before land averaging is applied, which exceeds the average assessment increase for the same property class by more than ten percent"*. During the report reference, the Commission Chair recommended that no change be made to the 3-year land assessment averaging program in 2014, and that staff perform further analysis on the targeted 5-Year land assessment averaging method and confirm whether it is allowed under the *Vancouver Charter*.

Staff will report to Council with an analysis of the PTPRC recommendations and appropriate implementation strategies for Council's consideration by June 2014.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Section 374.4 of the *Vancouver Charter* requires that Council considers the application of the land assessment averaging program each year and, if Council decides to proceed, a by-law be adopted, before March 31, authorizing the use of such a mechanism. As well, section 374.4 requires Council to establish by by-law, every five years, the number of preceding years to be applied in determining the average land value for the purposes of land assessment averaging.

Since 1993, it has been Council policy to apply the 3-year land assessment averaging program for the purpose of calculating property taxes for Residential (Class 1) and Business & Other (Class 6) properties; in 2007, Council extended the program to Light Industrial (Class 5) properties.

Further to the 2007 PTPRC recommendations, in March 2008, Council instructed staff to seek an amendment to the *Vancouver Charter* to allow the City to use up to five years of land values in the averaging formula. The amendment was enacted by the Province in 2013. 2014 is the first year that the averaging program is governed by the amendment. As a result of the amendment, Council is authorized to enact applicable by-laws choosing the number of years that are included in the averaging formula, up to a maximum of five years. Once the choice is made, the averaging formula needs to hold for five years. However, Council can specify the eligibility requirements for properties to be considered for the averaging program every year in the by-law.

In April 2013, Council reconvened the PTPRC to work with staff on two key areas:

- assess viable options to enhance property tax stability and predictability arising from significant year-over-year market value changes; and

- assess viable options for tax distribution; validate whether the tax share of 53% residential/ 47% non-residential continues to be an appropriate distribution; and recommend metrics for monitoring tax share over the long-term and its impact on residents and business climate.

In February 2014, Council received the report from the PTPRC, and deferred Council decision on its recommendations until staff report back with an analysis and implementation strategies in June 2014.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager RECOMMENDS approval of the foregoing.

Vancouver has consistently been ranked by leading global authorities as one of the most livable cities in the world, and was ranked by KPMG as having one of the best business tax environments in 2012. To capitalize on this competitive advantage, the City needs to maintain an affordable environment for both businesses and residents.

While the City’s property tax regime generally functions well, every tax system has inherent limitations and challenges. Over the years, most discussions and debates revolve around two areas: assessment volatility and tax share; both of which have some impact on affordability and business climate. The complexity of these challenges are apparent on consideration of “hot” properties with triple net leases where landlords transfer the entire tax burden to small business tenants while benefiting from future capital gain upon redevelopment.

To enhance business climate, Council adopted the 2007 PTPRC recommendations by redistributing $23.8 million of tax levy from non-residential to residential over 5 years (completed in 2012) which reduced the business tax share and the tax rate ratio to 47% and 4.3 respectively (both at historical lows); and by seeking an amendment to the *Vancouver Charter* to allow the City to use up to 5 years of land values in the averaging formula (enacted in 2013) to further mitigate tax volatility.

In addition to tax policies, Council has also taken a number of proactive steps to enhance affordability and support economic development. These include:

- keeping property tax increase in line with inflation;

- bringing transformative changes through the Vancouver Service Review that streamline City operations for greater efficiencies, reduced duplication, and improved oversight and accountability;
- launching the first Vancouver Economic Action Strategy in 2011;
- adopting Transportation 2040 to enable a sustainable, efficient transportation system; and
- adopting land use policies that preserve commercial and industrial space and promote affordable housing to attract and retain workforce talent.

The result of these actions is significant, as commercial and office development activities have been robust in recent years, and Vancouver continues to enjoy one of the lowest vacancy rates in Metro Vancouver.

To ensure that the City's tax policies continue to be progressive and current in meeting the needs of businesses and residents, and align with the broader public policies and long-term goals, Council reconvened the PTPRC in 2013 to provide an updated assessment of the tax volatility and tax share issues, and recommend further actions as appropriate for Council's consideration. The report was presented to Council on February 18, 2014. To ensure Council and key stakeholders have time to review and absorb the contents of the report, staff will report to Council with an analysis and appropriate implementation strategies for Council's consideration by June 2014, in time for Council to set tax policies for 2015. As such, staff recommend no change to the 3-year land assessment averaging program for 2014.

Staff would like to express our sincere appreciation for the time, dedication and effort invested into this work by the three members of the PTPRC: Dr. Stanley W. Hamilton (Chair), Dr. Enid Slack and Mr. Peter Adams.

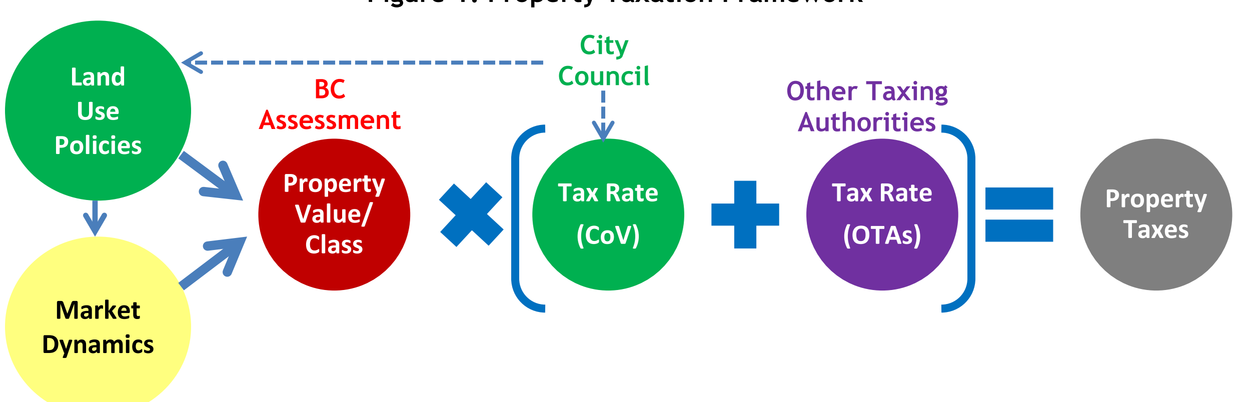
REPORT

Background/Context

BC's property taxation framework has been recognized as one of the best in class due mainly to the segregation of assessment and taxation functions that ensures objectivity and credibility; and the annual market valuation approach that ensures currency, equity and transparency.

Figure 1 below shows the key drivers and stakeholders within the property taxation framework.

Figure 1: Property Taxation Framework



Property taxes are levied by taxing authorities based on real property values, which are driven by zoning as defined in **land use policies** and by **market dynamics**.

BC Assessment determines the value of all real properties in BC based on their “highest and best use” as defined by zoning and market evidence, and assigns them to appropriate property class(es) based on their “actual use” in accordance with the *Assessment Act*. An *Assessment Roll* is produced annually for municipalities and other taxing authorities (OTAs) such as Provincial School, Translink, Metro Vancouver, Municipal Finance Authority and BC Assessment to levy property taxes.

City Council sets land use policies that define zoning; determines the amount of general purpose tax levy required to support City operations; sets residential and business tax share and tax rates; and levies property taxes using the *Assessment Roll*. Council may also decide whether to apply mitigation tools such as land assessment averaging in any given year. The City’s general purpose tax portion accounts for ~50% of the overall tax rate.

OTAs set tax share and tax rate for each property class, and levy property taxes using the *Assessment Roll*. If land assessment averaging is applied, the tax rates for the impacted property classes will be adjusted to ensure revenue neutrality. OTAs accounts for ~50% of the overall tax rate.

As a general rule, the extent of change in a property’s taxes year over year is determined primarily by how that property’s assessed value has changed relative to the average change within its property class. While changes in assessed values will not change the total general purpose tax levy generated from each property class, differential changes among properties within the same class will result in differential shifts in taxes paid by individual property owners. This situation is particularly prevalent in neighborhoods with significant growth opportunities and/or development potential where property values could experience a much higher increase relative to other areas in the City and, as a result, pay higher taxes.

Figure 2 below outlines how property value changes impact property taxes in general terms.

Figure 2: Impact of Property Value Changes on Property Taxes

If a property’s value has increased…	…its property tax…
…*at the same rate* as the property class average change,	…will increase *at the same rate* as the property class average increase.
…*more* than the property class average change,	…will increase *more* than the property class average increase.
…*less* than the property class average change,	…will increase *less* than the property class average increase.

The following **Provincial tax relief measures** are available to BC residential property owners which can be applied independently or in combination to alleviate some taxation impact.

Assessment Act s19(8) **-** available to property owners who have continuously occupied their principal residence for at least 10 years; the land will be assessed based on current zoning rather than anticipated zoning and development potential.

Property Tax Deferment - available to property owners 55 years of age or older who occupy their principal residence and families with children under 18 years of age.

Home Owner Grant **-** available to property owners who occupy their principal residence of which the value falls within the qualifying range.

Similar to other Metro Vancouver municipalities, Vancouver has experienced cycles of active real estate markets from neighborhood to neighborhood which resulted in uneven property value increases and taxation impacts. The City of Vancouver is the only BC municipality that has elected to apply land assessment averaging consistently over the years to phase in taxation impacts arising from volatility in land values and minimize the number of properties experiencing extreme tax increases.

Land assessment averaging is intended to provide temporary tax relief, NOT permanent reduction and/or exemption, to eligible residential and business property owners. Averaging is a "zero-sum" mechanism: Properties experiencing a higher than average increase in land value will benefit from the program while those experiencing a lower than average increase in land value will contribute to the program. The total general purpose tax levy collected by the City remains the same with or without averaging. Any tax savings benefited by some properties are redistributed among other properties such that some taxpayers will pay more tax than they otherwise would without averaging while some will pay less. Consequently, averaging may have a different, even opposite, taxation impact on individual properties when compared to the market value approach.

Land assessment averaging is a long-term policy that ensures consistency, predictability and fairness for property owners. While short-term market conditions could affect the result of averaging in any given year, in deciding whether to continue with the program, Council must weigh the relative impacts of intra-class tax shifts created by the program against the benefit of mitigating extreme property tax increases arising from significant volatility in land values.

Section 374.4 of the *Vancouver Charter* stipulates the legislative and administrative requirements for the implementation of land assessment averaging.

a) **Land Assessment Averaging By-law -** Must be adopted before March 31.

b) **Number of Preceding Years to be Applied in the Averaging Formula -** Council must establish by by-law the number of preceding years to be applied, up to a maximum of five years, in determining the average land value for the purposes of land assessment averaging. Once the choice is made, the averaging formula needs to hold for five years.

c) **Eligible Property Classes -** Residential (Class 1), Light Industrial (Class 5), and Business & Other (Class 6) properties only.

d) **Eligible Properties** – Eligibility and exemption criteria are stipulated in the *By-law*. As Council can only establish one tax rate for each class, properties that are not eligible for averaging are also subject to the averaged tax rates.

e) **Averaging Applies to All Taxes -** As averaging affects the taxable values for calculating taxes levied by the City as well as OTAs, a decision to apply averaging to a property class requires that adjustment be made to OTAs' tax rates to ensure revenue neutrality.

f) **Public Notification -** Must be published in two consecutive issues of a newspaper at least two weeks in advance of the adoption of the *By-law*. For 2014, the notice has been placed in the Courier on February 21 and 26, and on the City's website since February 21. A copy of the notice can be found in Appendix E.

g) **Appeal Process -** The *By-law* provides for a municipal Court of Revision for appeals that cannot be resolved within the administrative processes provided for in the *Vancouver Charter*.

Please refer to Appendix A for further details on the Provincial tax relief measures and the City's land assessment averaging program.

Strategic Analysis

IMPACT OF LAND ASSESSMENT AVERAGING

Staff have completed an analysis of the impact of land assessment averaging on properties within the residential, light industrial, and business & other property classes based on the following:

a) **Data Source -** Based on the 2014 *Completed Roll* available at the time of this report; the 2014 *Revised Roll* which incorporates updates from the Property Assessment Review Panel decisions will not be available until April.

b) **Eligibility Criteria** – The set of eligibility criteria and proxies used in the model is similar to those contained in the *By-law*, which excludes new construction, class transfers, and other ineligible properties.

c) **Impact on General Purpose Tax Levy Only -** While averaging is applicable to all taxes levied by the City as well as OTAs, only the City's general purpose tax levy is considered in the model as OTAs' tax rates are not available at the time of this report. However, a similar pattern would apply.

d) **Tax Shift** – None assumed for 2014, which is consistent with the PTPRC's recommendations presented to Council on February 18, 2014.

Subject to the 2014 *Revised Roll* as well as Council's decision on tax distribution in April 2014, the impact of land assessment averaging presented in this report could change.

I. Class 1 - Residential Properties

The 2014 *Completed Roll* indicates a year-over-year increase of $3 billion (1.7%) in the total assessed value for the residential property class, of which $0.1 billion represents a decrease in market value and $3.1 billion (1.7%) represents non-market changes which include new construction and inter-class transfers that are not eligible for land assessment averaging.

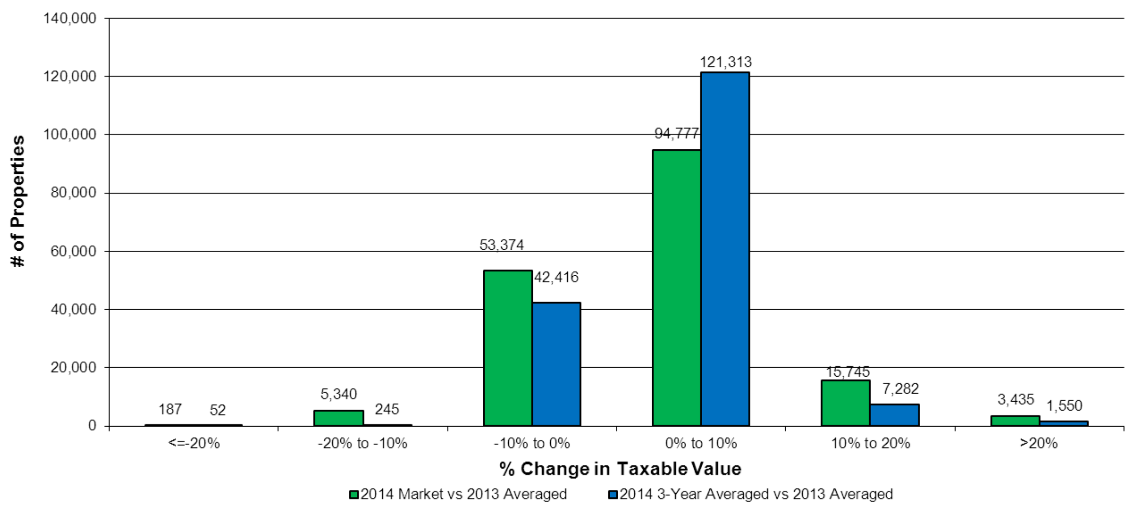
In December 2013, Council approved an overall tax levy of $630.2 million. Assuming no further tax shift in 2014, the target tax levy to be collected from the residential property class would be $340.8 million. Tax rates are calculated based on the total taxable value on the *Assessment Roll*. If averaging *reduces* the total taxable value of a property class, the tax rate will be *higher*. As illustrated in Figure 3 below, applying 3-year land assessment averaging *reduces* the total taxable value from $184.9 billion to $184.6 billion and *increases* the tax rate from $1.84 to $1.85 per $1,000 taxable value.

Figure 3: Class 1 - Residential
Estimated Impact of Averaging on 2014 Taxable Value & Tax Rate

	No Averaging	3-year Averaging
Taxable Value	$184,867,439,000	$184,649,043,000
Tax Rate (per $1,000 Taxable Value)	$1.84366	$1.84584
Target General Purpose Tax Levy	$340,833,000	$340,833,000

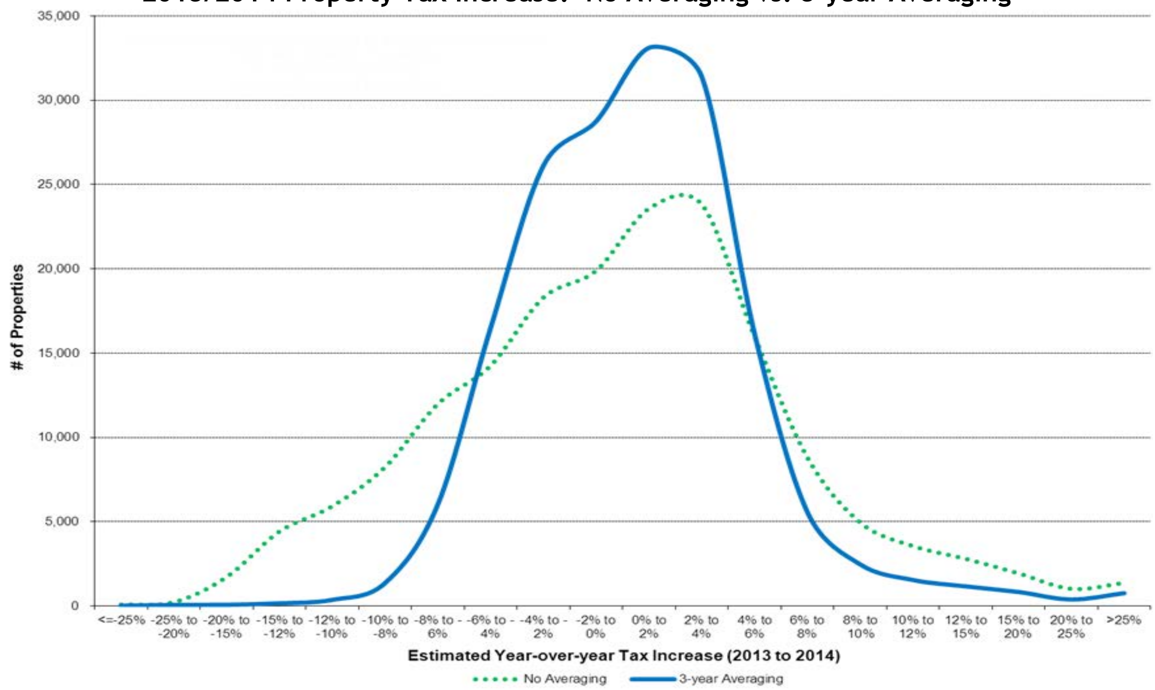
Figure 4 and 5 below shows the distribution of property value increase and taxation impact with and without averaging for Class 1 – Residential properties.

Figure 4: Class 1 - Residential
2013/2014 Property Value Increase: No Averaging vs. 3-year Averaging



It is quite evident that with averaging, more properties will experience an increase in value closer to the class average increase and fewer properties will experience increases over 20%.

Figure 5: Class 1 – Residential
2013/2014 Property Tax Increase: No Averaging vs. 3-year Averaging



With 3-year land assessment averaging:

• ***More Residential properties will experience a property tax increase closer to the class average increase*** – number of properties that fall within the -10% and +10 tax increase bracket increases from 149,799 (87%) to 167,464 (97%)

• ***Fewer Residential properties will experience significant tax increases*** – number of properties that experience a tax increase over 10% will decrease from 10,684 (6%) to 4,699 (3%)

• ***67% of Residential properties will pay the same or lower taxes*** – 33,871 (20%) properties would pay lower taxes; 80,709 (47%) would pay approximately the same amount of taxes (within +/- $24 differential); and 58,278 (34%) would pay higher taxes

Figure 6 below summarizes the impact of 3-year land assessment averaging on Residential property values and taxes.

Figure 6: Class 1 – Residential
Estimated Impact of Averaging on Property Value & Tax Increases

% of Residential Properties with…	No Averaging	3-year Averaging
Value increase -10% to 10%	86%	95%
Value increase >20%	2%	1%
Tax increase -10% to 10%	87%	97%
Tax increase >10%	6%	3%

The impact of 3-year land assessment averaging on median Residential properties by neighborhood is presented in Appendix B.

II. Class 5 - Light Industrial & Class 6 - Business Properties

Since 2000, the Light Industrial (Class 5) and Business & Other (Class 6) property classes have been “blended” for the purpose of calculating property taxes, i.e. the tax rates for these classes are the same.

The 2014 *Completed Roll* indicates a year-over-year increase of $2.4 billion (7%) in the combined assessed value for the Light Industrial and Business & Other property classes, of which $2.2 billion (6.4%) represents an increase in market value and $0.2 billion (0.6%) represents non-market changes which include new construction and inter-class transfers that are not eligible for land assessment averaging.

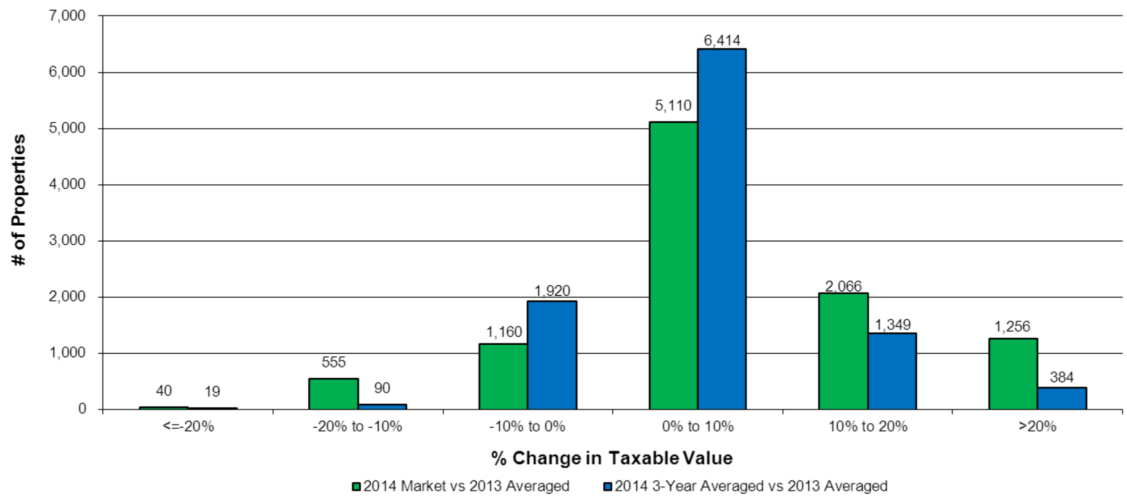
In December 2013, Council approved an overall tax levy of $630.2 million. Assuming no further tax shift in 2014, the target tax levy to be collected from the light industrial and business property classes would be $276.9 million. As illustrated in Figure 7 below, applying 3-year land assessment averaging *reduces* the combined taxable value from $36.6 billion to $35.5 billion and *increases* the blended tax rate from $7.57 to $7.80 per $1,000 taxable value.

Figure 7: Class 5 – Light Industry & Class 6 – Business
Estimated Impact of Averaging on 2014 Taxable Value & Tax Rate

	No Averaging	3-year Averaging
Taxable Value	$36,565,048,000	$35,511,737,000
Tax Rate (per $1,000 Taxable Value)	$7.57365	$7.79829
Target General Purpose Tax Levy	$276,931,000	$276,931,000

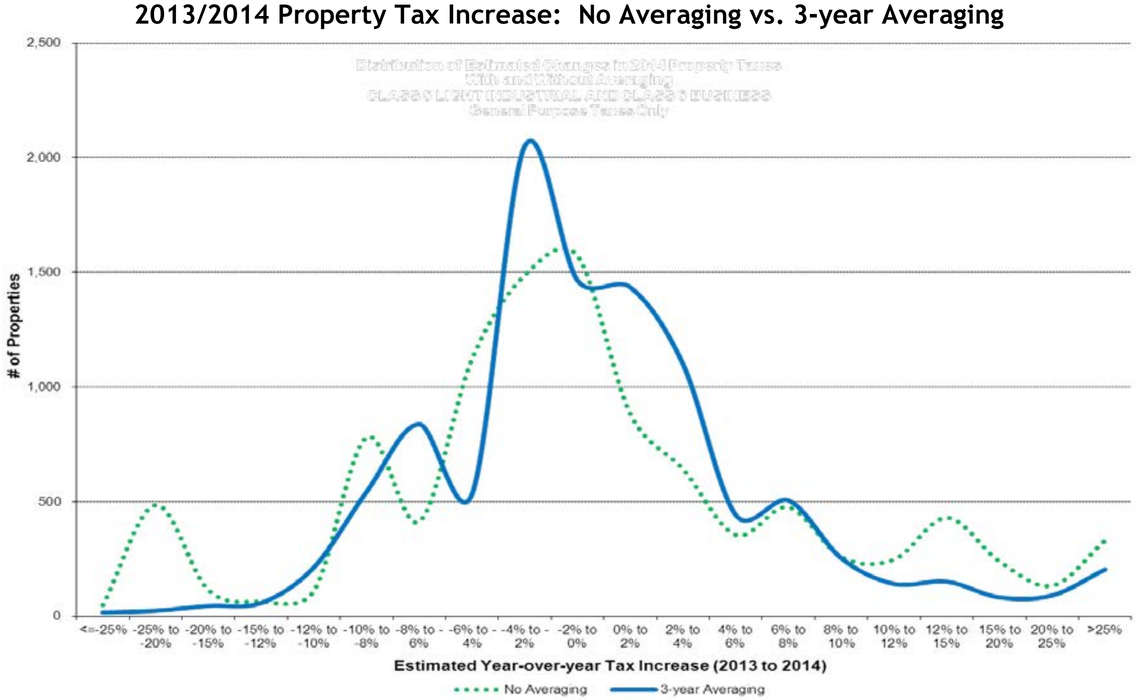
Figure 8 and 9 below shows the distribution of property value increase and tax impact with and without averaging for Class 5 – Light Industry and Class 6 – Business.

Figure 8: Class 5 – Light Industry & Class 6 – Business
2013/2014 Property Value Increase: No Averaging vs. 3-year Averaging



It is evident that with averaging, more properties will experience an increase closer to the class average increase and fewer properties will experience increases over 20%.

Figure 9: Class 5 – Light Industry & Class 6 – Business
2013/2014 Property Tax Increase: No Averaging vs. 3-year Averaging



With 3-year land assessment averaging:

• ***More Light Industrial and Business properties will experience a property tax increase closer to the class average increase*** – number of properties that fall within the -10% and +10 tax increase bracket increases from 7,986 (78%) to 9,162 (90%)

• ***Fewer Light Industrial and Business properties will experience significant tax increases*** – number of properties that experience a tax increase over 10% will decrease from 1,379 (14%) to 669 (7%)

• ***60% of Light Industrial and Business properties will pay the same or lower taxes*** – 2,301 (23%) properties would pay lower taxes; 3,840 (38%) would pay approximately the same amount of taxes (within +/- $60 differential); and 4,046 (40%) would pay higher taxes.

Figure 10 below summarizes the impact of 3-year land assessment averaging on Light Industrial and Business property values and taxes.

Figure 10: Class 5 - Light Industry & Class 6 - Business
Estimated Impact of Averaging on Property Value & Tax Increases

% of Light Industrial & Business Properties with…	No Averaging	3-year Averaging
Value increase -10% to 10%	62%	82%
Value increase >20%	12%	4%
Tax increase -10% to 10%	78%	90%
Tax increase >10%	14%	7%

The impact of 3-year land assessment averaging on median Business properties by neighborhood is presented in Appendix C.

III. Director of Planning-initiated Zoning District Changes

In May 2013, Council approved the implementation of the Norquay Village Neighbourhood Centre Plan that includes the following actions:

- new zones to allow duplexes, rowhouses and staked townhouses (RT-11 and RM-7 zones); and
- adoption of an Apartment Transition Area Rezoning Policy to govern consideration of rezoning applications for 3-4 storey apartment buildings in the area between Kingsway and area covered by the new zones.

These amendments were initiated by the Director of Planning.

There are approximately 2,475 property folios, 95% in Class 1 – Residential, and 5% in Class 6 – Business &Other in this area. Land values have increased by 2.1% as a result of these amendments. Applying land assessment averaging, it is estimated that 1,884 (76%) properties would either benefit from averaging or be neutral, while 591 (24%) would pay higher taxes with averaging.

Figure 11 and 12 below shows the distribution of tax impact with averaging for Class 1 – Residential and Class 6 – Business in the Norquay area.

Figure 11: Distribution of Tax Impact with Averaging
Residential Properties in Norquay (Sample Size = 2,349)

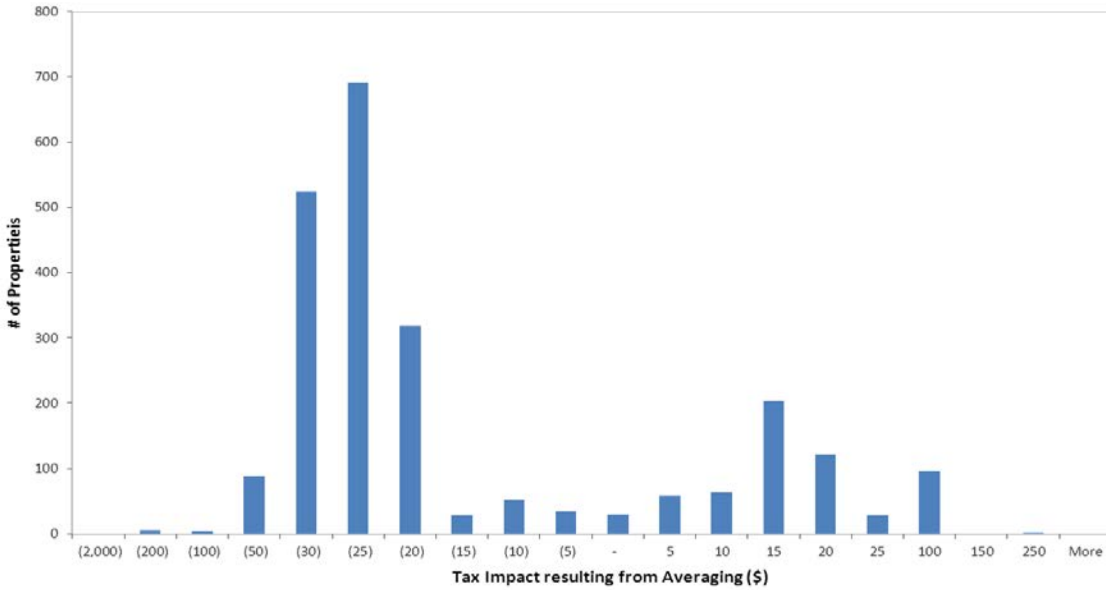
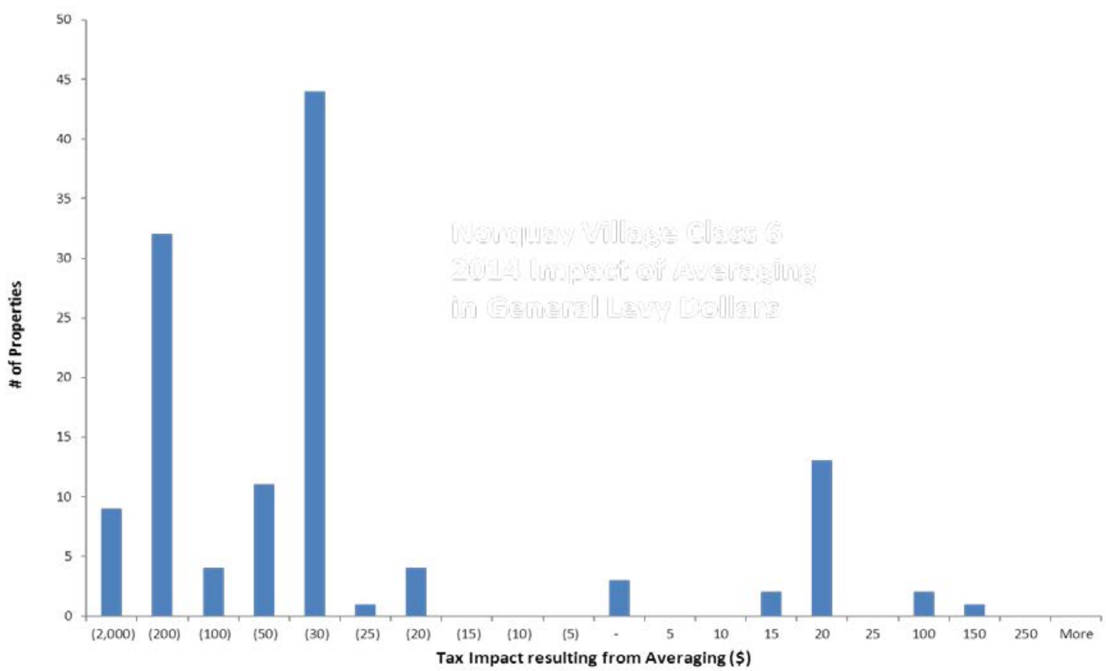


Figure 12: Distribution of Tax Impact with Averaging
Business Properties in Norquay (Sample Size = 126)



It has been Council practice to mitigate the impact of zoning district changes initiated by the Director of Planning in the averaging process, especially in circumstances where there has been no physical change to the property and no action by the property owner to change the physical characteristics or zoning on the site. For example, properties transferring between RS1 and RS1-S are not excluded from averaging. In 2007, Council included approximately 1,500 properties in the Knight-Kingsway area in the averaging program despite a change in zoning district that would otherwise have exempted them and resulted in significant tax increases.

With respect to the above zoning district changes initiated by the Director of Planning, staff recommend that the affected properties in the Norquay area not be excluded from averaging as a result of such changes for 2014.

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PROPERTY TAX POLICY REVIEW COMMISSION RECOMMENDATIONS – STAFF ANALYSIS

To ensure that the City's tax policies continue to be progressive and current in meeting the needs of businesses and residents, and align with the broader public policies and long-term goals, Council reconvened the PTPRC in April 2013 to work with staff on the two key areas:

• assess viable options to enhance property tax stability and predictability and minimize "hot spots" arising from significant year-over-year market value increases; and

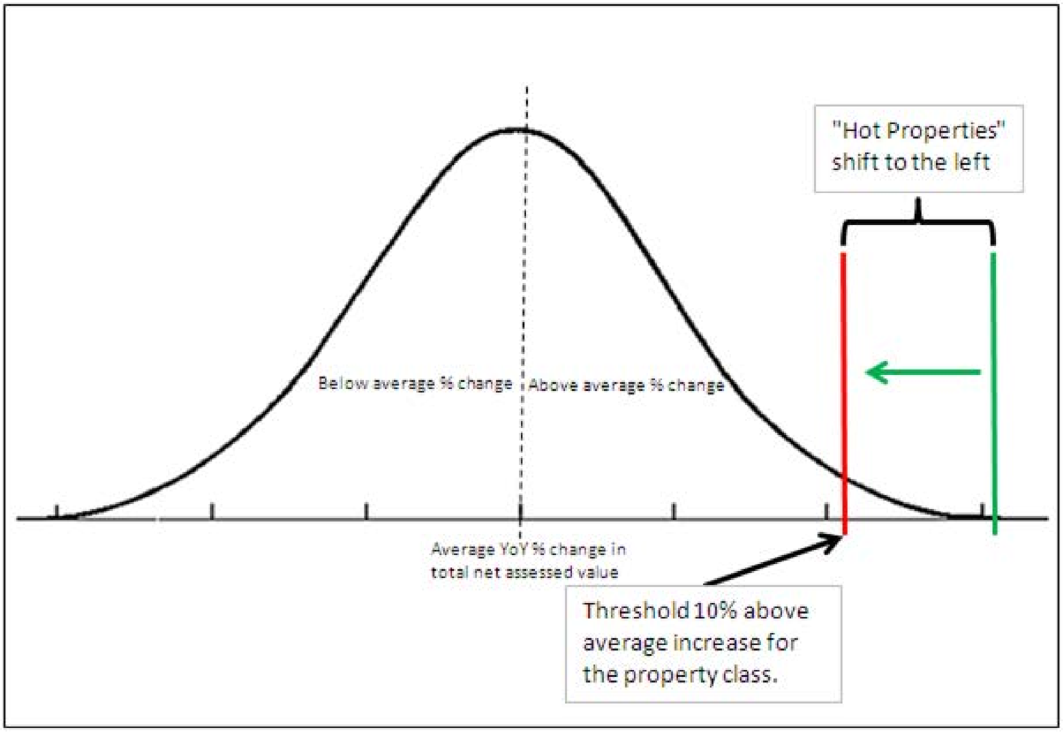
• assess viable options for tax distribution; validate whether the current residential and business tax share continues to be an appropriate distribution; and recommend metrics for monitoring tax share over the long-term and its impact on residents and business climate.

With regards to tax stability and predictability, in its report to Council on February 18, 2014, the PTPRC recommended that *"Council endorse the Targeted Five-Year Land Assessment Averaging method in place of the existing Three-Year Land Assessment Averaging program for Classes 1, 5 and 6"* that focuses on "hot" properties defined as *"properties that experience an unanticipated, year-over-year increase in total net assessed value, before land averaging is applied, which exceeds the average assessment increase for the same property class by more than ten percent"*.

Unlike the current land assessment averaging program that applies to all eligible properties in Class 1, 5 and 6 over on a continuous basis (subject to annual Council approval), the targeted 5-year land assessment averaging method is designed to address only "hot" properties in those same property classes. The intent is to reduce the severity of the increase in assessments until such time as the property is no longer "hot". As such, the percentage change in land value will decrease during such time when intervention is applied.

Figure 13 below shows how the targeted 5-year land assessment averaging method intends to work. If a property is deemed "hot" based on the PTPRC's definition, the targeted 5-year land assessment averaging method will be applied to move the property towards, but not lower than, the threshold. The rest of the properties that are below the threshold will not be subject to any intervention.

Figure 13: Targeted 5-Year Land Assessment Averaging



During the report reference, the Commission Chair recommended that staff perform further analysis on the targeted 5-year land assessment averaging method and confirm whether it is allowed under the *Vancouver Charter*, and that no change be made to the 3-year land assessment averaging program in 2014. Staff are in agreement and will report to Council with further analysis on the implication of the proposed changes and appropriate implementation strategies for Council's consideration by June 2014, in time for Council to set tax policies for 2015.

Implications/Related Issues/Risk (if applicable)

Financial

Should Council approve the continuation of the 3-year land assessment averaging program in 2014, the City will require an *Average Assessment Roll* for calculating property taxes.

Since 1993, BC Assessment has offered to produce an average or phased assessment roll to any municipal jurisdiction on a user-fee basis. The cost of producing an *Average Assessment Roll* in 2014 is estimated at $24,200 plus applicable taxes; source of funding to be the 2014 Operating Budget.

CONCLUSION

The analysis contained in this report demonstrates that land assessment averaging functions as intended - to phase in year-over-year property tax impact arising from land value changes and to minimize the number of properties that experience extreme property tax increases driven by significant market volatility. Staff recommend that Council approve the application of 3-year land assessment averaging in 2014 for the purpose of calculating property taxes for

Residential (Class 1), Light Industrial (Class 5), and Business & Other (Class 6) properties, including those eligible properties that are impacted by the relevant zoning district changes initiated by the Director of Planning in relation to the Norquay Village Neighbourhood Centre Plan.

* * * * *

Over the last few decades, Vancouver has experienced cycles of very active real estate market, particular residential, from neighborhood to neighborhood which has resulted in uneven property value increases and taxation impact across the City. There are a number of provincial and municipal mechanisms available for property owners which, when applied independently or in combination, could mitigate the taxation impact.

PROVINCIAL MITIGATING MEASURES (RESIDENTIAL PROPERTIES ONLY)

(i) ***Assessment Act*** **s19(8)** (property value reduction)
This option applies to properties within an area where there is a change in the land use policy involving "upzoning" and additional development potential which significantly increases the underlying land value. Under s19(8), residential property owners who have continuously owned and occupied the property as their principal residence for at least 10 years are eligible for a reduced property assessment. For eligible properties, the land portion of the assessed value will be based on current zoning rather than on anticipated future zoning and development potential. BC Assessment has been proactive in notifying potentially eligible property owners of this option. Any reduction in assessed values could shift tax burden among property owners, but the total general purpose tax levy remains the same; City revenue is not impacted.

(ii) Property Tax Deferment (tax deferral)
Eligible residential property owners who occupy their principal residence may defer all or a portion of the taxes owing net of home owner grant, if applicable. The Province finances the property tax payments at prescribed low interest rates and puts a charge against the property. Repayment is not required until ownership is transferred. Property tax deferment is available to individuals who are 55 years of age or older and, effective 2010, to families with children under 18 years of age. Financing is provided by the Province; City revenue is not impacted.

(iii) Home Owner Grant (tax reduction)
Residential property owners who occupy their principal residence are eligible for the Home Owner Grant if the value of their home falls within the qualifying range. The grant is applied first to offset school taxes, and any residual grant is then applied to reduce the general purpose tax levy. Effective 2006, individuals who are 65 years of age or older who fall within the lower income levels are able to claim the full senior home owner grant irrespective of the value of their property. Grants are funded by the Province; City revenue is not impacted.

CITY OF VANCOUVER MITIGATING MEASURES (RESIDENTIAL & BUSINESS PROPERTIES)

In the late 1980's, a very active real estate market resulted in uneven property value increases among properties in both residential and business property classes and, consequently, significant shifts in property tax burden among individual properties within these classes. The trend continued into the early 1990's when some residential properties faced up to 100% tax increases and some business properties up to 300% tax increases.

Since 1989, Council has taken various means of intervention in the market value-based taxation system each year to mitigate the impacts of large shifts in property tax burden within the residential and business property classes. In 1992, the Province enacted legislation which provided Council with two mechanisms to mitigate the impact of uneven year-over-year assessment changes on property taxes and to improve the year-over-year stability and predictability of property taxes. The two mechanisms are:

(i) Land Assessment Averaging
This mechanism entails averaging three years of land value (current year and two prior years) to phase in year-over-year property tax impact arising from land value changes and to reduce the number of properties that experience extreme volatility in property taxes driven by significant increase and decrease in land values. The current assessed improvement value is then added to the adjusted land value for calculating property taxes. Vancouver is the only municipality in British Columbia that applies land assessment averaging.

(ii) Land Assessment Phasing
This is a "peak shaving" mechanism that applies to current year's assessed land value based on a formula established by the Province. Council has discretion in deciding the amount of land value to be sheltered from property taxes, which ranges from 50% to 66% of a property's land value increase in excess of the average change in land value for the entire class. The current assessed improvement value is then added to the adjusted land value for calculating property taxes.

Both mechanisms are revenue neutral to the City as the total general purpose tax levy collected from each property class is the same with or without application of any of these mechanisms.

ADOPTION OF LAND ASSESSMENT AVERAGING

In 1993, Council implemented three-year land assessment averaging for calculating annual property taxes for Residential (Class 1) and Business & Other (Class 6) properties. Over the years, staff's analyses consistently demonstrated that land assessment averaging is more effective than land assessment phasing in mitigating the property tax impact arising from uneven year-over-year land value changes. In 1998, Council stopped considering land assessment phasing as an intervention mechanism. In 2007, Council extended the use of three-year land assessment averaging to Light Industrial (Class 5) properties.

Over the years, various independent studies by industry experts re-affirmed the effectiveness of land assessment averaging in enhancing property tax stability and predictability.

(i) In 1993, Council established the **Vancouver Task Force on Property Taxation** which, in their April 1994 report (*Property Tax Task Force Report*), recommended that *"Council support the ongoing use of three-year land value averaging as a tool to buffer the impacts of large assessed value changes."*

(ii) In 2006, Council established the **Property Tax Policy Review Commission** which provided their final recommendations to Council in September 2007 (*PTPRC Final Report*). Council instructed staff to seek an amendment to the *Vancouver Charter* to allow the City to use up to five years of assessed land values in the averaging formula (*RTS#6947*).

Calculation of Property Taxes Using Land Assessment Averaging

Figure 14 below compares the calculation of property taxes under the market value approach and the land assessment averaging approach. The total general purpose tax levy is the same under both approaches.

Figure 14: Property Tax Calculation

Market Value Approach		Land Assessment Averaging Approach	
	2014 Land Value		Average of 2011/12/13 Land Value
+	2014 Improvement Value	+	2014 Improvement Value
=	2014 Taxable Value $_{\text{Market}}$	=	2014 Taxable Value $_{\text{Average}}$
x	2014 Tax Rate $_{\text{Market}}$	x	2014 Tax Rate $_{\text{Average}}$
=	2014 Total General Purpose Tax Levy	=	2014 Total General Purpose Tax Levy

As shown in Figure 13, application of land assessment averaging affects two components in the property tax calculation:

Taxable Value $_{\textit{Average}}$ – The taxable value of a property is calculated using the average land value of the current year and the two prior years plus the current improvement value. In any given year, the average value could be higher, lower, or the same when compared to the market value of that property.

Tax Rate $_{\textit{Average}}$ – For those property classes eligible for averaging, tax rates are recalculated based on the total average value of each class in order to generate the same amount of total general purpose tax levy. Therefore, if averaging *reduces* the total taxable value of a property class, the tax rate will be *higher*. If averaging *increases* the total taxable value of a property class, the tax rate will be *lower*.

General Rules

- Properties that experience significant increase or decrease in land value between 2013 and 2014 will be most affected by averaging as the program mitigates extreme volatility in property taxes arising from these changes.
- As land value increases, averaging will slow the rate of property tax increase; as land value decreases, averaging will slow the rate of property tax decrease.
- Properties with current land value higher than their past value are “averaged down” and may pay lower taxes relative to other properties; properties with current land value lower than their past value are “averaged up” and may pay higher taxes relative to other properties.
- Averaging applies to all properties that meet the eligibility requirements outlined in the Land Assessment Averaging By-law, not just properties that experience significant land value changes.

Implementation – Legislative & Administrative Requirements

Section 374.4 of the *Vancouver Charter* stipulates the legislative and administrative requirements for the implementation of land assessment averaging:

(i) Land Assessment Averaging By-law
The by-law must be adopted by Council before March 31 each year.

(ii) Number of Preceding Years to be Applied in the Averaging Formula
Council must establish by by-law the number of preceding years to be applied, up to a maximum of five years, in determining the average land value for the purposes of land assessment averaging. Once the choice is made, the averaging formula needs to hold for five years.

(iii) Eligible Property Classes
Averaging is applicable to Residential (Class 1), Light Industrial (Class 5), and Business & Other (Class 6) properties only. It is not applicable to Seasonal & Non-Profit properties (Class 8) and other properties valued at special rates – Utilities (Class 2), Supportive Housing (Class 3), Major Industry (Class 4), and Farm (Class 9).

(iv) Eligible Properties
Council can determine in the Land Assessment Averaging By-law the eligibility of individual properties within the eligible property classes. Generally speaking, in cases where there is a substantial change in the characteristics and/or use of a property from one year to the next and where such changes tend to enhance the value of the property to the benefit of the owner, the property will not be eligible for the tax-phasing benefits that the program offers. Once a property is excluded from the program, it must regain its eligibility over time.

Below are sample properties that are not eligible for averaging:

- a property that carries no improvement value (i.e. vacant land)
- a property that has undergone a change in assessment class and/or zoning district
- a property of which the physical characteristics have been changed as a result of consolidation or subdivision

As Council can only establish one tax rate for each class, properties that are not eligible for averaging are also subject to the averaged tax rate.

(v) Calculation of All Tax Levies
Averaging is applicable to the calculation of taxes levied by the City and other taxing authorities on a revenue neutral basis. As averaging affects the taxable values used for calculating all taxes, a decision to apply averaging to a property class requires that Council approves a resolution adjusting the tax rates determined by other taxing authorities to ensure revenue neutrality.

(vi) Notification to the Public
In accordance with the notification requirements set out in the *Vancouver Charter*, a notice to inform property owners on Council's intent to consider application of land assessment averaging and the resulting tax impacts on sample properties is required.

The notice must be published in two consecutive issues of a newspaper at least two weeks in advance of the adoption of the Land Assessment Averaging By-law.

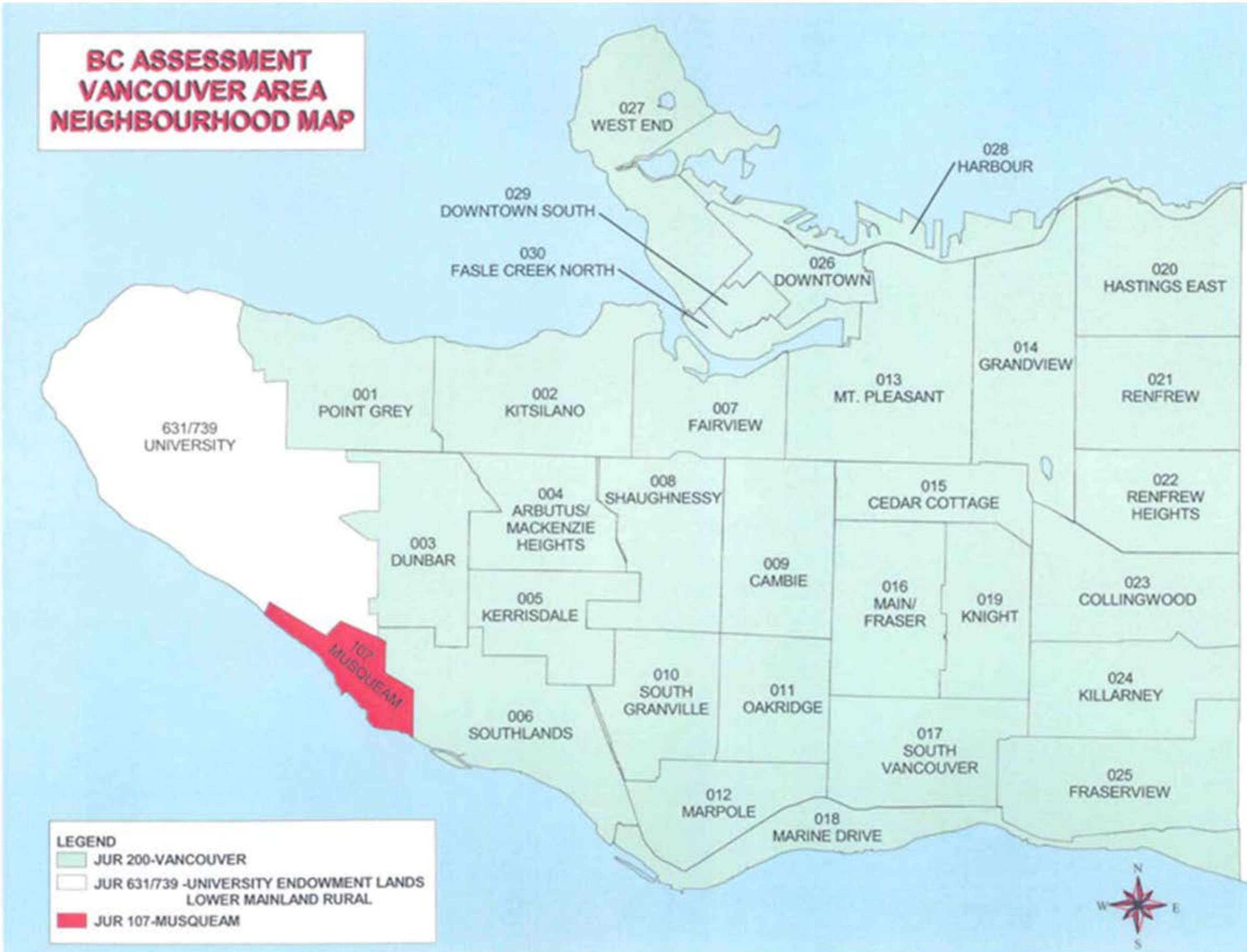
(vii) Appeal Process
Council is required to provide a process for property taxpayers to appeal the application of the Land Assessment Averaging By-law. The by-law provides for a municipal Court of Revision after the tax billing date for appeals that cannot be resolved within the administrative processes provided for in the *Vancouver Charter*. Any tax levy losses arising from the averaging appeal process are borne by the City. Since 1993, staff have been able to resolve the majority of appeals administratively; only a handful of appeals proceeded to the Court of Revision. In all cases, the Court of Revision concluded that the Land Assessment Averaging By-law had been correctly applied.

PROPERTY TAX IMPACT OF 3-YEAR LAND ASSESSMENT AVERAGING ON MEDIAN PROPERTIES
CLASS 1 - RESIDENTIAL

	TAXABLE VALUES			GENERAL PURPOSE TAX LEVY			$ CHANGE IN TAXES 2014 Estimate vs 2013 Actual		% CHANGE IN TAXES 2014 Estimate vs 2013 Actual	
NEIGHBOURHOOD (SEE BCAA MAP)	2013 Averaged	2014 Market	2014 Averaged	2013 Actual	2014 Market	2014 Averaged	Using 2014 Market	Using 2014 Averaged	Using 2014 Market	Using 2014 Averaged
001 - POINT GREY	$1,800,000	$1,877,000	$1,885,667	$3,411	$3,461	$3,481	$50	$70	1.5%	2.0%
002 - KITSILANO	$693,667	$675,000	$698,667	$1,315	$1,244	$1,290	-$70	-$25	-5.3%	-1.9%
003 - DUNBAR	$1,722,667	$1,797,000	$1,807,000	$3,264	$3,313	$3,335	$49	$71	1.5%	2.2%
004 - ARBUTUS	$1,810,000	$1,847,000	$1,883,667	$3,430	$3,405	$3,477	-$25	$47	-0.7%	1.4%
005 - KERRISDALE	$1,769,333	$1,768,000	$1,830,667	$3,353	$3,260	$3,379	-$93	$26	-2.8%	0.8%
006 - SOUTHLANDS	$1,931,000	$2,024,000	$2,062,000	$3,659	$3,732	$3,806	$72	$147	2.0%	4.0%
007 - FAIRVIEW	$515,667	$497,000	$518,333	$977	$916	$957	-$61	-$20	-6.2%	-2.1%
008 - SHAUGHNESSY	$3,191,333	$3,175,000	$3,323,667	$6,048	$5,854	$6,135	-$194	$87	-3.2%	1.4%
009 - CAMBIE	$1,345,067	$1,390,000	$1,420,333	$2,549	$2,563	$2,622	$14	$73	0.5%	2.9%
010 - SOUTH GRANVILLE	$2,547,333	$2,640,000	$2,708,667	$4,827	$4,867	$5,000	$40	$173	0.8%	3.6%
011 - OAKRIDGE	$1,389,733	$1,458,000	$1,496,667	$2,634	$2,688	$2,763	$54	$129	2.1%	4.9%
012 - MARPOLE	$1,057,700	$1,061,700	$1,090,033	$2,004	$1,957	$2,012	-$47	$8	-2.3%	0.4%
013 - MT PLEASANT	$529,667	$482,000	$512,667	$1,004	$889	$946	-$115	-$57	-11.5%	-5.7%
014 - GRANDVIEW	$649,333	$671,000	$672,333	$1,231	$1,237	$1,241	$7	$11	0.5%	0.9%
015 - CEDAR COTTAGE	$656,233	$802,000	$761,000	$1,244	$1,479	$1,405	$235	$161	18.9%	13.0%
016 - MAIN/FRASER	$797,867	$851,600	$848,267	$1,512	$1,570	$1,566	$58	$54	3.8%	3.6%
017 - SOUTH VANCOUVER	$799,333	$865,000	$856,000	$1,515	$1,595	$1,580	$80	$65	5.3%	4.3%
018 - MARINE DRIVE	$411,000	$393,000	$405,333	$779	$725	$748	-$54	-$31	-7.0%	-3.9%
019 - KNIGHT	$761,900	$814,700	$804,700	$1,444	$1,502	$1,485	$58	$42	4.0%	2.9%
020 - HASTINGS EAST	$723,433	$735,600	$729,267	$1,371	$1,356	$1,346	-$15	-$25	-1.1%	-1.8%
021 - RENFREW	$754,000	$816,100	$799,433	$1,429	$1,505	$1,476	$76	$47	5.3%	3.3%
022 - RENFREW HEIGHTS	$812,667	$826,000	$827,667	$1,540	$1,523	$1,528	-$17	-$12	-1.1%	-0.8%
023 - COLLINGWOOD	$660,000	$676,700	$684,700	$1,251	$1,248	$1,264	-$3	$13	-0.2%	1.1%
024 - KILLARNEY	$995,667	$944,000	$992,333	$1,887	$1,740	$1,832	-$146	-$55	-7.8%	-2.9%
025 - FRASERVIEW	$822,000	$833,000	$854,667	$1,558	$1,536	$1,578	-$22	$20	-1.4%	1.3%
026 - DOWNTOWN	$427,333	$431,000	$436,000	$810	$795	$805	-$15	-$5	-1.9%	-0.6%
027 - WEST END	$450,333	$427,000	$445,000	$853	$787	$821	-$66	-$32	-7.8%	-3.7%
028 - HARBOUR	$1,511,333	$1,417,000	$1,483,667	$2,864	$2,612	$2,739	-$252	-$125	-8.8%	-4.4%
029 - DOWNTOWN SOUTH	$369,667	$399,000	$385,333	$701	$736	$711	$35	$11	5.0%	1.5%
030 - FALSE CREEK NORTH	$629,667	$613,000	$624,000	$1,193	$1,130	$1,152	-$63	-$41	-5.3%	-3.5%

PROPERTY TAX IMPACT OF 3-YEAR LAND ASSESSMENT AVERAGING ON MEDIAN PROPERTIES
CLASS 6 - BUSINESS & OTHER

	TAXABLE VALUES			GENERAL PURPOSE TAX LEVY			$ CHANGE IN TAXES 2014 Estimate vs 2013 Actual		% CHANGE IN TAXES 2014 Estimate vs 2013 Actual	
NEIGHBOURHOOD (SEE BCAA MAP)	2013 Averaged	2014 Market	2014 Averaged	2013 Actual	2014 Market	2013 Estimated Averaged	Using 2014 Market	Using 2014 Averaged	Using 2014 Market	Using 2014 Averaged
001 - POINT GREY	$455,567	$474,900	$464,900	$3,738	$3,597	$3,625	-$141	-$112	-3.8%	-3.0%
002 - KITSILANO	$729,667	$770,000	$751,667	$5,986	$5,832	$5,862	-$155	-$125	-2.6%	-2.1%
003 - DUNBAR	$410,000	$428,000	$420,000	$3,364	$3,242	$3,275	-$122	-$88	-3.6%	-2.6%
004 - ARBUTUS	$518,000	$583,000	$561,333	$4,250	$4,415	$4,377	$166	$128	3.9%	3.0%
005 - KERRISDALE	$979,333	$1,016,000	$998,667	$8,035	$7,695	$7,788	-$340	-$247	-4.2%	-3.1%
006 - SOUTHLANDS	$300,167	$319,900	$315,233	$2,463	$2,423	$2,458	-$40	-$4	-1.6%	-0.2%
007 - FAIRVIEW	$722,333	$702,000	$714,333	$5,926	$5,317	$5,571	-$609	-$356	-10.3%	-6.0%
008 - SHAUGHNESSY	$389,333	$404,100	$396,767	$3,194	$3,061	$3,094	-$134	-$100	-4.2%	-3.1%
009 - CAMBIE	$2,087,667	$2,419,000	$2,386,333	$17,128	$18,321	$18,609	$1,193	$1,482	7.0%	8.7%
010 - SOUTH GRANVILLE	$4,331,333	$4,728,800	$4,191,467	$35,535	$35,814	$32,686	$279	-$2,849	0.8%	-8.0%
011 - OAKRIDGE	$6,397,000	$6,824,000	$6,404,000	$52,483	$51,683	$49,940	-$800	-$2,542	-1.5%	-4.8%
012 - MARPOLE	$1,283,667	$1,389,000	$1,257,333	$10,532	$10,520	$9,805	-$12	-$726	-0.1%	-6.9%
013 - MT PLEASANT	$943,000	$1,072,000	$1,029,333	$7,737	$8,119	$8,027	$382	$290	4.9%	3.8%
014 - GRANDVIEW	$740,000	$1,136,000	$1,092,000	$6,071	$8,604	$8,516	$2,533	$2,445	41.7%	40.3%
015 - CEDAR COTTAGE	$656,000	$713,000	$692,667	$5,382	$5,400	$5,402	$18	$20	0.3%	0.4%
016 - MAIN/FRASER	$972,667	$1,209,000	$1,114,667	$7,980	$9,157	$8,692	$1,177	$713	14.7%	8.9%
017 - SOUTH VANCOUVER	$678,900	$781,200	$735,867	$5,570	$5,917	$5,739	$347	$169	6.2%	3.0%
018 - MARINE DRIVE	$422,333	$444,000	$431,000	$3,465	$3,363	$3,361	-$102	-$104	-3.0%	-3.0%
019 - KNIGHT	$729,333	$763,000	$750,333	$5,984	$5,779	$5,851	-$205	-$132	-3.4%	-2.2%
020 - HASTINGS EAST	$285,000	$349,000	$310,667	$2,338	$2,643	$2,423	$305	$84	13.0%	3.6%
021 - RENFREW	$2,462,667	$2,274,000	$2,432,333	$20,204	$17,222	$18,968	-$2,982	-$1,236	-14.8%	-6.1%
022 - RENFREW HEIGHTS	$715,333	$752,000	$752,000	$5,869	$5,695	$5,864	-$173	-$4	-3.0%	-0.1%
023 - COLLINGWOOD	$481,333	$506,000	$504,333	$3,949	$3,832	$3,933	-$117	-$16	-3.0%	-0.4%
024 - KILLARNEY	$300,000	$322,000	$313,333	$2,461	$2,439	$2,443	-$23	-$18	-0.9%	-0.7%
025 - FRASERVIEW	$526,333	$603,000	$578,000	$4,318	$4,567	$4,507	$249	$189	5.8%	4.4%
026 - DOWNTOWN	$177,267	$149,000	$168,733	$1,454	$1,128	$1,316	-$326	-$139	-22.4%	-9.5%
027 - WEST END	$1,355,867	$1,334,700	$1,333,367	$11,124	$10,109	$10,398	-$1,015	-$726	-9.1%	-6.5%
028 - HARBOUR	$1,098,667	$1,079,000	$1,080,667	$9,014	$8,172	$8,427	-$842	-$586	-9.3%	-6.5%
029 - DOWNTOWN SOUTH	$365,000	$393,000	$385,667	$2,995	$2,976	$3,008	-$18	$13	-0.6%	0.4%
030 - FALSE CREEK NORTH	$716,667	$772,000	$759,667	$5,880	$5,847	$5,924	-$33	$44	-0.6%	0.8%


BC ASSESSMENT VANCOUVER AREA NEIGHBOURHOOD MAP
027 WEST END
028 HARBOUR
029 DOWNTOWN SOUTH
030 FASLE CREEK NORTH
026 DOWNTOWN
020 HASTINGS EAST
014 GRANDVIEW
013 MT. PLEASANT
021 RENFREW
001 POINT GREY
002 KITSILANO
007 FAIRVIEW
631/739 UNIVERSITY
008 SHAUGHNESSY
015 CEDAR COTTAGE
022 RENFREW HEIGHTS
004 ARBUTUS/ MACKENZIE HEIGHTS
003 DUNBAR
009 CAMBIE
016 MAIN/ FRASER
019 KNIGHT
023 COLLINGWOOD
005 KERRISDALE
107 MUSQUEAM
010 SOUTH GRANVILLE
011 OAKRIDGE
024 KILLARNEY
006 SOUTHLANDS
017 SOUTH VANCOUVER
025 FRASERVIEW
012 MARPOLE
018 MARINE DRIVE
LEGEND
JUR 200-VANCOUVER
JUR 631/739 -UNIVERSITY ENDOWMENT LANDS LOWER MAINLAND RURAL
JUR 107-MUSQUEAM
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FIND OUT WHAT'S HAPPENING IN YOUR CITY

Vancouver Matters

CITY OF VANCOUVER

Important Notice to Property Owners: Land Assessment Averaging

Examples of Three-Year Averaging Impact on Typical Vancouver Properties

The tables on the right reflect the City of Vancouver's general purpose taxes based on indicative tax rates.

Your tax notice also includes amounts levied by other taxing authorities such as provincial school, TransLink, BC Assessment, and Metro Vancouver which are excluded from these tables.

On March 12, 2014, Vancouver City Council will consider whether to continue using land assessment averaging to calculate property taxes for residential (Class 1), light industrial (Class 5) and business (Class 6) properties.If Council decides to continue with the program, a bylaw will also be brought forward to Council for consideration on March 12. For properties eligible to be averaged, the program calculates property taxes for the City and other taxing authorities using an average of your assessed land value for the current and prior two years, plus your current assessed property improvement value.

The City has used land assessment averaging since 1993. The program is revenue neutral to the City but could affect the amount of tax paid by individual properties. The report which details the program and how it could impact property taxes is available on our website at **vancouver.ca/averaging**.

	RESIDENTIAL CLASS ($)			BUSINESS AND OTHER CLASS ($)		
Neighbourhood	2014 Assessed Value	Taxes Averaged	Taxes Not Averaged	2014 Assessed Value	Taxes Averaged	Taxes Not Averaged
Arbutus	1,847,000	3,477	3,405	583,000	4,377	4,415
Cambie	1,390,000	2,622	2,563	2,419,000	18,609	18,321
Cedar Cottage	802,000	1,405	1,479	713,000	5,402	5,400
Collingwood	676,700	1,264	1,248	506,000	3,933	3,832
Downtown	431,000	805	795	149,000	1,316	1,128
Downtown South	399,000	711	736	393,000	3,008	2,976
Dunbar	1,797,000	3,335	3,313	428,000	3,275	3,242
Fairview	497,000	957	916	702,000	5,571	5,317
False Creek North	613,000	1,152	1,130	772,000	5,924	5,847
Fraserview	833,000	1,578	1,536	603,000	4,507	4,567
Grandview	671,000	1,241	1,237	1,136,000	8,516	8,604
Harbour	1,417,000	2,739	2,612	1,079,000	8,427	8,172
Hastings East	735,600	1,346	1,356	349,000	2,423	2,643
Kerrisdale	1,768,000	3,379	3,260	1,016,000	7,788	7,695
Killarney	944,000	1,832	1,740	322,000	2,443	2,439
Kitsilano	675,000	1,290	1,244	770,000	5,862	5,832
Knight	814,700	1,485	1,502	763,000	5,851	5,779
Main/Fraser	851,600	1,566	1,570	1,209,000	8,692	9,157
Marine Drive	393,000	748	725	444,000	3,361	3,363
Marpole	1,061,700	2,012	1,957	1,389,000	9,805	10,520
Mount Pleasant	482,000	946	889	1,072,000	8,027	8,119
Oakridge	1,458,000	2,763	2,688	6,824,000	49,940	51,683
Point Grey	1,877,000	3,481	3,461	474,900	3,625	3,597
Renfrew	816,100	1,476	1,505	2,274,000	18,968	17,222
Renfrew Heights	826,000	1,528	1,523	752,000	5,864	5,695
Shaughnessy	3,175,000	6,135	5,854	404,100	3,094	3,061
South Granville	2,640,000	5,000	4,867	4,728,800	32,686	35,814
South Vancouver	865,000	1,580	1,595	781,200	5,739	5,917
Southlands	2,024,000	3,806	3,732	319,900	2,458	2,423
West End	427,000	821	787	1,334,700	10,398	10,109

	LIGHT INDUSTRY CLASS ($)		
Neighbourhood	2014 Assessed Value	Taxes Averaged	Taxes Not Averaged
Cedar Cottage	355,300	2,456	2,691
Fairview	151,900	1,185	1,150
Grandview	1,199,000	8,861	9,081
Harbour	9,961,000	68,708	75,441
Hastings East	1,097,000	8,022	8,308
Marine Drive	1,865,000	14,302	14,125
Mount Pleasant	1,923,400	10,502	14,567
Renfrew	1,325,900	10,075	10,042

FOR MORE INFORMATION:
Property Tax Office, 604-873-7632
vancouver.ca/averaging

COMMENTS? Write to: Mayor and Council, 453 West 12th Avenue, Vancouver, BC V5Y 1V4 or email: mayorandcouncil@vancouver.ca

SPEAK TO COUNCIL: Prior to adoption of the bylaw, you may speak to Council in person at the City Finance and Services meeting on March 12, 2014. Phone 604-871-6355 to register.

Visit: vancouver.ca Phone: 3-1-1 TTY: 7-1-1