

Property tax bills rise for most residents

Officials cite repairs to crumbling infrastructure, rising cost of services for hikes

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COUN. NORA GAMBIOLI WEST VANCOUVER

Property taxes on the average West Vancouver home will increase \$242 this year — more than five times the average tax hike in Metro Vancouver.



Metro property tax increases

Vancouver: 2.3 per cent, or \$45, on a \$1.12-million home*.

Surrey: 3.9 per cent, or \$70, on a \$671,000 home, plus \$18 road and traffic levy.

West Vancouver: 6.87 per cent, or \$242 on a \$2.5-million home.

Coquitlam: 2.27 per cent, or \$63 on a \$688,000 home.

Richmond: 3.11 per cent, or \$48 on a \$763,961 home.

Langley Township: 3.93 per cent, or \$63 on a \$514,000 home.

City of Langley: 3.75 per cent, or \$89 on a \$544,031 home.

Port Coquitlam: (provisional) 3.4 per cent increase, or \$68 on a \$561,855 home.

Port Moody: (provisional) 5.13 per cent, or \$97 on a \$566,700 home.

Delta: (provisional) 3.5 per cent, or \$75 on a \$650,000 home.

Maple Ridge: 3.33 per cent, or \$83 on a \$400,000 home.

White Rock: (provisional) -2.2 per cent, or \$67 decrease on an average home.

New Westminster: (provisional) 2.14 per cent to 3.2 per cent, or \$59 to \$88 on a \$829,700 home.

North Vancouver City: (provisional) up to 2.4 per cent increase.

Burnaby: (provisional) up to 2.95 per cent increase.

* Prices based on "average assessed value"

GLENN

BAGLO/PNG FILES West Vancouver leads Metro municipalities in property tax increases this year, with a jump of 6.87 per cent, which includes a 5.25 per cent asset levy to maintain and repair the municipality's \$1 billion in assets, from piers to libraries, recreation centres and the fire department fleet.

The jump is the result of a hefty 6.87 per cent property tax boost in the tony district, which includes a 5.25 per cent "asset levy" to maintain and repair the municipality's \$1 billion worth of assets, which range from piers to libraries, recreation centres and the fire department fleet.

“This relates to the fact we haven’t been on the ball ever since we started building the municipality’s assets,” West Vancouver Coun. Nora Gambioli said. “We haven’t been putting money aside. If we want to do the right thing we’re going to have to take the public backlash.”

The situation underscores a rising trend among Metro municipalities, which face increasing costs for everything from police and fire services to maintaining roads, aging city halls and sports fields. While some municipalities already set aside funds for asset repair, others, like West Vancouver, are racing to catch up before the assets crumble.

This means higher tax increases not only for West Vancouver, where the average home is worth \$2.5 million, but for cities like Port Moody, where homeowners face a 5.13 per cent tax hike, which includes a new services fee and a recurring one per cent asset levy to provide new services and essential upgrades.

By comparison, Vancouver and Surrey have approved property tax boosts of 2.3 per cent and 3.9 per cent respectively.

The disparity across Metro is based on what municipalities plan to spend in the coming years on operating expenses and capital projects. Tax bills also include fees for utilities such as sewer and water, which are set by Metro Vancouver. Municipalities must approve their final budgets and five-year capital plans by mid-May. In West Vancouver, council agreed to the asset levy after staff estimated the district would need \$300 million over the next 20 years to keep its assets in good shape. The district had previously set aside \$7.4 million of the district’s annual revenue for asset maintenance, but financial services director Isabel Gordon told council this would hardly fund half of what was needed. And, in many cases, the money was being used for general operations instead. She initially suggested council approve a 10.5 per cent levy — to be kept in a separate fund rather than rolled into the general operating and capital pot — to protect West Vancouver’s assets before they “reach a critical point.”

She also suggested a 2.09 per cent property tax increase, but council decided to hold the line on property taxes at 1.62 per cent, while softening the asset levy to 5.25 per cent.

“Like many things in life, it’s a tough pill to swallow,” West Vancouver Coun. Mary-Ann Booth said.

This is unique in that we’re setting up asset reserves; it will not go into operating (budget). I think many municipalities are now starting to do it.”

In most municipalities, however, the levies aren’t so high.

Port Moody, which has had an asset levy since 2009, charges homeowners one per cent for asset maintenance, which brings in about \$350,000 annually. The move followed an analysis that suggested the city would need \$10.5 million annually to upgrade its capital facilities.

“We did zero growth for six years so we’re having to catch up on our infrastructure,” Port Moody Mayor Mike Clay said. “We didn’t have any money for our larger capital assets. We were taking money in but not putting money in for police, fire, libraries. ... Some of these labour pains are catching up to us.”

The increase is expected to raise taxes by 5.13 per cent, or \$97, to about \$1,908, for an average \$566,700 home in the city. It is expected to help pay down a \$10.5-million debt for a new roof at City Hall, as well as finance a library expansion and upgrade of Inlet Park Fields.

Other cities, meanwhile, are looking to bolster existing reserves or create new reserves.

Langley Township has included a one per cent tax “infrastructure levy” for a capital renewal and replacement reserve, while Delta is considering a 0.5 per cent tax increase to upgrade five synthetic turf fields and a 1.5 per cent boost for an additional fire hall at Boundary Bay Airport.

Maple Ridge proposes to reduce its asset levy in 2016 from one per cent to 0.5 per cent, making up the shortfall with casino funds. In North Vancouver City, 13 per cent of its tax increases are allocated to capital projects, with reserves earmarked for specific purchases such as fire trucks or snow removal “so we don’t have to hit taxpayers hard if something comes up,” Mayor Darrell Mussatto said. “It’s a way better situation than some municipalities that go day-to-day. It’s like saving before we spend.”

New Westminster, which is facing a tax increase of up to 3.2 per cent, warned it is experiencing the “challenge of replacing aging infrastructure, buildings and equipment while at the same time adding new capital stock to address the needs of a growing community.” It proposes to fund annual maintenance and replacement of transportation infrastructure as well as city hall renovations and the Massey Theatre redevelopment.

Surrey, meanwhile, wants to build new ice rinks in Bridgeview and Cloverdale. Several municipalities, including Surrey, Richmond, Port Coquitlam, Coquitlam and Delta, have also pledged to bolster their police forces, while Vancouver promises to boost social housing in Southeast False Creek, remove the Georgia Dunsmuir Viaduct, and acquire land in the River District for social housing.

The City of White Rock is proposing a 2.2 per cent reduction in property taxes for 2016.