

West Vancouver council approves asset levy

New tax will cost most homeowners an extra \$186

Justin Beddall / North Shore News

March 2, 2016 12:00 AM



Of course DNV has been doing this for more than 10 years -- 1% at a time! - cjk

West Vancouver Coun. Bill Soprovich cast the lone vote against introducing an asset tax, while Coun. Mary-Ann Booth said the change will surprise some residents. file photos

The District of West Vancouver has over \$1 billion worth of community assets – from rec centres to public piers – and now the municipality wants residents to buck up in order to maintain them.

Last week council approved a new asset levy of 5.25 per cent that will be applied to both residential and business properties and used specifically for the maintenance and replacement of the municipality's community assets.

For the average assessed residential property, that will cost homeowners an extra \$186 dollars on their property tax bill.

Council also approved an operating budget increase for 2016 of 1.62 per cent, which means an increase of \$56 on the average-priced residential property.

Combined, the two levies amount to a 6.87 per cent increase in property taxes for West Vancouver residents.

"We have not done this properly for 100 years, ever since this community was established," said Coun. Nora Gambioli, discussing the asset tax. "And I think that past councils need to take the blame; I think that those of us on council who have been here for a while also need to take the blame, but I'd like to stop it here and I'd like to start paying for the assets to be maintained."

Coun. Bill Soprovich was the only councillor to vote against introducing an asset tax because he wanted more details on the municipality's asset inventory before making a decision.

In a presentation to council, Isabel Gordon, director of financial services, said over the past two years the municipality

has been identifying, categorizing and assessing the condition of every asset in the district – many of which will need to be replaced over the next 50 years.

Gordon said to properly maintain and replace the entire list will cost around \$300 million dollars over the next 20 years, an average of \$13.9 million annually.

Other Canadian municipalities have built asset gap levies of between 15 and 20 per cent of tax levels over many years, starting in some cases in the 1990s, she said.

Gordon said it was important to separate the operating budget and capital budget.

“If there is a problem balancing the budget, one of the things that has happened in the past is that the amount available for assets maintenance has been reduced in order to make the operating budget possible to deliver,” said Gordon.

“That means there have been cuts to assets management because operating revenues are insufficient to deliver the services.”

Gordon said the review of the municipality's assets show there are assets that are reaching their critical point and asset management needs to be addressed. “There’s a myriad of assets and each one of them has a different maintenance schedule and costs.”

As an example, Gordon said over the next 20 years it will cost around \$17 million to maintain the West Vancouver Aquatic Centre.

Coun. Mary-Ann Booth expects that the new asset tax will surprise some residents.

“It hasn’t been done historically and is going to come as a shock,” she said. “This is a change for this community. In the past we’ve paid as we’ve gone, and you ran a building into the ground, like the police station. And that seemed to be what the plan was: Pay as you go, don’t maintain it, run it into the ground and then sell land and build a new one. Well, this is not sustainable.”

Coun. Soprovich and Mayor Michael Smith bristled at the suggestion the municipality hasn’t properly maintained assets over the years.

“We have been spending money on infrastructure, \$7 million at least every year so it’s not accurate to say that we have been ignoring the assets in the municipality,” said Smith.

© 2016 North Shore News

[Sign up for the North Shore News FREE digital newsletter to receive top headlines from each issue in your Inbox. \(http://www.nsnews.com/newsletter/subscribe\)](http://www.nsnews.com/newsletter/subscribe)