

MOTION

8. Action to Protect Taxpayers from Soaring Assessments

At the Regular Council meeting on February 23, 2016, Vancouver City Council referred this matter to the Standing Committee on Policy and Strategic Priorities on February 24, 2016, to hear from speakers.

MOVER: Councillor Meggs

SECONDER: Councillor Jang

WHEREAS

1. Very large increases in property assessments, in some cases up to 65 percent, on commercial properties in certain areas of the city could pose the risk of business failures by self-employed business owners on fixed term triple-net leases who have limited ability to pass on increases to customers or to renegotiate the lease prior to expiry or renewal;
2. Increases in residential assessments by the BC Assessment Authority (BCAA) have also been very high, causing real concern and hardship to homeowners where those increases are above average and sometimes must be managed on fixed incomes;
3. Increases for some non-profit and co-op housing societies are high enough to threaten affordability for residents in certain locations;
4. The City of Vancouver has implemented land assessment averaging solutions to assist property owners and businesses that may only partially mitigate the impact of these very high assessment increases;
5. The BC Supreme Court ruling in the Amacon case, on the application of split assessments, released February 1, 2016, should clarify the assessment and classification of properties that could be the subject of mixed use development;
6. Staff, in response to Council's motion of July 2014, have requested that BC Assessment Authority undertake a review of split class assessment and value in use.

THEREFORE BE IT RESOLVED THAT Vancouver City Council call on the BC Assessment Authority (BCAA) to:

- a. Justify the very large increases established in many areas of the city and urge a careful review of the assessment methodology;
- b. Make their methodology available in open data format so the public can better understand what factors most affect increases;

- c. Take steps to complete its review of split assessments once the court verdict is received and "value in use as going concern" based on the court ruling;
- d. Provide clarification on applications for split assessments and "value in use as going concern"; and

BE IT FURTHER RESOLVED THAT that Council direct staff to report back on the outcomes of the BCAA work, the implications of the BC Supreme Court ruling and any other steps that could be taken by the Province to mitigate these increases, especially the impact of triple net leases on property tax payments for tenants.

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