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EXPLANATION PAGE

**A By-law to establish the number of preceding years
to be applied in determining the averaged land value
for the purposes of land assessment averaging**

Enactment of the attached By-law, along with the 2019 Land Assessment Averaging By-law, will implement targeted five-year land assessment averaging for the 2019 taxation year, as approved by Council on March 13, 2019.

Director of Legal Services
March 13, 2019

EXPLANATION PAGE

2019 Land Assessment Averaging By-law

Enactment of the attached By-law will implement targeted five-year land assessment averaging for the 2019 taxation year, as approved by Council on March 13, 2019.

Director of Legal Services
March 13, 2019

BY-LAW NO. _____

A By-law to Average Land Assessments for 2019

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

Name of By-law

1. The name of this By-law, for citation, is the "2019 Land Assessment Averaging By-law".

Definitions

2. In this By-law:

"assessed improvement value" means assessed improvement value on the *Assessment Roll* as determined by the Assessor, pursuant to the *Assessment Act*;

"assessed land value" means assessed land value on the *Assessment Roll* as determined by the Assessor, pursuant to the *Assessment Act*;

"assessed value" means the combined value of assessed land value and assessed improvement value;

"assessment authority" means the British Columbia Assessment Authority;

"Average Assessment Roll" means the Assessment Roll produced annually by the assessment authority as a result of an assessment averaging by-law enacted under section 374.4 (1) of the *Vancouver Charter*;

"averaged land value" means the averaged land value determined by the land assessment averaging formula set out in this By-law;

"averaged value" means the combined value of averaged land value and assessed improvement value;

"threshold %" means 10 percentage points above the average year-over-year % change in property value within Class 1 – residential or 10 percentage points above the average year-over-year % change in property value within the combined property classes of Class 5 – light industry and Class 6 – business and other, as determined by the assessment authority based on the *Revised Assessment Roll*;

"year-over-year % change in property value" means the difference between the current year's assessed value and the preceding year's value as shown on the Average Assessment Roll, all divided by the preceding year's value as shown on the *Average Assessment Roll*; and

"target parcel" means any parcel or part of a parcel in Class 1 - residential, Class 5 – light industry, or Class 6 – business and other, that experienced a year-over-year % change in property value that was greater than or equal to the threshold %.

Assessment averaging

3. Notwithstanding anything else in this By-law, if any parcel or part of a parcel:
 - (a) has no assessed improvement value for 2019;
 - (b) is a new entry on the 2019 *Assessment Roll*, unless that entry results from an administrative roll number re-assignment by the assessment authority, or
 - (c) during the period between completion of the 2018 and 2019 *Assessment Rolls*, was subject to:
 - (i) subdivision or consolidation of all or part of the parcel unless:
 - (i.i) the sole purpose of the subdivision or consolidation is to vest in the city, by dedication or transfer, all or part of the parcel for street purposes; or
 - (i.ii) the subdivision or consolidation is initiated by the assessment authority for assessment or administrative purposes, and does not alter the physical characteristics of the target parcel,
 - (ii) a change in zoning district of all or part of the parcel, unless the change is the result of amendments to the Zoning and Development By-law or to an Official Development Plan that were initiated by the Director of Planning and enacted by Council in the preceding year on or before October 31, or
 - (iii) a change to an existing CD-1 zoning district where there is a change in permitted density, or
 - (iv) a change in the prescribed class of the parcel or part of the parcel, except for a change between Class 5 - light industry and Class 6 - business and other, or
 - (v) a change in the method of determination of the assessed value under section 19(8) of the *Assessment Act* where the preceding year's assessed value was determined based on the actual use of the land and improvements and the current year's value is determined taking into consideration any other use to which the land or improvements could be put,

then the entire parcel is exempt from land assessment averaging set out in section 4 of this By-law.

Land assessment averaging formula

4. If a parcel or part of a parcel is not exempt from averaging in accordance with section 3 of this By-law, and was not exempt from averaging under any of the 2015, 2016, 2017 and 2018 Land Assessment Averaging By-laws (No. 11187, No. 11474, No. 11759 and No. 12066 respectively), and is a target parcel, then the 2019 averaged land value for each target parcel is the quotient arrived at by dividing the 2015, 2016, 2017, 2018 and

2019 assessed land value by the number of total years prescribed by the Preceding Years for Land Assessment By-law, 2019, for each such target parcel.

Averaging of properties that regain eligibility

5. If a target parcel is not exempt from averaging in accordance with section 3 of this By-law, but was exempt from averaging in accordance with the 2018 Land Assessment Averaging By-law (No. 12066), the 2019 averaged land value for that parcel is the quotient arrived at by dividing the 2019 assessed land value by one (1).
6. If a target parcel is not exempt from averaging in accordance with section 3 of this By-law, and was not exempt from averaging in accordance with the 2018 Land Assessment Averaging By-law (No. 12066), but was exempt from averaging in accordance with the 2017 Land Assessment Averaging By-law (No. 11759), the 2019 averaged land value for that parcel is the quotient arrived at by dividing the sum of the 2018 and 2019 assessed land values by two (2).
7. If a target parcel is not exempt from averaging in accordance with section 3 of this By-law, and was not exempt from averaging in accordance with both the 2017 and 2018 Land Assessment Averaging By-laws (No. 11759 and No. 12066, respectively), but was exempt from averaging in accordance with the 2016 Land Assessment Averaging By-law (No. 11474), the 2019 averaged land value for that parcel is the quotient arrived at by dividing the sum of the 2017, 2018 and 2019 assessed land values by three (3).
8. If a target parcel is not exempt from averaging in accordance with section 3 of this By-law, and was not exempt from averaging in accordance with all of the 2016, 2017 and 2018 Land Assessment Averaging By-laws (No. 11474, No. 11759 and No. 12066, respectively), but was exempt from averaging in accordance with the 2015 Land Assessment Averaging By-law (No. 11187), the 2019 averaged land value for that parcel is the quotient arrived at by dividing the sum of the 2016, 2017, 2018 and 2019 assessed land values by four (4).

Non-applicability of By-law

9. Despite sections 4, 5, 6, 7 and 8 of this By-law, land assessment averaging does not apply to any target parcel if the land assessment averaging will result in an averaged value greater than the assessed value.

Limit on Application of By-law

10. Despite sections 4, 5, 6, 7 and 8 of this By-law, for any target parcel, the averaged value shall not be less than the product resulting from the multiplication of the preceding year's value as shown on the Average Assessment Roll and 100% plus the threshold %. If it is, then the averaged land value is calculated by subtracting the assessed improvement value from the product resulting from the multiplication of the preceding year's value as shown on the Average Assessment Roll and 100% plus the threshold %.

Correction of errors

11. An owner who receives notice, under section 403 of the *Vancouver Charter*, of adjustments to the net taxable value of the owner's property, and who wishes the

