

HOW HAS NORTH VANCOUVER CITY COUNCIL AFFECTED YOUR 2016 TAX ASSESSMENT ? A NEW OCP!

By Kerry Morris January 8, 2016

Property values increase across the city

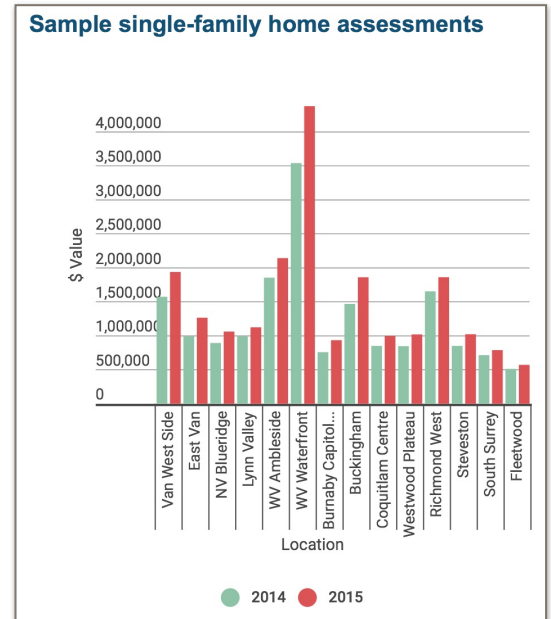
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According to the B.C. Assessment Authority, an average single-family home on the East Side increased 11 per cent in value, while West Side homes saw an average increase of 12 per cent. Photo Dan Toulgoet

Property values are up throughout the Vancouver Lower Mainland, but nowhere more-so than on Vancouver's North Shore, where West Vancouver's waterfront has spiked to levels never before seen. But it's not just the waterfront that is feeling the bump. The graphic data generated for the CBC camouflages some very real valuation spikes that hit at the very core of our community's roots, namely RS-1 homeowners and long term renters of the City's remaining affordable rental suites.



What the graph does not display is even more important than what it does display. That being the change in RS-1 home values in the City versus the District. Nor does the graph do anything to describe the impact those changes in land values are having on apartment buildings, affordable rent, and the ongoing supply of reasonably priced rental accommodations throughout the lower mainland, and in North Vancouver in particular. (<https://www.biv.com/article/2016/1/property-assessment-rise-set-hit-renters-hard/>)

My phone has been ringing off the hook this week with stories of property assessment increases ranging between \$200,000 and \$300,000, with people asking how this will affect municipal taxes. The answer, if history holds true, is not going to be good for City residents. Under normal municipal administrations a dramatic increase in property values would lead to a corresponding reduction in the municipal 'mil-rate' (the \$1 for every \$1,000 multiplier used to generate annual tax assessments). But the history in the City of North Vancouver has not followed this pattern.

In 2015 the City took the variation in value and rolled it into general revenue under the header of 'Tax-Roll-Growth'. In this way they absorbed \$2.762 million in new property tax revenue generated within the City's borders, using this money to increase spending, on top of which they presented City council three options seeking tax increases ranging from a low of 3.9% to a high of 7.9% (<http://kerrymorris.ca/wp-content/uploads/2015/04/Tax-Spend-Mussatto-Slate-Re-Jig-Priorities.pdf>).

Council eventually settled on the lowest cost, Option-I at 3.9%, but this did not include or explain the shifting tax burden between condo's, commercial businesses and RS-1 homeowners. When all was said and done, the actual year over year (2014 versus 2015) tax applied to RS-1 homeowners equated to an increase equalling as much as 8%. If the City holds true to the quite capture of the 'Tax-Roll-Growth' game it has played in previous years, then a status quo 'mil-rate' alone will see RS-1 taxes jump from 10% to 30% in the City. The only comfort you can take from all this is the fact that it could have been even worse. In my own block a home assessed at \$1,038M sold for \$1,410M, \$372,000 over assessment (<http://kerrymorris.ca/wp-content/uploads/2015/04/Yet-Another-False-Fact-Put-To-Rest.pdf>) It has since gone back on the market at just under \$1.6M. No word on its final sale price yet.

Within minuets of receiving my tax assessment I contacted a sitting member of City council to complain. The immediate response was; "Get in line Morris, your my 12th call this-morning. No one is happy. Just remember, I didn't vote for the OCP which in part is causing this run-up in property values. That's the fault of the Mayor and his Slate."