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2016 OPERATING BUDGET BRIEFING NOTE

2016 CVA Changes (Residential Class)

Issue / Background:

To present the Residential Property Class Current Value Assessment (CVA) changes from the 2015 phased- in CVA values to the 2016 phased-in CVA values.

Key Points:

- Property assessment values are reassessed in four year cycles. For the tax years 2013 to 2016, property values reflect a valuation date of January 1, 2012, updating from the previous cycle for tax years 2009 to 2012 which was based on a valuation date of January 1, 2008.

Assessment Cycle

<u>Tax Year</u>	<u>Valuation Date</u>
1998, 1999, 2000	June 30, 1996
2001, 2002	June 30, 1999
2003	June 30, 2001
2004,2005	June 30, 2003
2006, 2007, 2008	January 1, 2005
2009, 2010, 2011, 2012	January 1, 2008
2013, 2014, 2015, 2016	January 1, 2012 ✓

- The market value assessment increases between the 2008 valuation date and the 2012 valuation date are being phased-in over four years for all property classes, with one-quarter of the assessment change being applied in each of the four years (2013-2016). For a property in which the assessment has decreased in value, the lower assessed value will apply immediately.

Illustration of 4-year Assessment Increase Phase-In

Property value on January 1, 2012 (2013-2016 tax years)	\$550,000 ✓
Property Value on January 1, 2008 for 2012 tax year	<u>\$450,000</u>
Property value has changed by	\$100,000 ÷ by 4 years

<u>Tax year</u>	<u>Phased-In Assessment</u>
2013	\$475,000
2014	\$500,000
2015	\$525,000
2016	\$550,000 ✓

- The CVA changes, updating values from January 1, 2008 to January 1, 2012 are as follows:

2016 CVA Changes

	Jan. '12 vs. Jan '08	Phased-in for 2015	Phased-in for 2016
Residential	23.0%	5.1%	4.9%
Multi-Residential	23.4%	5.3%	5.0%
Commercial	22.1%	5.2%	4.9%
Industrial	18.2%	3.5%	3.3%
City Wide	22.8%	5.1%	4.9%

*not exactly one-quarter because decreases are phased-in immediately.

Residential Property Class:

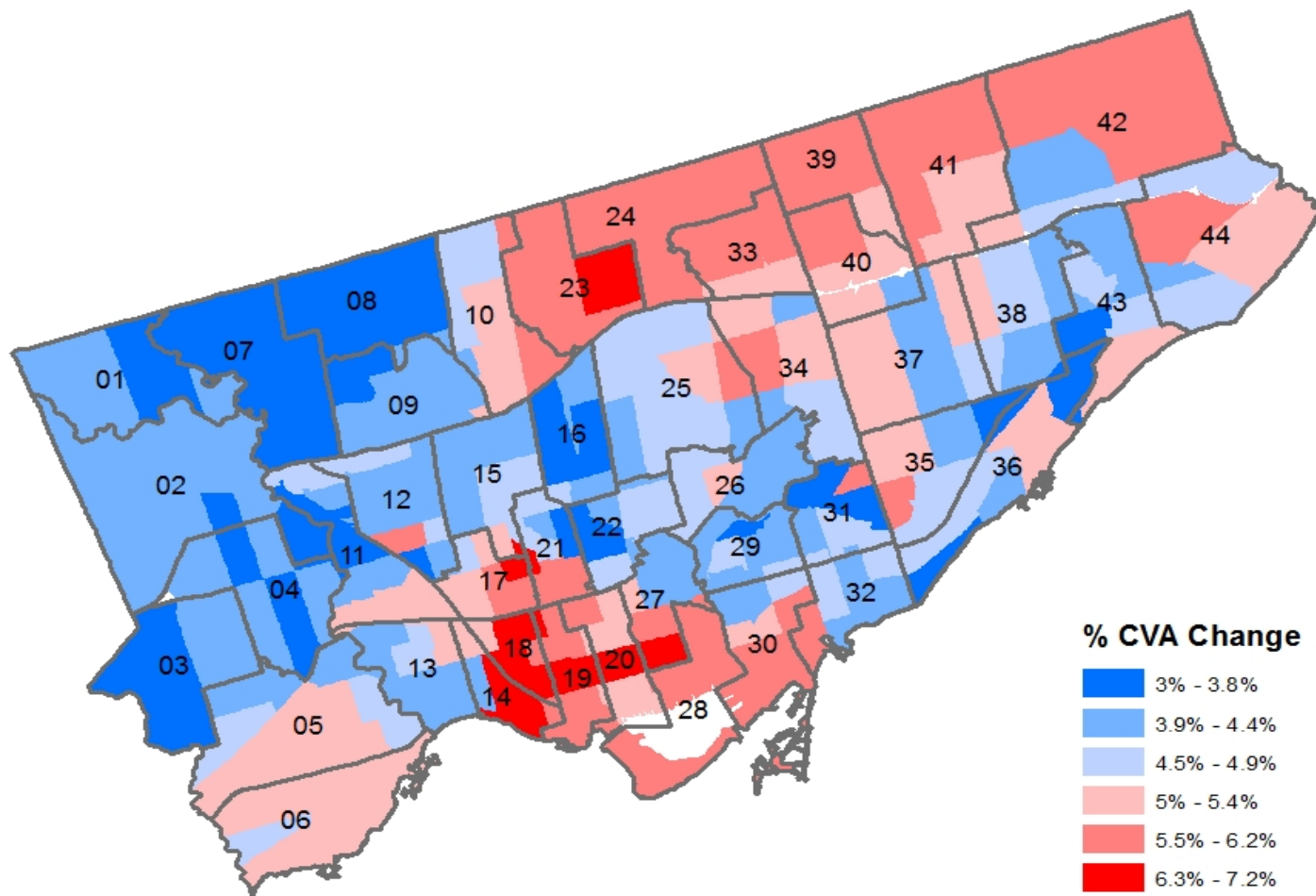
- The Residential Property Class has appreciated by 23.0% between the January 1, 2008 valuation date and the January 1, 2012 valuation date. The average assessed value for all residential property types is now \$549,586, up from \$448,444 from the older base (at year end 2012).
- The phased-in average CVA increase for 2016 is 4.9%. The average phased-in assessed value for all residential property types for purposes of the 2016 taxation year is \$549,586.
- Residential properties for which the 2016 phased-in assessment has appreciated at a rate greater than class average increase of 4.9% will experience a CVA-related increase in tax burden, subject to any other changes arising from the last bullet below.
- Residential properties for which the 2016 phased-in assessment has increased less than the class average increase of 4.9% will experience a CVA-related decrease in tax burden, subject to any other changes arising from the last bullet below.
- In addition to CVA tax shifts within the Property Class, additional tax impacts may occur due to (i) tax shifts between property classes due to CVA changes; (ii) tax shifts between property classes due to Council policy decisions (eg. tax ratio targets); and, (iii) tax levy increases.

Attachment: Ward-by Ward CVA Changes

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Date: December 15, 2015

2016 Residential Current Value Changes



2016 Average Residential CVA Change by Ward

Ward	No. of Properties	2015 Phased-In Assessment	2016 Phased-In Assessment	2015 Average Property Value	2016 Average Property Value	Average % Change
01	11,324	3,481,326,437	3,606,464,043	307,429	318,480	3.59%
02	13,853	5,071,789,531	5,259,665,804	366,115	379,677	3.70%
03	15,413	7,606,995,432	7,891,851,803	493,544	512,026	3.74%
04	12,952	9,711,156,970	10,085,356,378	749,780	778,672	3.85%
05	23,359	13,337,719,223	13,950,665,854	570,988	597,229	4.60%
06	22,729	10,168,462,477	10,686,614,680	447,378	470,175	5.10%
07	11,106	3,941,046,378	4,077,622,907	354,857	367,155	3.47%
08	8,730	2,546,538,745	2,630,521,654	291,700	301,320	3.30%
09	9,664	3,820,745,158	3,972,514,638	395,359	411,063	3.97%
10	14,135	7,855,395,722	8,256,227,770	555,741	584,098	5.10%
11	14,561	5,108,631,556	5,323,002,315	350,843	365,566	4.20%
12	10,365	4,436,063,005	4,622,361,409	427,985	445,959	4.20%
13	16,517	10,363,657,877	10,824,713,273	627,454	655,368	4.45%
14	11,076	6,466,811,489	6,837,411,112	583,858	617,318	5.73%
15	14,100	6,813,156,628	7,123,754,655	483,203	505,231	4.56%
16	15,071	16,157,831,068	16,758,242,645	1,072,114	1,111,953	3.72%
17	14,205	6,148,794,747	6,490,120,725	432,861	456,890	5.55%
18	13,641	6,119,521,862	6,525,098,952	448,612	478,345	6.63%
19	27,820	12,858,772,093	13,627,523,566	462,213	489,846	5.98%
20	40,667	21,171,727,691	22,298,923,860	520,612	548,330	5.32%
21	10,397	9,473,286,084	9,922,475,267	911,156	954,359	4.74%
22	17,618	16,508,365,081	17,182,256,036	937,017	975,267	4.08%
23	37,708	19,773,747,476	20,996,446,806	524,391	556,817	6.18%
24	21,377	12,231,482,209	12,963,977,720	572,180	606,445	5.99%
25	17,072	22,439,601,783	23,483,704,768	1,314,410	1,375,568	4.65%
26	13,138	7,122,803,100	7,433,415,359	542,153	565,795	4.36%
27	33,488	22,834,803,993	24,045,463,825	681,880	718,032	5.30%
28	25,061	11,852,596,331	12,538,507,072	472,950	500,320	5.79%
29	11,977	6,699,880,889	6,970,992,684	559,396	582,032	4.05%
30	16,605	8,494,836,806	8,923,345,530	511,583	537,389	5.04%
31	13,444	5,791,869,036	6,033,592,330	430,814	448,794	4.17%
32	17,557	10,476,063,691	10,960,705,023	596,689	624,293	4.63%
33	14,987	6,402,938,121	6,755,448,465	427,233	450,754	5.51%
34	10,423	5,150,932,780	5,407,406,499	494,189	518,796	4.98%
35	13,898	4,672,386,820	4,888,352,851	336,191	351,731	4.62%
36	13,984	6,366,626,902	6,638,852,020	455,279	474,746	4.28%
37	14,982	5,237,233,659	5,477,522,686	349,568	365,607	4.59%
38	17,764	5,580,829,916	5,840,681,051	314,165	328,793	4.66%
39	14,829	5,820,085,078	6,144,824,218	392,480	414,379	5.58%
40	15,527	5,683,873,693	5,975,951,461	366,064	384,875	5.14%
41	17,458	7,053,325,435	7,452,255,086	404,017	426,868	5.66%
42	18,750	6,236,718,534	6,531,304,717	332,625	348,336	4.72%
43	11,367	4,157,933,855	4,343,496,074	365,790	382,115	4.46%
44	17,768	7,702,661,588	8,091,174,935	433,513	455,379	5.04%
City Wide	738,467	386,951,026,949	405,850,810,526	523,992	549,586	4.88%