



2015 ASSESSMENT GROWTH

General Issues Committee

February 23, 2016



2015 Assessment Growth

- Final 2015 net growth = 1.6% or \$13.1M in tax revenue
 - Includes both new construction / supplementary taxes (increase in assessment) and write-offs/successful appeals (decrease in assessment)
- Assessment growth is the result of the strong permit activity – Over \$1B in 4 consecutive years



2015 Assessment Growth by Class

	Change in Unweighted Assessment	Change in Municipal Taxes	% Class Change ¹	% of Total Change
Residential	\$ 925,529,500	\$ 10,040,700	1.9%	1.3%
Multi-Residential	\$ 8,497,100	\$ (65,900)	-0.1%	0.0%
Commercial	\$ 120,954,700	\$ 2,658,600	2.0%	0.3%
Industrial	\$ 11,632,000	\$ 463,600	1.1%	0.1%
Other	\$ (14,643,200)	\$ 7,100	0.1%	0.0%
Total	\$ 1,051,970,100	\$ 13,104,100	1.6%	1.6%

¹ % change in respective property class

Anomalies due to rounding



2015 Assessment Growth by Ward

	Change in Unweighted Assessment	Change in Municipal Taxes	% Ward Change ¹	% Total Change ²
Ward 1	\$ 4,343,900	\$35,797	0.1%	0.0%
Ward 2	\$ 19,421,900	\$94,670	0.2%	0.0%
Ward 3	\$ 11,900,600	\$131,165	0.3%	0.0%
Ward 4	\$ 10,146,500	\$308,442	0.6%	0.0%
Ward 5	\$ 12,554,400	\$150,534	0.3%	0.0%
Ward 6	\$ 19,050,000	\$485,125	0.9%	0.1%
Ward 7	\$ 77,098,600	\$1,030,302	1.2%	0.1%
Ward 8	\$ 66,155,900	\$601,353	0.9%	0.1%
Ward 9	\$ 149,351,400	\$1,752,764	4.6%	0.2%
Ward 10	\$ 31,880,191	\$759,372	1.9%	0.1%
Ward 11	\$ 296,471,500	\$3,371,145	4.8%	0.4%
Ward 12	\$ 159,753,800	\$2,173,295	2.9%	0.3%
Ward 13	\$ 28,525,100	\$296,184	0.8%	0.0%
Ward 14	\$ 25,553,900	\$267,702	1.1%	0.0%
Ward 15	\$ 139,762,400	\$1,646,261	3.2%	0.2%
Total	\$ 1,051,970,100	\$13,104,100	1.6%	1.6%



Residential vs. Non-Residential Assessment Growth

- Growth continues to be driven by the Residential property tax – 1.3% of total

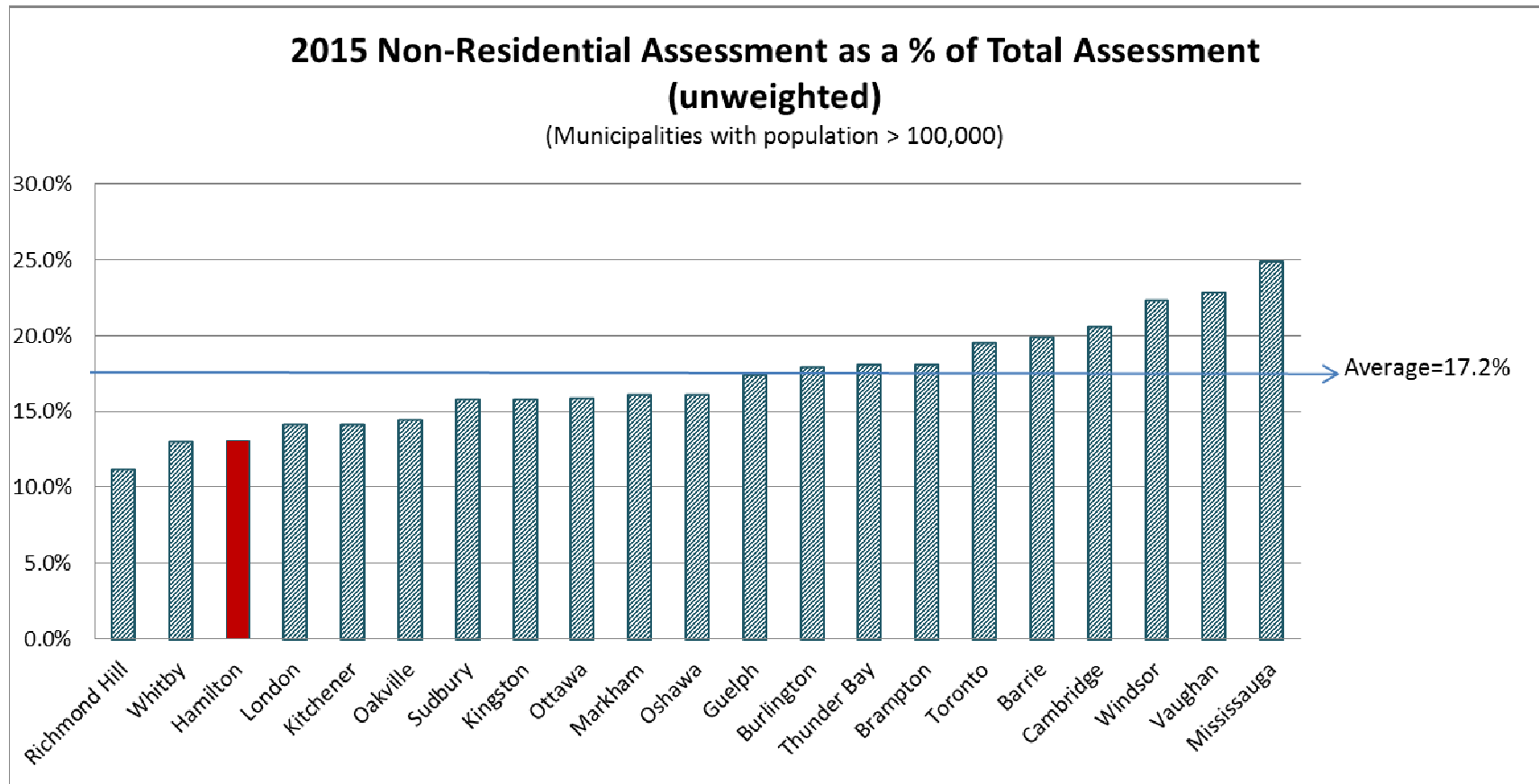
	Assessment Growth (Net)				
	2011	2012	2013	2014	2015
Total	1.1%	0.8%	0.8%	1.3%	1.6%
Residential	1.2%	0.9%	0.9%	1.0%	1.3%
Non-Residential	-0.1%	-0.1%	-0.1%	0.3%	0.3%

	% of Unweighted Assessment Change
Residential	88%
Non-Residential	12%

	% of Total Change in Municipal Taxes
Residential	77%
Non-Residential	23%



Residential vs. Non-Residential Municipal Comparison



Hamilton proportion of Residential vs Non-Residential
assessment continues at a 87% / 13% split



Residential vs. Non-Residential Assessment Growth

It's all about the tax ratio...

	2015 RATIOS
RESIDENTIAL	1.0000
COMMERCIAL	1.9800
INDUSTRIAL	3.1223

- \$1 million increase in residential assessment results in \$11,900 in additional taxes
- \$1 million increase in commercial assessment results in \$23,500 in additional taxes
- \$1 million increase in industrial assessment results in \$37,100 in additional taxes



Commercial Property Class

- Growth of 0.3% in the Commercial property class is similar to last's year results.
- Represents \$2.3 million in additional taxes
- Increases in the Commercial property class include Activation Labs, GO Train Layover facility and new commercial buildings/shopping plazas in Stoney Creek, Flamborough and Binbrook
- Decreases include commercial units formerly occupied by Target, TransCanada Pipelines and McMaster Innovation Centre.



Industrial Property Class

- The Industrial property class contributed 0.1% to the total growth (\$463,000 in additional taxes)
 - Increases in the Commercial property class include ArcelorMittal Dofasco, Triple M Metal, United Step and Metal Limited and a new industrial/commercial facility in Ancaster
 - Decreases include Metro Freightliner Hamilton Inc. and Russel Metals Inc.
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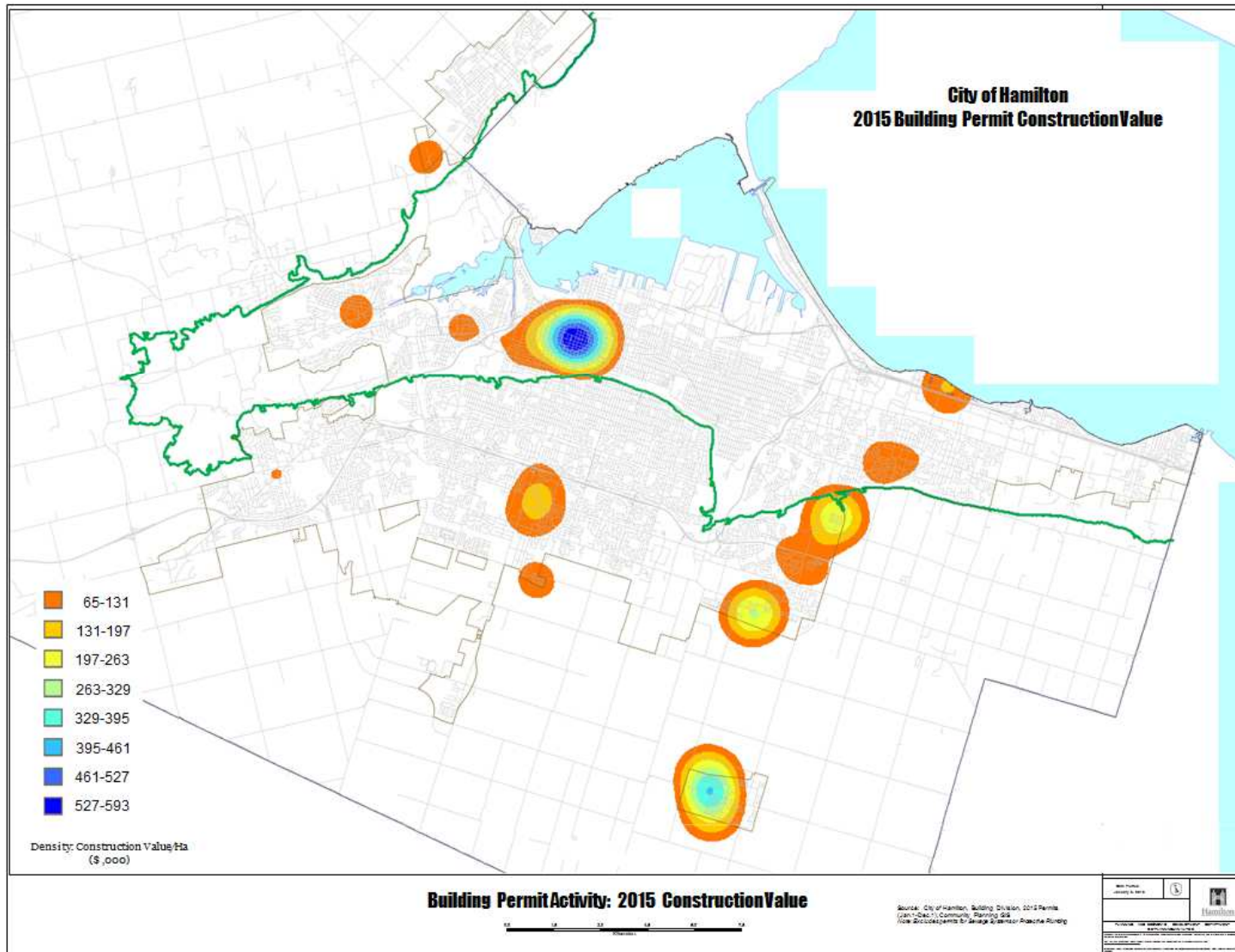
Historical and Geographical Trends

The following motion was approved at the GIC meeting of February 1, 2016:

“That staff be directed to prepare a presentation highlighting the historical and geographical trends related to new assessment and supplemental growth and report to the 2016 General Issues Committee Budget process”.

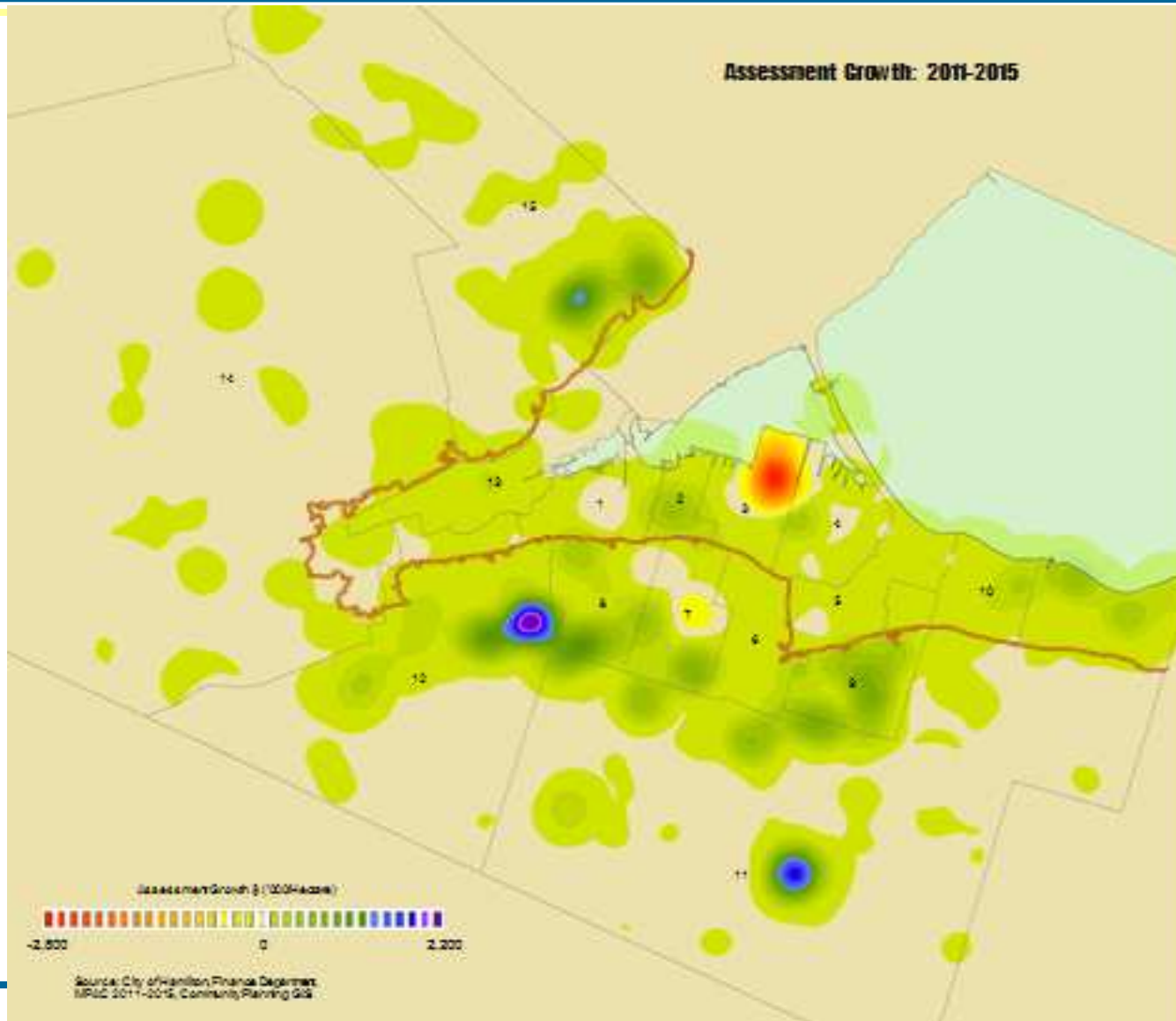


2015 Building Permit Construction Value



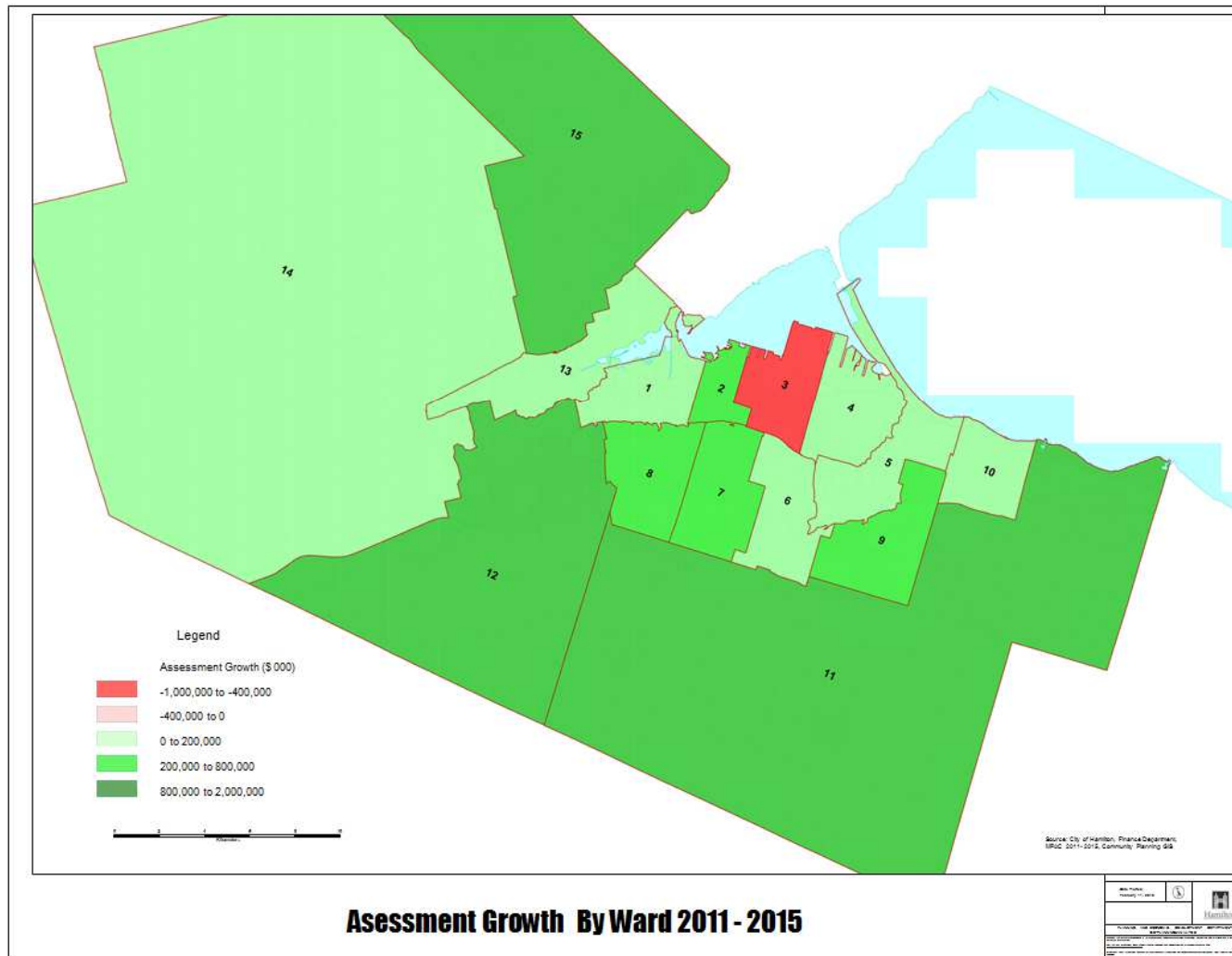


Assessment Growth 2011-2015





Assessment Growth by Ward 2011-2015



Assessment Growth vs. Building Permits

