

LATE DISTRIBUTION FOR CS&B May 5, 2011

Supports Item No. 1
CS&B Committee Agenda
May 5, 2011



ADMINISTRATIVE REPORT

Report Date: May 2, 2011
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Meeting Date: May 5, 2011

TO: Standing Committee on City Services and Budgets
FROM: Director of Finance
SUBJECT: 2011 Property Taxation: Taxation By-laws & Averaging Resolutions

RECOMMENDATION

- A. THAT Council receive this report for information.
- B. THAT Council adopt the 2011 rating by-laws that establish the municipal general purpose tax rate and the Greater Vancouver Regional District tax rate for each property class.
- C. THAT Council adopt the 2011 averaging resolutions that substitute the tax rates established by other taxing authorities to give effect to the land assessment averaging program, which resolutions are set out in Appendices C, D, E and F.

CITY MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

COUNCIL POLICY

Section 373 (1) of the *Vancouver Charter* requires that Council, after considering the distribution of the municipal general purpose tax levy among property classes under section 291 (2), adopts the rating by-law that establishes the municipal general purpose tax rate for each property class.

Section 374.4 (8) of the *Vancouver Charter* further requires that, if land assessment averaging is adopted for calculating municipal general purpose tax levy, the same be extended to calculating taxes levied by other taxing authorities by averaging resolutions that substitute the tax rates established by those authorities to make the impact of land assessment averaging revenue-neutral.

It has been Council policy that the municipal general purpose tax rates for Class 1, 8 and 9 and for Class 5 and 6 be calculated on a blended basis, which means the property classes within these two groups are taxed at the same rate before application of land assessment averaging.

The *Local Government Act* and *Community Charter* requires that Metro Vancouver submit requisitions for regional district costs to the City and that Council approves a rating by-law that establishes the tax rate for each property class to raise the requisition in the current tax year.

In December 2010, Council approved the 2011 Operating Budget and an overall general purpose tax levy of \$581.5 million. Based on the *2011 Revised Roll*, this levy can be generated with a tax increase of 1.88% compared to the earlier estimate of 2.2%.

In March 2011, by By-law No. 10229, Council approved the continuation of the three-year land assessment averaging program in 2011 for the purpose of calculating property taxes for Residential (Class 1), Light Industrial (Class 5), and Business and Other (Class 6) properties.

In April 2011, Council approved the continuation of a one percent shift of tax levy from non-residential properties (Classes 2, 4, 5 and 6) to residential properties (Classes 1, 8 and 9) to achieve a tax distribution of approximately 52.5% residential and 47.5% non-residential.

PURPOSE

The purpose of this report is to summarize for Council's information the municipal general purpose tax levy and taxes levied by other taxing authorities for each property class, and seek Council resolution to adopt the rating by-laws that establish the municipal general purpose tax rate and the Greater Vancouver Regional District tax rate for each property class, and seek Council adoption of the averaging resolutions that substitute the tax rates established by other taxing authorities to give effect to the land assessment averaging program as required under the *Vancouver Charter*.

DISCUSSION

The property tax notice issued by the City includes municipal general purpose tax levy and utility fees, as well as taxes levied by other taxing authorities over which Council has no control. Below is a summary of property tax increases approved by Council and other taxing authorities for the 2011 tax year.

	Increase	2011 Tax Levy	2010 Tax Levy
CoV Municipal General Purpose Tax	2.54%	\$581,542,000	\$567,239,000
- Council-directed increase 1.88% + new construction & other non-market adjustments 0.66%			
- tax levy is net of municipal tax rate cap adjustments on eligible tenant-occupied Port properties			
Provincial School Tax	6.21%	\$429,254,960	\$404,158,308
Translink	5.09%	\$103,132,486	\$98,137,849
BC Assessment	5.87%	\$15,433,385	\$14,577,565
Metro Vancouver	8.07%	\$15,065,284	\$13,940,810
MFA	12.49%	\$46,050	\$40,936

The following sections present the property tax levies and tax rates (per \$1,000 assessed value) levied by the City and other taxing authorities for each property class for the 2011 tax year, with 2010 comparative data. A table summarizing the total tax rate (per \$1,000 assessed value) and tax levy for each property class is available in Appendix A.

I. Municipal General Purpose Tax Levy

In December 2010, Council approved the 2011 Operating Budget and an overall general purpose tax levy of \$581.5 million. This represents a year-over-year increase of \$14.5 million (2.54%) of which \$10.7 million (1.88%) represents the Council-directed tax increase and \$3.8 million (0.66%) represents supplementary roll adjustments arising from assessment appeals in 2010 and new constructions and other non-market changes in 2011. With the continuation of a one percent shift of tax levy from non-residential to residential property classes in 2011, the resulting tax levy distribution is 52.5% residential and 47.5% non-residential.

Applying land assessment averaging, the averaged tax rates required to generate the Council-approved general purpose tax levy are as follows.

	2011 Unaveraged Rate	2011 Averaged Rate	2011 Tax Levy	2010 Tax Levy
Class 1 Residential	\$1.99366	\$2.12815	\$305,149,620	\$289,715,607
Class 2 Utilities	\$38.07735	\$38.07735	\$6,803,969	\$6,877,237
Class 3 Supportive Housing	\$0.00000	\$0.00000	\$0	\$0
Class 4 Major Industry	\$31.46583	\$31.46583	\$6,140,245	\$6,101,092
Class 5 Light Industry	\$8.83422	\$9.19882	\$5,428,366	\$5,272,629
Class 6 Business & Other	\$8.83422	\$9.19882	\$258,221,980	\$259,299,492
Class 8 Recreational & Non-profit	\$1.99366	\$1.99366	\$604,822	\$604,146
Class 9 Farm	\$1.99366	\$1.99366	\$243	\$252
			\$582,349,246	\$567,870,456

Note:

2011 General Purpose Tax Levy \$582.3 million
 - Municipal Tax Rate Cap Adjustments on Eligible Tenant-occupied Port Properties \$0.8 million
 = Council-approved Tax Levy \$581.5 million

II. Taxes Levied by Other Taxing Authorities

Adoption of land assessment averaging for the purpose of calculating municipal general purpose tax levy for Residential (Class 1), Light Industrial (Class 5), and Business & Other (Class 6) properties requires that the same be extended to calculating taxes levied by other taxing authorities by averaging resolutions that substitute the tax rates established by those authorities to make the impact of averaging revenue-neutral.

1. Provincial School Tax

The provincial government has set tax rates that generate a tax levy of \$429,254,960 in 2011, an increase of \$25,096,652 (6.2%) from 2010. The tax levy distribution is 51.7% residential and 48.3% non-residential.

	2011 Unaveraged Rate	2011 Averaged Rate	2011 Tax Levy	2010 Tax Levy
Class 1 Residential	\$1.44460	\$1.54202	\$220,968,940	\$208,998,772
Class 2 Utilities	\$14.10000	\$14.10000	\$8,232,359	\$8,021,304
Class 3 Supportive Housing	\$0.10000	\$0.10000	\$0	\$0
Class 4 Major Industry	\$6.60000	\$6.60000	\$1,287,925	\$1,353,615
Class 5 Light Industry	\$6.60000	\$6.95857	\$4,106,363	\$3,657,914
Class 6 Business & Other	\$6.60000	\$6.86945	\$193,657,309	\$181,170,343
Class 8 Recreational & Non-profit	\$3.40000	\$3.40000	\$1,001,651	\$955,961
Class 9 Farm	\$6.80000	\$6.80000	\$414	\$397
			\$429,254,960	\$404,158,308

Note: Incorporating the industrial and farm land school tax credits totaling \$3.2 million, net 2011 requisition is \$426 million.

2. South Coast British Columbia Transportation Authority (TransLink)

Translink has set tax rates that generate a tax levy of \$103,132,486 in 2011, an increase of \$4,994,638 (5.1%) from 2010. This levy includes a component called the Replacement Tax which was formerly the Parking Site Tax applicable to Classes 1, 2, 4, 5 and 6. The tax levy distribution is 52.0% residential and 48.0% non-residential.

	2011 Unaveraged Rate	2011 Averaged Rate	2011 Tax Levy	2010 Tax Levy
Class 1 Residential	\$0.35000	\$0.37360	\$53,536,165	\$51,109,890
Class 2 Utilities	\$2.70720	\$2.70720	\$837,789	\$814,975
Class 3 Supportive Housing	\$1.45270	\$1.45270	\$0	\$0
Class 4 Major Industry	\$2.26920	\$2.26920	\$442,812	\$456,367
Class 5 Light Industry	\$1.96260	\$2.06923	\$1,221,083	\$1,072,468
Class 6 Business & Other	\$1.60860	\$1.67453	\$47,004,895	\$44,599,376
Class 8 Recreational & Non-profit	\$0.30590	\$0.30590	\$89,721	\$84,751
Class 9 Farm	\$0.35430	\$0.35430	\$22	\$21
			\$103,132,486	\$98,137,849

3. British Columbia Assessment Authority (BC Assessment)

BC Assessment has set tax rates that generate a tax levy of \$15,433,385 in 2011, an increase of \$855,820 (5.9%) from 2010. The tax levy distribution is 61.7% residential and 38.3% non-residential.

	2011 Unaveraged Rate	2011 Averaged Rate	2011 Tax Levy	2010 Tax Levy
Class 1 Residential	\$0.06210	\$0.06629	\$9,498,845	\$8,926,083
Class 2 Utilities	\$0.51140	\$0.51140	\$158,261	\$153,553
Class 3 Supportive Housing	\$0.06210	\$0.06210	\$0	\$0
Class 4 Major Industry	\$0.51140	\$0.51140	\$99,795	\$100,546
Class 5 Light Industry	\$0.18960	\$0.19990	\$117,965	\$106,886
Class 6 Business & Other	\$0.18960	\$0.19737	\$5,540,301	\$5,272,427
Class 8 Recreational & Non-profit	\$0.06210	\$0.06210	\$18,214	\$18,066
Class 9 Farm	\$0.06210	\$0.06210	\$4	\$4
			\$15,433,385	\$14,577,565

4. Greater Vancouver Regional District (GVRD)

The GVRD tax levy is \$15,065,284 in 2011, an increase of \$1,124,474 (8.1%) from 2010. The tax levy distribution is 66.4% residential and 33.6% non-residential.

	2011 Averaged Rate	2011 Tax Levy	2010 Tax Levy
Class 1 Residential	\$0.06971	\$9,989,121	\$9,229,029
Class 2 Utilities	\$0.24398	\$75,504	\$72,872
Class 3 Supportive Housing	\$0.06971	\$0	\$0
Class 4 Major Industry	\$0.23701	\$46,250	\$46,353
Class 5 Light Industry	\$0.23701	\$139,864	\$125,530
Class 6 Business & Other	\$0.17079	\$4,794,094	\$4,448,387
Class 8 Recreational & Non-profit	\$0.06971	\$20,446	\$18,634
Class 9 Farm	\$0.06971	\$4	\$4
		\$15,065,284	\$13,940,810

5. Municipal Finance Authority (MFA)

The MFA has set tax rates that generate a tax levy of \$46,050 in 2011, an increase of \$5,114 (12.5%) from 2010. The tax levy distribution is 66.6% residential and 33.4% non-residential. Although the City does not use the services provided by the MFA, our tax base shares some of their overhead costs.

	2011 Unaveraged Rate	2011 Averaged Rate	2011 Tax Levy	2010 Tax Levy
Class 1 Residential	\$0.00020	\$0.00021	\$30,592	\$26,886
Class 2 Utilities	\$0.00070	\$0.00070	\$217	\$213
Class 3 Supportive Housing	\$0.00020	\$0.00020	\$0	\$0
Class 4 Major Industry	\$0.00070	\$0.00070	\$137	\$139
Class 5 Light Industry	\$0.00070	\$0.00074	\$436	\$377
Class 6 Business & Other	\$0.00050	\$0.00052	\$14,610	\$13,267
Class 8 Recreational & Non-profit	\$0.00020	\$0.00020	\$59	\$54
Class 9 Farm	\$0.00020	\$0.00020	\$0	\$0
			\$46,050	\$40,936

III. Single Family Residential Sample Tax Notice

A sample tax notice for a single family (detached) property valued at \$877,000 is attached as Appendix B. This property will pay approximately \$1,866 in municipal general purpose tax levy, \$944 in utility fees, and \$1,229 in taxes levied by other taxing authorities (net of home owner grant) for a total of \$4,040.

IV. Next Steps

Adoption of the rating by-laws and averaging resolutions will give effect to the property tax rates levied by the City and other taxing authorities for each property class and allow billing to proceed. Taxpayers can expect tax notices to arrive in the first week of June. Property taxes are due by July 5, 2011.

Taxpayers have two billing options and several payment options:

Billing -

- the standard billing format is a printed notice delivered by post mail in late May
- taxpayers may also register to receive an electronic notice at canadapost.ca/epost.ca

Payments may be made -

- at any chartered bank and most trust companies and credit unions
- through electronic banking arrangements with most financial institutions
- by dropping a cheque in the mail slot or drop box at City Hall
- in person at City Hall during regular business hours
- by post mail

Commencing mid-May, home owner grant applications can be submitted online at vancouver.ca/ehog, which require the personal access code included on the property tax notice. Owners may also complete paper applications accompanying their tax notices.

FINANCIAL IMPLICATIONS

There are no financial implications.

CONCLUSION

Adoption of the rating by-laws and averaging resolutions will give effect to the property tax rates levied by the City and other taxing authorities for each property class and allow billing to proceed.

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2011 Property Tax Rates (per \$1,000 Taxable Value)

	Residential	Utilities	Supportive Housing	Major Industry	Light Industry	Business & Other	Recreational & Non-profit	Farm
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 8	Class 9
General Purpose Tax Levy	\$2.12815	\$38.07735	\$0.00000	\$31.46583	\$9.19882	\$9.19882	\$1.99366	\$1.99366
Provincial School: Residential	\$1.54202							
Provincial School: Non-residential		\$14.10000	\$0.10000	\$6.60000	\$6.95857	\$6.86945	\$3.40000	\$6.80000
Translink	\$0.37360	\$2.70720	\$1.45270	\$2.26920	\$2.06923	\$1.67453	\$0.30590	\$0.35430
BC Assessment	\$0.06629	\$0.51140	\$0.06210	\$0.51140	\$0.19990	\$0.19737	\$0.06210	\$0.06210
GVRD	\$0.06971	\$0.24398	\$0.06971	\$0.23701	\$0.23701	\$0.17079	\$0.06971	\$0.06971
Municipal Finance Authority	\$0.00021	\$0.00070	\$0.00020	\$0.00070	\$0.00074	\$0.00052	\$0.00020	\$0.00020
Total	\$4.17998	\$55.64063	\$1.68471	\$41.08414	\$18.66427	\$18.11148	\$5.83157	\$9.27997

2011 Property Tax Levies

	Residential	Utilities	Supportive Housing	Major Industry	Light Industry	Business & Other	Recreational & Non-profit	Farm	Total
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 8	Class 9	
General Purpose Tax Levy	\$305,149,620	\$6,803,969	\$0	\$6,140,245	\$5,428,366	\$258,221,980	\$604,822	\$243	\$582,349,246
Provincial School: Residential	\$220,968,940								\$220,968,940
Provincial School: Non-residential		\$8,232,359	\$0	\$1,287,925	\$4,106,363	\$193,657,309	\$1,001,651	\$414	\$208,286,020
Translink	\$53,536,165	\$837,789	\$0	\$442,812	\$1,221,083	\$47,004,895	\$89,721	\$22	\$103,132,486
BC Assessment	\$9,498,845	\$158,261	\$0	\$99,795	\$117,965	\$5,540,301	\$18,214	\$4	\$15,433,385
GVRD	\$9,989,121	\$75,504	\$0	\$46,250	\$139,864	\$4,794,094	\$20,446	\$4	\$15,065,284
Municipal Finance Authority	\$30,592	\$217	\$0	\$137	\$436	\$14,610	\$59	\$0	\$46,050
Total	\$599,173,283	\$16,108,100	\$0	\$8,017,163	\$11,014,076	\$509,233,190	\$1,734,912	\$686	\$1,145,281,411
Tax Levy Distribution:									
CoV General Purpose Tax Levy	52.4%	1.2%	0.0%	1.1%	0.9%	44.3%	0.1%	0.0%	100.0%
All-in Tax Levy	52.3%	1.4%	0.0%	0.7%	1.0%	44.5%	0.2%	0.0%	100.0%

Notes:

- 1) 2011 General Purpose Tax Levy \$582.3 million - Municipal Tax Rate Cap Adjustments on Eligible Tenant-occupied Port Properties \$0.8 million = Council-approved Tax Levy \$581.5 million
- 2) Provincial School Tax: Incorporating the industrial and farm land school tax credits totaling \$3.2 million, net 2011 requisition is \$426 million

GENERAL PURPOSE TAX LEVY	\$1,866	46%
UTILITY FEES		
Sewer Fees	\$248	6%
Solid Waste Fees	\$229	6%
Water Fees	\$467	12%
TOTAL UTILITY FEES	\$944	23%
TOTAL CITY CHARGES	\$2,810	70%
PROVINCIAL SCHOOL TAX	\$1,352	33%
LESS: HOME OWNER'S GRANT	(\$570)	-14%
NET PROVINCIAL SCHOOL TAX	\$782	19%
TRANSLINK	\$328	8%
BC ASSESSMENT	\$58	1%
METRO VANCOUVER	\$61	2%
MUNICIPAL FINANCE AUTHORITY	\$0	0%
TOTAL CHARGES FROM OTHER TAXING AUTHORITIES	\$1,229	30%
TOTAL CHARGES ON TAX NOTICE	\$4,040	100%

Notes:

- 1) Home Owner Grant (http://www.sbr.gov.bc.ca/individuals/Property_Taxes/Home_Owner_Grant/hog.htm)
 - Basic grant (\$570) will be reduced by \$5 for each \$1,000 of assessed value over \$1,150,000 and is eliminated on homes valued at \$1,264,000 or more
 - Additional grant (\$275) may apply and is eliminated on homes valued at \$1,319,000 or more
- 2) Local improvements and other non-tax charges may apply
- 3) Assume no taxes in arrears and no prepayment of taxes
- 4) 60% of sewer fees and 69% of water fees are determined by Metro Vancouver
- 5) Council has no control over property tax requisitions by other taxing authorities - Provincial School, Translink, BC Assessment, Metro Vancouver, and Municipal Finance Authority

RESOLUTION

MOVED by
SECONDED by

WHEREAS:

1. Pursuant to Section 119(3) of the *School Act*, the Province of British Columbia in each year levies a tax on the net taxable value of all land and improvements in the City of Vancouver;
2. By *Orders in Council No. 148 and 149* approved on April 28, 2011, the Administrator in Council levied the following tax rates on Class 1 Residential, Class 5 Light Industry, and Class 6 Business & Other:

Class 1 Residential	1.44460
Class 5 Light Industry	6.60000
Class 6 Business & Other	6.60000

being dollars of tax for each one thousand dollars of taxable value, for the 2011 taxation year, which when applied to the net taxable value of all land and improvements in the respective Classes in the City of Vancouver would raise the following sums:

Class 1 Residential	\$220,968,940
Class 5 Light Industry	\$4,106,363
Class 6 Business & Other	\$193,657,309

3. Pursuant to provisions of the *Vancouver Charter*, on March 15, 2011, Council approved By-law No. 10229 which authorized adjustment of the net taxable value of land in Class 1 Residential, Class 5 Light Industry, and Class 6 Business & Other in the City of Vancouver;
4. Pursuant to By-law No. 10229, the net taxable value and the adjusted taxable value of land in the above-noted Classes subject to taxation under the *School Act* for the year 2011 are as follows:

	<u>Net Taxable Value</u>	<u>Adjusted Taxable Value</u>
Class 1 Residential	\$152,962,024,054	\$143,298,503,975
Class 5 Light Industry	\$622,176,200	\$590,115,498
Class 6 Business & Other	\$29,342,016,474	\$28,191,096,303

5. Council is obliged to vary the tax rates set by the Administrator in Council to produce the same amount of revenue that would have been raised if the net taxable value of land in the above-noted Classes had not been adjusted;

THEREFORE BE IT RESOLVED

THAT, in the case of Class 1 Residential, the rate of 1.54202 is hereby substituted for the rate of 1.44460; in the case of Class 5 Light Industry, the rate of 6.95857 is substituted for the rate of 6.60000; and in the case of Class 6 Business & Other, the rate of 6.86945 is substituted for the rate of 6.60000 for taxation pursuant to the *School Act* in the City of Vancouver for the 2011 taxation year.

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RESOLUTION

MOVED by
SECONDED by

WHEREAS:

1. Pursuant to Section 25 of the *South Coast British Columbia Transportation Authority Act*, the South Coast British Columbia Transportation Authority ("Translink") in each year levies a tax on the net taxable value of all land and improvements in the City of Vancouver (excluding property taxable for school purposes only by special act);
2. By *South Coast British Columbia Transportation Authority 2011 Property Tax By-law No. 71-2011* and *Replacement Tax By-law No. 72-2011*, Translink levied the following tax rates on Class 1 Residential, Class 5 Light Industry, and Class 6 Business & Other:

Class 1 Residential	0.35000
Class 5 Light Industry	1.96260
Class 6 Business & Other	1.60860

being dollars of tax for each one thousand dollars of taxable value, for the 2011 taxation year, which when applied to the net taxable value of all land and improvements in the respective Classes in the City of Vancouver (excluding property taxable for school purposes only by special act) would raise the following sums:

Class 1 Residential	\$53,536,165
Class 5 Light Industry	\$1,221,083
Class 6 Business & Other	\$47,004,895

3. Pursuant to provisions of the *Vancouver Charter*, on March 15, 2011, Council approved By-law No. 10229 which authorized adjustment of the net taxable value of land in Class 1 Residential, Class 5 Light Industry, and Class 6 Business & Other, in the City of Vancouver;
4. Pursuant to By-law No. 10229, the net taxable value and the adjusted taxable value of land in the above-noted Classes subject to taxation under the *South Coast British Columbia Transportation Authority Act* for the year 2011 are as follows:

	<u>Net Taxable Value</u>	<u>Adjusted Taxable Value</u>
Class 1 Residential	\$152,960,471,654	\$143,296,951,575
Class 5 Light Industry	\$622,176,200	\$590,115,498
Class 6 Business & Other	\$29,220,996,674	\$28,070,501,837

5. Council is obliged to vary the tax rates set by Translink in order to produce the same amount of revenue that would have been raised if the net taxable value of land in the above-noted Classes had not been adjusted;

THEREFORE BE IT RESOLVED

THAT, in the case of Class 1 Residential, the rate of 0.37360 is hereby substituted for the rate of 0.35000; in the case of Class 5 Light Industry, the rate of 2.06923 is substituted for the rate of 1.96260; and in the case of Class 6 Business & Other, the rate of 1.67453 is substituted for the rate of 1.60860 for taxation pursuant to the *South Coast British Columbia Transportation Authority Act* in the City of Vancouver for the 2011 taxation year.

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RESOLUTION

MOVED by
SECONDED by

WHEREAS:

1. Pursuant to Section 17(2) of the *Assessment Authority Act*, the British Columbia Assessment Authority ("BC Assessment") in each year levies a tax on the net taxable value of all land and improvements in the City of Vancouver (excluding property taxable for school purposes only by special act);
2. By *2011 Assessment Authority By-law No. 54*, BC Assessment levied the following tax rates on Class 1 Residential, Class 5 Light Industry, and Class 6 Business & Other:

Class 1 Residential	0.06210
Class 5 Light Industry	0.18960
Class 6 Business & Other	0.18960

being dollars of tax for each one thousand dollars of taxable value, for the 2011 taxation year, which when applied to the net taxable value of all land and improvements in the respective Classes in the City of Vancouver (excluding property taxable for school purposes only by special act) would raise the following sums:

Class 1 Residential	\$9,498,845
Class 5 Light Industry	\$117,965
Class 6 Business & Other	\$5,540,301

3. Pursuant to provisions of the *Vancouver Charter*, on March 15, 2011, Council approved By-law No. 10229 which authorized adjustment of the net taxable value of land in Class 1 Residential, Class 5 Light Industry, and Class 6 Business & Other in the City of Vancouver;
4. Pursuant to By-law No. 10229, the net taxable value and the adjusted taxable value of land in the above-noted Classes subject to taxation under the *Assessment Authority Act* for the year 2011 are as follows:

	<u>Net Taxable Value</u>	<u>Adjusted Taxable Value</u>
Class 1 Residential	\$152,960,471,654	\$143,296,951,575
Class 5 Light industry	\$622,176,200	\$590,115,498
Class 6 Business & Other	\$29,220,996,674	\$28,070,501,837

5. Council is obliged to vary the tax rates set by BC Assessment in order to produce the same amount of revenue that would have been raised if the net taxable value of land in the above-noted Classes had not been adjusted;

THEREFORE BE IT RESOLVED

THAT, in the case of Class 1 Residential, the rate of 0.06629 is hereby substituted for the rate of 0.06210; in the case of Class 5 Light industry, the rate of 0.19990 is substituted for the rate of 0.18960; and in the case of Class 6 Business & Other, the rate of 0.19737 is substituted for the rate of 0.18960 for taxation pursuant to the *Assessment Authority Act* in the City of Vancouver for the 2011 taxation year.

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RESOLUTION

MOVED by
SECONDED by

WHEREAS:

1. Pursuant to Sections 17, 18(2) and 19 of the *Municipal Finance Authority Act*, the Municipal Finance Authority of British Columbia ("MFABC") in each year levies a tax on the net taxable value of all land and improvements in the City of Vancouver (excluding property taxable for school purposes only by special act);
2. By *Municipal Finance Authority of British Columbia Resolution No. 128, 2011*, MFABC levied the following tax rates on Class 1 Residential, Class 5 Light Industry, and Class 6 Business & Other:

Class 1 Residential	0.00020
Class 5 Light Industry	0.00070
Class 6 Business & Other	0.00050

being dollars of tax for each one thousand dollars of taxable value, for the 2011 taxation year, which when applied to the net taxable value of all land and improvements in the respective Classes in the City of Vancouver (excluding property taxable for school purposes only by special act) would raise the following sums:

Class 1 Residential	\$30,592
Class 5 Light Industry	\$436
Class 6 Business & Other	\$14,610

3. Pursuant to provisions of the *Vancouver Charter*, on March 15, 2011, Council approved By-law No. 10229 which authorized adjustment of the net taxable value of land in Class 1 Residential, Class 5 Light Industry, and Class 6 Business & Other in the City of Vancouver;
4. Pursuant to By-law No. 10229, the net taxable value and the adjusted taxable value of land in the above-noted Classes subject to taxation under the *Municipal Finance Authority Act* for the year 2011 are as follows:

	<u>Net Taxable Value</u>	<u>Adjusted Taxable Value</u>
Class 1 Residential	\$152,960,471,654	\$143,296,951,575
Class 5 Light Industry	\$622,176,200	\$590,115,498
Class 6 Business & Other	\$29,220,996,674	\$28,070,501,837

5. Council is obliged to vary the tax rates set by MFABC in order to produce the same amount of revenue that would have been raised if the net taxable value of land in the above-noted Classes had not been adjusted;

THEREFORE BE IT RESOLVED

THAT, in the case of Class 1 Residential, the rate of 0.00021 is hereby substituted for the rate of 0.00020; in the case of Class 5 Light Industry, the rate of 0.00074 is substituted for the rate of 0.00070; and in the case of Class 6 Business & Other, the rate of 0.00052 is substituted for the rate of 0.00050 for taxation pursuant to the *Municipal Finance Authority Act* in the City of Vancouver for the 2011 taxation year.

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