

City of Burlington Fiscal Impact Study

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 Planning for growth

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1. Introduction

The City of Burlington (City) is undergoing an important transition and is facing a number of economic and demographic changes. The City, as part of its Strategic Plan mandate, has decided to City-build, which will see a greater intensification of development, largely within its existing built boundary. As such, it becomes imperative to understand the fiscal impacts of such development. To this end, the City requested a Fiscal Impact Study (FIS) be undertaken to understand the effects of the proposed new development on the City's financial position, both in aggregate, as well as by development type and location. The FIS will be another tool available to Council for decision making to use in establishing a plan for City-building and to shape the physical, social, economic and cultural fabric of the City. In this regard, Watson & Associates Economists Ltd. (Watson) was retained by the City to undertake a Fiscal Impact Study which would measure the incremental operating and capital cost impacts of development on the City's net levy.

The Study has been designed to measure the fiscal impacts of growth over the City's forecast period to 2031. The growth forecast is derived from the City's 2014 DC Background Study, which provides the amount, type and location of development. Consistent with this forecast, the FIS analyzed the development within four separate geographic quadrants within the City. Within the geographic areas, a variety of residential and non-residential development types were considered, reflecting the potential mix of future development within the respective areas. Moreover, in addition to measuring the incremental operating and capital costs of development, the FIS considers the City's capital asset inventory and incremental growth-related capital requirements to quantify the estimated full lifecycle cost investments in infrastructure and incorporate these costs into the projected net levy.

The following chapters summarize the study methodology, details of the analysis, and findings.

2. Methodology

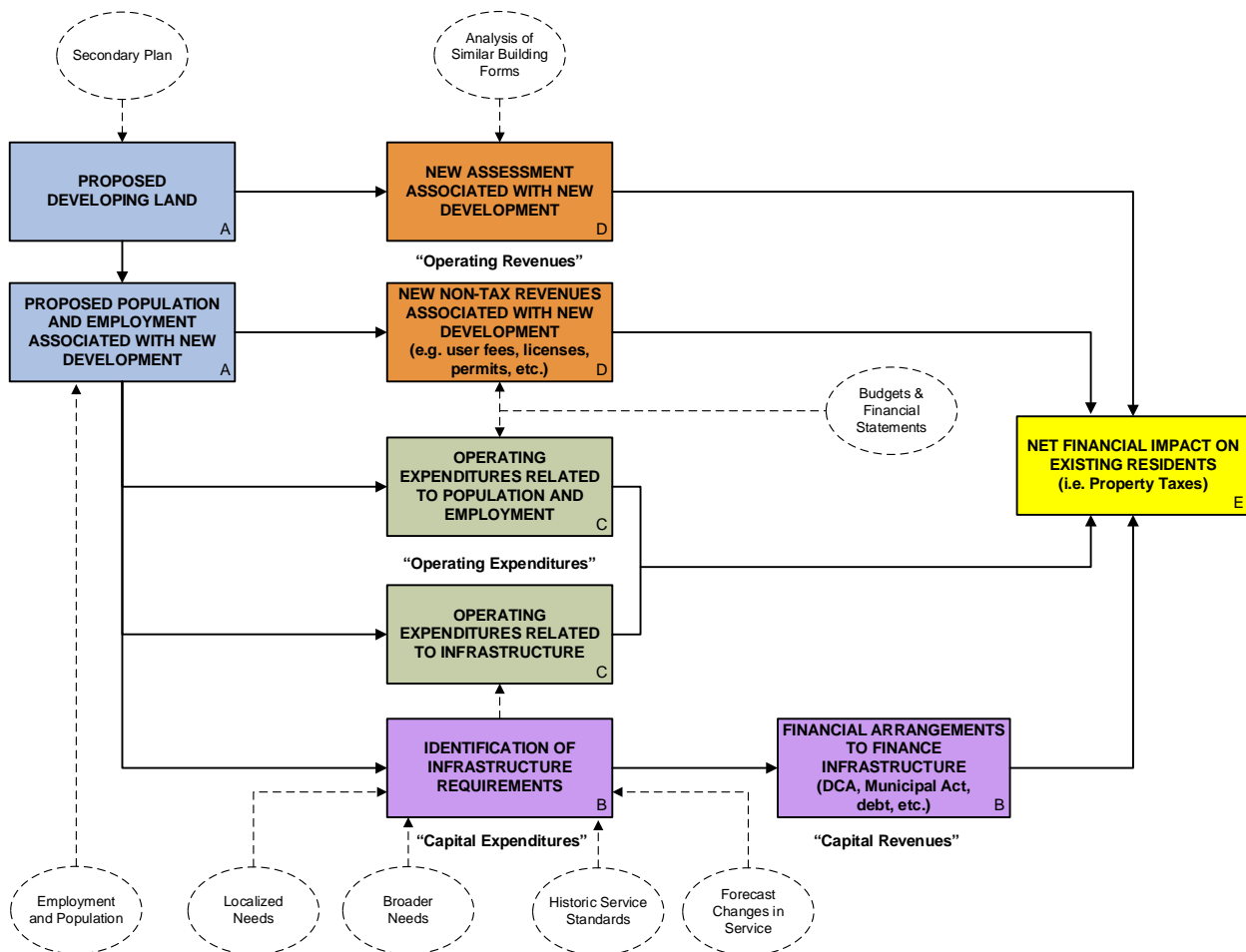
2.1 General Approach to the Fiscal Impact Study

Figure 2-1 provides a schematic overview of the methodology undertaken for the purposes of this FIS, which is described as follows:

- Blue Boxes (labelled “A” in bottom right corner) – denote the anticipated development forecast for the City to the year 2031. The proposed population and employment associated with new development is detailed in Section 3.1 herein and reflect the City’s most recent projections as contained in the City’s 2014 Development Charges Background Study and the Region’s Best Planning Estimates.
- Fuchsia Boxes (labelled “B” in bottom right corner) – denote capital infrastructure required to service the anticipated development over the forecast period. The capital requirements to support the servicing needs (roads, fire, parks and recreation, etc.) were derived from the City’s 2014 Development Charges Background Study. Capital project costs contained therein have been indexed to 2016 values, and associated project timing has been maintained. In addition to the future development-related capital costs, the analysis also identifies the additional lifecycle requirements identified in the City’s capital asset inventory to provide for sustainable capital spending for existing infrastructure.
- Green Boxes (labelled “C” in bottom right corner) – denote the incremental operating expenditures anticipated over the forecast period arising from new development. These expenditures comprise two parts: program service costs assessed on the basis of anticipated population and employment; and incremental operating expenditures associated with new capital works emplacement. Consideration of economies/diseconomies of scale have been provided in the incremental operating expenditure assessment reflective of anticipated future service levels.
- Orange Boxes (labelled “D” in bottom right corner) – denote incremental revenues commensurate with growth. The new assessment associated with development produces incremental property tax revenues as residential, commercial and industrial building activity occurs over the forecast period. Moreover, new non-tax revenues associated with new development reflect anticipated user fees, permits, licences, and other revenues associated with service program demands arising from population and employment growth.

- Yellow Box (labelled “E” in bottom right corner) – denotes the overall fiscal impact on the City’s net levy over the forecast period. This is the summation of the anticipated development and incremental net expenditures relative to the property taxes generated, at current tax rates, over the forecast period. Where net expenditures exceed anticipated property tax revenues, forecast development will apply increasing upward pressure on property tax rates. Where property tax revenues exceed net expenditures, additional revenues may serve to support increased funding of future service levels, increases in infrastructure lifecycle spending, etc.

Figure 2-1
Overview of the Fiscal Impact Study Methodology



2.2 Approach to City of Burlington Fiscal Impact Study

The FIS was designed to consider the fiscal impacts in aggregate for the City over the projected growth horizon to 2031, as well as to study impacts on smaller geographic zones within the City. As such the FIS considers the location of development within four separate geographic areas. These areas were established in discussions with City Planning and Burlington Economic Development Corporation (BEDC) staff to provide alignment with other City initiatives.

As previously discussed in Chapter 1, the Study has been designed to assess four separate geographic quadrants within the City. Areas 1 and 3 represent mature urban areas of the City with the greatest opportunities for future residential and mixed-use intensification. Within Areas 1 and 3, the primary form of future development is residential, mixed-use and office intensification along designated intensification nodes/corridors. Within Area 1, the Urban Growth Centre (UGC) represents the City's primary intensification node. Additional non-residential greenfield development is also anticipated within Areas 1 and 3 on remaining vacant lands in designated employment areas. Future residential and non-residential growth within Area 2 is anticipated to be primarily focused on remaining vacant greenfield lands and to a lesser extent, residential and mixed-use intensification within Uptown (Upper Middle Rd. and Appleby Line). Lastly, Area 4 represents the City's rural area. Figure 2-2 illustrates the four geographic areas for which development was studied.

In addition to defining the geographic areas for study, preliminary discussions with City Planning and BEDC staff identified the following residential and non-residential development types, and sub-types, for consideration in the FIS. The development sub-types were selected as they reflect the predominant built form which is anticipated to occur over the forecast period with each of the broader residential and non-residential development categories. It is appropriate to consider existing conditions and trends regarding residential occupancy, average floor space per worker and current assessed values for each of the respective residential and non-residential development sub-types identified as these inputs influence the results of the fiscal impact analysis.

Figure 2-2
City of Burlington
Proposed Geographic Zones

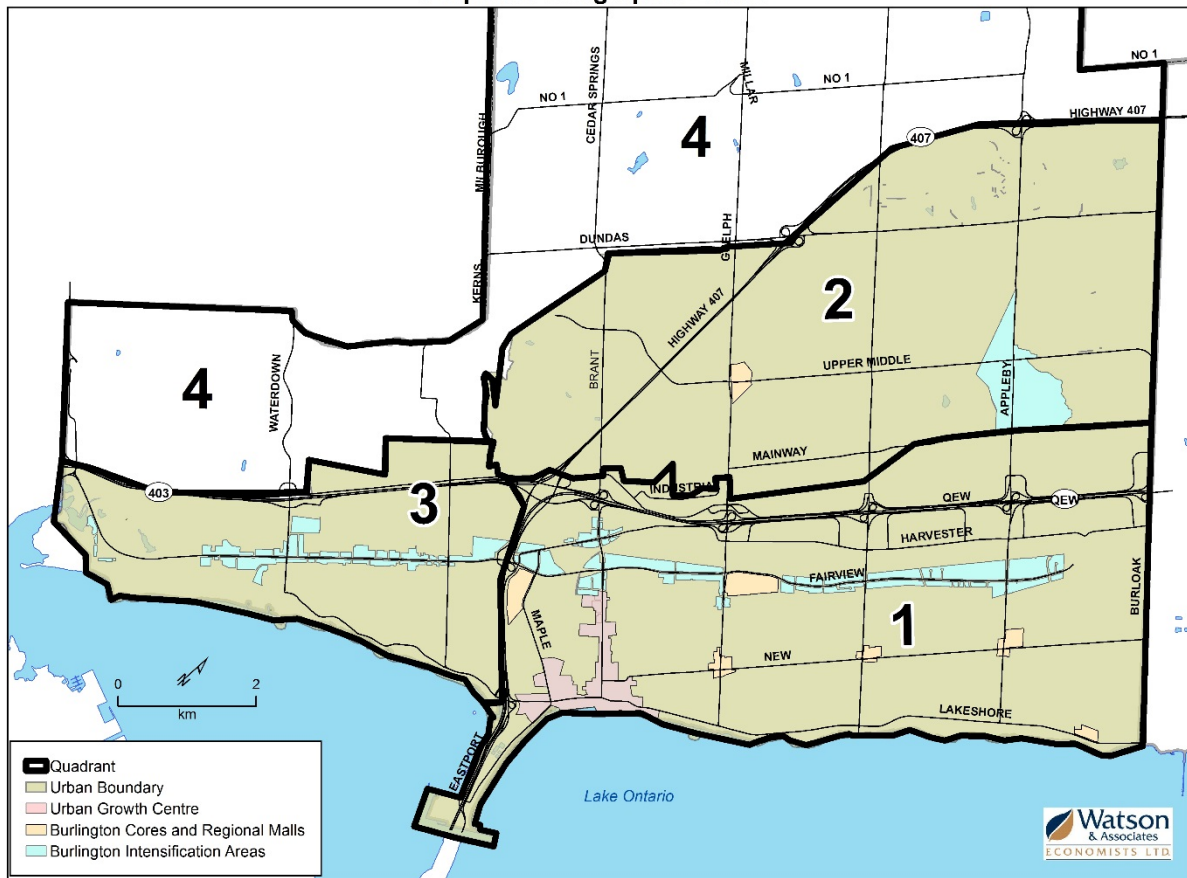


Figure 2-3
City of Burlington
Summary of Anticipated Development Types (and Sub-Types)

Residential Development Types

Low Density

- Single/Semi-Detached
- With Accessory Units

Medium Density

- Street-Oriented, Stacked, Back-to-Back
- Low-Rise Apartments/Condos (<5 storey)

High Density

- Condominium
- Apartment

Non-Residential Development Types

Office

- Commercial
- Institutional

Commercial/Retail

- Big Box
- Street-Oriented

Industrial

Mixed Non-Residential

The FIS sampled properties for each development type within the respective geographic zones identified above. Assessed market values for each sampled property were taken from the Municipal Property Assessment Corporation's (MPAC's) 2016 assessment database to calculate expected incremental property taxation revenues. Property tax revenues were determined based on actual taxes paid by each sampled property for 2016.

Occupancy (i.e. persons per unit) estimates were developed for the sampled properties to calculate the per unit net operating costs. Non-tax revenues were estimated for each development type based on the City's 2016 Budget, assessed on a per capita/per employee basis and applied based on the underlying occupancy assumptions. Similarly, annual operating expenditure calculations were assessed on a per capita/per employee basis and applied to the underlying occupancy assumptions for each development type. Operating expenditures for each service are based on the City's 2016 Budget, with consideration for potential economies and diseconomies of scale reflective of anticipated future service levels.

Provision for per capita/per employee annual capital-related lifecycle requirements is based on the City's recently completed Asset Management Plan and incremental capital assets identified in the City's 2014 Development Charges (DC) Background Study. The capital-related lifecycle requirements were measured at replacement costs and assessed by geographic zone to measure the potential differences in long-term lifecycle requirements in each area. It is noted, however, that ultimately all analysis with respect to capital was undertaken on a City-wide basis to be consistent with the application of the City's development charges and taxation policies, and in recognition of broader system-wide service delivery.

Comparing the revenue and expenditure estimates provides net annual operating expenditures by development type and geographic zone. These net annual operating expenditures are then aggregated based on the anticipated development type mix within each location to provide the overall fiscal impacts of development.

3. Fiscal Impact Analysis

3.1 Development Forecast

Watson & Associates developed a population, housing and employment forecast for the City by geographic quadrant consistent with the City's 2014 Development Charge (DC) Background Study. Our growth allocation approach considered the total housing and employment forecast data by traffic zone, as provided through the 2011 Halton Region BPE, updated to reflect building permit activity and available land supply by quadrant.

As the City undergoes its transformation from a suburban to an urban community and opportunities for traditional greenfield development diminish, the City will focus future population growth in key areas, such as Mobility Hubs. These new, complete, compact neighbourhoods will be planned and developed near the Aldershot, Burlington and Appleby GO stations as well as in the downtown. The City is currently preparing master plans along with implementation strategies for each Mobility Hub. Furthermore, the City recently released a draft new Official Plan which communicates Council's vision and establishes strategic priorities for the City's growth management, land uses and infrastructure. The new Official Plan and Mobility Hub plans will be fundamental in shaping the City's future landscape, which may alter the development plan underlying the City's 2014 DC Study.

It is further noted that the results of the 2016 Census¹ indicate that the 2016 City of Burlington population was 183,314². This is approximately 7,900 persons higher than the 2016 population forecast for the City of Burlington in accordance with the 2014 DC Background Study. The higher 2016 population reported by the Census is a result of higher than average persons per unit (PPU) levels in new units and a lower population decline in existing households compared to previous forecasts. In contrast to population trends, the 2016 Census identifies that housing growth within the City of Burlington as a whole is tracking closely to the 2014 DC Background Study. Based on the foregoing it would be reasonable to expect that the amount of residential housing growth projected to 2031 would be maintained, however the incremental net population growth would be higher than forecast for the period.

While the updated 2016 Census figures and changes arising from the new Official Plan and Mobility Hub plans may place upward pressure on additional capital needs for incremental development, these impacts would be more appropriately measured

¹ Population and total households released on February 8, 2016.

² Excluding the net Census undercount.

through the 2019 DC process. As such, for the purposes of this study the 2014 DC Background Study incremental residential growth forecast assumptions have been maintained.

Residential growth forecast by quadrant is summarized in Table 3-1. It is anticipated that the City's population will grow by 5.3% (9,376 population) over the forecast period, from the current population of 176,793 to 186,169 by 2031. The majority of that growth is projected to occur within Quadrant 1 (i.e. south-east portion of the City), representing 71% (6,668 population) of the incremental population growth over the forecast period. Quadrant 2 (i.e. north-east portion of the City) represents the second largest area of residential growth, with 24% (2,240 population) of the incremental population growth anticipated to occur in this area over the forecast period to 2031.

Table 3-2 summarizes the employment forecast, excluding work at home employment and NFPOW employment. The impact on municipal services from work at home employees have already been included in the population forecast. The impacts of municipal services related to NFPOW employees have largely been included in the employment forecast by usual place of work (i.e. employment and GFA in the retail and accommodation sector generated from NFPOW construction employment). Usual place of work employment¹ within the City is projected to grow by 9,902 employees (i.e. 12.6% increase) over the forecast period, from 78,411 in 2016 to 88,313 by 2031. Non-residential employment growth is primarily projected to take place in Quadrants 2 and 1 (i.e. eastern portion of the City), with 50% (4,922 employees) and 36% (3,610 employees) of total employment growth to 2031 occurring in these two quadrants, respectively.

¹ Usual place of work excludes Work at Home and No Fixed Place of Work Employment

Table 3-1
City of Burlington
2016-2031 Residential Growth Forecast by Quadrant

Quadrant 1

Year	Population ¹	Housing Units					Persons per Unit
		Low Density	Medium Density	High Density	Other	Total	
2011	72,520	14,690	5,545	10,995	40	31,270	2.32
2016	73,136	14,732	5,955	11,668	40	32,395	2.26
2031	79,804	14,832	6,345	17,331	40	38,548	2.07
2011-2016	616	42	410	673	-	1,125	
2016-2031	6,668	100	390	5,663		6,153	

Quadrant 2

Year	Population ¹	Housing Units					Persons per Unit
		Low Density	Medium Density	High Density	Other	Total	
2011	82,280	18,935	6,845	3,335	5	29,120	2.83
2016	82,798	19,382	6,889	3,777	5	30,053	2.76
2031	85,039	19,703	7,697	5,604	5	33,009	2.58
2011-2016	518	447	44	442	-	933	
2016-2031	2,240	321	808	1,827		2,956	

Quadrant 3

Year	Population ¹	Housing Units					Persons per Unit
		Low Density	Medium Density	High Density	Other	Total	
2011	16,660	4,155	1,250	1,485	10	6,900	2.41
2016	16,830	4,167	1,329	1,677	10	7,183	2.34
2031	16,193	4,172	1,345	1,677	10	7,204	2.25
2011-2016	170	12	79	192	-	283	
2016-2031	- 638	5	16	-	-	21	

Quadrant 4

Year	Population ¹	Housing Units					Persons per Unit
		Low Density	Medium Density	High Density	Other	Total	
2011	4,060	1,345	40	-	15	1,400	2.90
2016	4,029	1,361	40	-	15	1,416	2.85
2031	5,133	1,757	40	-	15	1,812	2.83
2011-2016	- 31	16	-	-	-	16	
2016-2031	1,105	396	-	-	-	396	

Total City of Burlington

Year	Population ¹	Housing Units					Persons per Unit
		Low Density	Medium Density	High Density	Other	Total	
2011	175,520	39,125	13,680	15,815	70	68,690	2.56
2016	176,793	39,642	14,213	17,122	70	71,047	2.49
2031	186,169	40,464	15,427	24,612	70	80,573	2.31
2011-2016	1,273	517	533	1,307		2,357	
2016-2031	9,376	822	1,214	7,490		9,526	

Source: Total housing based on 2011 Halton Best Planning Estimates (BPE). 2016 population and housing derived from City of Burlington Building Permit Activity. Housing forecast by housing type by Watson & Associates.

¹ Population excludes net census undercount.

Table 3-2
City of Burlington
2016-2031 Non-Residential (Employment) Growth Forecast by Quadrant

Location	Year/Period Forecast	Primary	Commercial (Retail + Office)	Retail	Office	Industrial	Institutional	Usual Place of Work- Total	No Fixed Place of Work ¹	Work at Home	Total Employment, Including NFPOW & WAH
Quadrant 1	2016	0	27,197	15,230	11,967	15,660	9,067	51,924	3,960	2,859	58,743
	2031	0	29,180	16,341	12,839	17,192	9,162	55,534	4,060	2,974	62,568
	2016 - 2031	0	1,983	1,111	872	1,532	95	3,610	100	115	3,825
Quadrant 2	2016	0	8,502	6,462	2,040	4,263	6,427	19,192	4,483	3,237	26,912
	2031	0	10,045	7,634	2,411	7,552	6,517	24,114	4,608	3,362	32,084
	2016 - 2031	0	1,543	1,172	371	3,289	90	4,922	125	125	5,172
Quadrant 3	2016	0	3,565	2,852	713	1,348	672	5,585	911	658	7,154
	2031	0	3,736	2,989	747	2,376	682	6,794	926	673	8,393
	2016 - 2031	0	171	137	34	1,028	10	1,209	15	15	1,239
Quadrant 4	2016	403	634	539	95	270	403	1,710	218	158	2,086
	2031	403	755	642	113	280	433	1,871	256	178	2,305
	2016 - 2031	0	121	103	18	10	30	161	38	20	219
City of Burlington	2016	403	39,898	25,083	14,815	21,541	16,569	78,411	9,572	6,912	94,895
	2031	403	43,716	27,606	16,110	27,400	16,794	88,313	9,850	7,187	105,350
	2016 - 2031	0	3,818	2,523	1,295	5,859	225	9,902	278	275	10,455

Source: Total employment based on 2011 Halton Best Planning Estimates (BPE). 2016 employment base and forecast by major sector derived by Watson & Associates.

1. Statistics Canada defines no fixed place of work (NFPOW) employees as "persons who do not go from home to the same work place location at the beginning of each shift." Such persons include buildings and landscape contractors, travelling salespersons, independent truck drivers, etc.

The broadly classified residential and non-residential development types contained in Tables 3-1 and 3-2 respectively, were subsequently categorized into the FIS development types (and sub-types) identified in Section 1.1 of this report. This was provided to better understand the composition of anticipated development and measure at a more granular level the anticipated assessment growth within the board development categories. A summary of the residential dwelling unit growth projections by FIS development unit type are provided in Table 3-3. Similarly, forecast non-residential gross floor areas growth projections by FIS development type are provided in Table 3-4.¹

With respect to residential development, high density development comprise 63% (5,992 dwelling units) of total development over the forecast period. The majority of high density residential development is forecast to occur in Quadrants 1 and 2, representing 76% and 24% of forecast dwelling units respectively. For FIS modeling purposes, it is assumed that 75% of high density residential development will be in the form of condominium development, with the remaining 25% comprising apartment developments.

Medium density development accounts for 29% (2,712 dwelling units) of total residential development over the forecast period. Similar to high density residential development, the majority of this type of development is anticipated to occur in Quadrants 1 and 2, representing 56% and 43% respectively. Low-rise apartment developments are expected to comprise 55% of total medium density residential developments, largely within Quadrant 1. Street oriented, stacked and back-to-back developments account for the remaining 45% of total medium density residential development, with greater take up for this type of development occurring in Quadrant 2.

Low density residential development represents the smallest share of forecast development, accounting for 8% of total residential dwelling units. While low density residential development is forecast for all quadrants, Quadrants 4 and 2 will have the largest amounts of this type of development, accounting for 48% and 39% of total low density residential development respectively. At the sub-type level, it is assumed that 20% of all low density residential development over the forecast period will contain accessory units.

Industrial development represents the largest share of forecast usual place of work employment within the City to 2031. Utilizing underlying floor space densities from the

¹ Average floor space per worker by non-residential sector has been derived based on a detailed review of the Halton Region 2015 Employment Survey.

City's 2014 D.C. Background Study, industrial development is forecast to account for 4.2 million square feet of additional gross floor area (GFA) over the forecast period. This represents 64% of the total non-residential GFA development forecast for the City to 2031. The largest amounts of industrial development are forecast to occur in Quadrants 2 and 1, representing 56% and 26% of total industrial GFA development respectively.

Commercial/retail development represents the second largest amount of forecast non-residential GFA, with 1.5 million square feet (23%) of additional space anticipated over the forecast period. Quadrants 1 and 2 account of 92% of total commercial/retail development over the forecast period, with distribution between the quadrants generally equal. The forecast assumes that approximately 947,000 square feet of total commercial/retail development will be in the form of big box retail developments. The remaining 550,000 square feet will be in the form of street oriented commercial/retail developments.

Office development represents 0.5 (7%) million square feet of additional GFA over the forecast period. Commercial office development represents that largest share of forecast office development, accounting for 84% of the total. The remaining 16% would comprise of institutional office development. Similar to commercial/retail development, it is anticipated that the majority of office development would be located within Quadrants 1 and 2, representing 63% and 30% of total office development respectively.

Mixed non-residential development, comprising both population-related and industrial non-residential development types, are forecast to represent 0.4 million square feet of additional GFA area over the forecast period. Quadrant 2 would account for the largest share of this type of development with approximately 210,000 (51%) square feet of GFA. Quadrant 1 would account for approximately 140,000 (34%) square feet of GFA.

Table 3-3
City of Burlington
2016-2031 Residential Growth Forecast by FIS Development Type

Type of Units	Estimated P.P.U.	2016	2017-2031 Forecast				Total Residential Units	2031
			Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4		
<u>Low Density</u>								
Single/Semi-Detached	3.2		75	240	4	296	615	
With Accessory Units	4.3		19	60	1	74	154	
<u>Medium Density</u>								
Street Oriented, Stacked, Back-to-Back	2.3		390	808	16	-	1,214	
Low-Rise Apartments	1.5		1,133	365	-	-	1,498	
<u>High Density</u>								
Condominium (high rise)	1.5		3,398	1,096	-	-	4,494	
Apartment (high rise)	1.5		1,133	365	-	-	1,498	
Total Units		71,047	6,147	2,935	21	370	9,473	80,520

Gross Population		9,673	5,638	55	1,268	16,633	
Population Decline						7,257	
Net Population	176,793					9,376	186,169

Table 3-4
City of Burlington
2016-2031 Non-Residential Growth Forecast by FIS Development Type

Type of Development	Estimated Sq.Ft./ Emp.	2016	2017-2031 Forecast				Total Number of Sq.Ft.	2031
			Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4		
<u>Office</u>								
Commercial	325		255,060	108,518	9,945	5,850	379,373	
Institutional	325		30,875	29,250	3,250	9,750	73,125	
<u>Commercial/Retail</u>								
Big box	783		434,720	458,589	53,606	0	946,916	
Street Oriented	419		232,865	245,650	28,715	43,177	550,408	
Industrial	800		1,103,040	2,368,080	740,160	8,000	4,219,280	
Mixed Non-Residential Growth	563		135,345	206,058	59,791	0	401,194	
Total Sq.Ft of Development			2,191,905	3,416,145	895,467	66,777	6,570,295	

Employment	78,411	3,610	4,922	1,209	161	9,902	88,313
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3.2 Property Value Assessment Estimates

To measure the net levy impacts by property type, and in aggregate, MPAC's assessment database was sampled to determine market comparables consistent with the underlying development forecast referenced above. This section of the report summarizes the results of the sampling of City properties undertaken to establish typical property value assessment estimates for various types of development, in accordance with the specified FIS development types. Sampling of MPAC's assessment database

was undertaken by City Finance staff, with subsequent analysis performed by Watson & Associates, to derive a representative sample of anticipated future development types. A summary of the sampling process is provided in further detail in Appendix A.

In total, 265 residential and 280 non-residential properties were included in the sample that was used to establish typical property value assessment estimates. A summary of the distribution of sampled properties by geographic zone is provided in Tables 3-5 and 3-6

Table 3-5
City of Burlington
Residential Sample Sizes by Development Type and Location

Development Type	Zone 1	Zone 2	Zone 3	Zone 4	Total
Low Density					
Single/Semi-Detached	25	26	26	25	102
With Accessory Units	3	10	4	7	24
Medium Density					
Street Oriented, Stacked, Back-to-Back	33	35	14	-	82
Low Rise Apartments (<5 storeys)	1	6	3	-	10
High Density					
Condominium (high rise)	8	7	2	-	17
Apartment (high rise)	25	2	3	-	30

Table 3-6
City of Burlington
Non-Residential Sample Sizes by Development Type and Location

Development Type	Zone 1	Zone 2	Zone 3	Zone 4	Total
Office					
Commercial	25	8	8	1	42
Institutional	17	6	5	5	33
Commercial/Retail					
Big Box	24	21	6	-	51
Street Oriented	25	8	9	2	44
Industrial	25	25	7	-	57
Mixed Non-Residential	24	22	7	-	53

The sampled properties were used to determine average property value assessment per residential dwelling unit and non-residential square foot of GFA in each geographic quadrant. A summary of the average property value assessment by development type and the resultant increase in total incremental assessment for the forecast development over the period to 2031 is provided in Table 3-7. Table 3-8 summarizes the forecast weighted assessment growth over the forecast period, based on the City's 2016 tax ratios.

City-wide weighted assessment is projected to grow by approximately \$5.1 billion (12.8%) over the forecast period 2017-2031. The majority of weighted assessment will occur within the City's Urban Service Area, representing \$4.7 billion in weighted assessment growth or 92% of the City-wide total. Residential development will contribute the largest share of weighted assessment growth, totaling \$3.3 billion or 65% of the total. Non-residential development accounts for the remaining \$1.8 billion in weighted assessment growth, largely comprised of industrial assessment growth of \$1.1 billion.

As described in section 3.1, the largest amounts of residential and non-residential development will occur within Quadrants 1 and 2. Quadrant 1 developments will contribute \$2.6 billion in incremental weighted assessment growth, i.e. 51% of the total. Quadrant 2 developments will provide \$1.8 billion in incremental weighted assessment growth, i.e. 36% of the total.

Table 3-7
City of Burlington
Market Value Assessment Forecast

RESIDENTIAL

Type of Units	Tax Class	Average Assessment per Dwelling Unit				2017-2031 Forecast				Assessment Increment 2017-2031
		Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4	
<u>Low Density</u>										
Single/Semi-Detached	RT	497,557	397,879	644,466	946,896	37,316,792	95,490,907	2,577,864	280,281,308	415,666,870
With Accessory Units	RT	424,099	419,501	568,328	1,099,849	8,057,884	25,170,074	568,328	81,388,814	115,185,100
<u>Medium Density</u>										
Street Oriented, Stacked, Back-to-Back	RT	365,836	380,461	353,455		142,675,981	307,412,753	5,655,277	-	455,744,011
Low-Rise Apartments	RT	226,931	234,153	282,691		257,022,330	85,559,561	-	-	342,581,890
<u>High Density</u>										
Condominium (high rise)	RT	373,867	294,309	279,676		1,270,325,513	322,622,071	-	-	1,592,947,584
Apartment (high rise)	MT	128,274	127,704	117,676		145,283,222	46,662,874	-	-	191,946,096
Total						1,860,681,721	882,918,239	8,801,469	361,670,122	3,114,071,552

NON-RESIDENTIAL

Type of Development	Tax Class	Average Assessment per Square Foot of GFA				2017-2031 Forecast				Assessment Increment 2017-2031
		Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4	
<u>Office</u>										
Commercial	DT	222	259	264	204	56,720,018	28,120,352	2,621,019	1,195,954	88,657,343
Institutional	DT	25	44	38	48	786,199	1,283,161	123,876	472,737	2,665,973
<u>Commercial/Retail</u>										
Big box	CT	187	228	134		81,491,517	104,714,910	7,209,009	-	193,415,436
Street Oriented	CT	250	267	251	312	58,304,855	65,643,416	7,194,621	13,473,895	144,616,787
<u>Industrial</u>	IT	102	103	137		112,912,362	243,904,251	101,355,700	-	458,172,312
<u>Mixed Non-Residential Growth¹</u>										
Commercial Component 60%	CT	56	49	48		7,611,666	10,188,027	2,899,270	-	20,698,963
Industrial Component 40%	IT	38	34	33		5,176,541	6,928,673	1,971,735	-	14,076,950
Total						323,003,158	460,782,790	123,375,231	15,142,586	922,303,765

¹ For Mixed Non-Residential development, the assessment per square foot has two components (i.e. commercial and industrial). For example in Quadrant 1, one square foot of mixed non-residential development generates \$56 of CT assessment and \$38 of IT assessment.

Table 3-8
City of Burlington
Weighted Assessment Forecast (\$)

Property Class	Tax Ratio	2016		2017-2031 Forecast					2031	
		Whole City	Urban Service Area	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4	Total Increment	Whole City	Urban Service Area
All Existing		39,612,027,027	38,237,429,087						39,612,027,027	38,237,429,087
Residential (RT)	1.000000			1,715,398,499	836,255,365	8,801,469	361,670,122	2,922,125,456	2,922,125,456	2,560,455,334
New Multi-residential (NT)	2.000000			290,566,445	93,325,748	-	-	383,892,193	383,892,193	383,892,193
Office (DT)	1.456500			83,757,800	42,826,213	3,997,940	2,430,448	133,012,401	133,012,401	130,581,953
Commercial (CT)	1.456500			214,699,794	262,965,747	25,201,673	19,624,727	522,491,941	522,491,941	502,867,214
Industrial (IT)	2.359899			278,677,887	591,940,370	243,842,313	-	1,114,460,570	1,114,460,570	1,114,460,570
Total		39,612,027,027	38,237,429,087	2,583,100,424	1,827,313,444	281,843,395	383,725,297	5,075,982,561	44,688,009,588	42,929,686,351

3.3 Net Operating Expenditures

The FIS evaluation measured the incremental service demands of development and the corresponding net operating expenditures on a service-by-service basis. The process considered the City's 2016 budgeted expenditures within 11 broad service areas, including Public Safety, Maintenance, Roads and Transportation, Leisure, Design and Build, Customer Relations and Citizen Representation, Internal Support and Administration, Mayor and Council, Financial Transactions, Shared Costs, and Local Boards and Other Agencies. The following summarizes the process undertaken to arrive at the incremental net operating expenditures for the anticipated development over the forecast period 2017-2031.

For each service, the methodology removed one-time funding from the net expenditures recognizing no further incremental demand for services. Having isolated the reoccurring service demands for future development, operating expenditures and revenues within each service area were allocated between residential and non-residential uses to determine operating expenditures for current service level demands on a per capita and per employee basis. Non-residential portions of operating expenditures and revenues were further allocated between retail and non-retail uses. The basis for these splits are trip generation rates and average trip lengths utilized in the City's DC Study. Most services were allocated between residential and non-residential benefits based on 2016 estimates of population and employment. However for services that largely address resident demands (e.g. libraries, parks and recreation, cemetery), 95% of annual operating expenditures and revenues were attributed to residential uses. This is consistent with the City's development charges allocation policies, and reflects the minor benefits of these services accruing to employment-related demands.

Once operating expenditures and revenues were allocated between residential and non-residential uses, a determination was made whether these service demands are expected to grow in direct proportion to growth, or whether some economies or diseconomies of scale are likely to occur. For example, many of the City's internal support functions such as Financial Management and Human Resources are not expected to grow in direct proportion to growth since these functions are already well-established. However, the costs of other functions (e.g. Transit) will likely grow at a faster pace than current per capita/employee service levels as the City enhances the service delivery of these functions. It is also noteworthy that in several cases spending requirements for a particular service were considered to be largely unaffected by growth. For example, in the cases of Mayor and Council, and provisions for Joseph

Brant Hospital, and Randle Reef services, no incremental operating expenditures are anticipated with new development.

The City's 2016 gross operating expenditures totalled \$164 million, with \$147 million in City-wide services and \$17 million in urban only service areas (e.g. Roads and Transportation, and Maintenance). Current gross operating expenditures provide a level of service investment of \$666 per capita, \$565 per retail employee and \$531 per non-retail employee. Adjusting for one-time expenditures and economies/diseconomies of scale, the level of service estimate for future development is \$549/capita, \$504/retail employee, and \$470/non-retail employee.

Similarly, 2016 non-tax operating revenues totalled \$49 million, with \$43 million in City-wide service and \$5 million in urban only services. Current non-tax operating revenues provide for recovery at approximately \$199 per capita, \$160 per retail employee, and \$156 per non-retail employee. Adjusted, reoccurring non-tax operating revenues are projected at \$164/capita, \$125/retail employee, and \$121/non-retail employee.

Measured in current dollars (i.e. excluding inflation), and applying these per capita and per employee service demands to the anticipated development over the forecast period, would result in an increase of approximately \$9.8 million in annual gross operating expenditures by 2031. These annual operating costs would be mitigated by an increase in annual non-tax operating revenue of \$2.7 million. This represents an increase of approximately \$7.1 million in annual net operating expenditures compared to the City's 2016 budget, or an increase of approximately 6.1%. This compares with the anticipated increase in weighted property assessment of new development of approximately 12.8%, suggesting sufficient property tax revenues, at current rates, to address the incremental operating costs of service demands. It should be noted however that these net operating expenditure impacts are net of incremental capital-related expenditures, which will be addresses in subsequent sections. Tables 3-9 and 3-10 summarize the City's 2016 annual operating expenditures and non-tax operating revenues, and 2031 estimates by service.

Table 3-9
City of Burlington
2016 and Forecast 2031 Annual Operating Expenditures by Service

	2016 Annual Operating Expenditures		2016 Operating Expenditures				2017-2031 Operating Expenditures				2017-2031 Incremental Annual Operating Expenditures		2031 Annual Operating Expenditures	
	City-wide	Urban Only	Per Capita	Per Employee			Per Capita	Per Employee			City-wide	Urban Only	City-wide	Urban Only
				Average	Retail	Non-retail		Average	Retail	Non-retail				
<u>City Services</u>														
Public Safety	30,705,414		117	117	117	117	61	61	61	61	1,174,423		31,879,837	
Maintenance (city-wide)	21,308,773		82	80	96	73	90	89	104	82	1,705,468		23,014,241	
Maintenance (urban-only)		1,776,194	7	7	8	7	7	7	8	7		125,155		1,901,349
Roads and Transportation (city-wide)	8,767,100		33	33	40	30	36	36	43	33	692,789		9,459,888	
Roads and Transportation (urban-only)		14,938,588	59	59	59	59	88	88	88	88		1,588,569		16,527,157
Leisure	21,618,552		112	14	14	14	69	8	8	8	728,002		22,346,554	
Design and Build	8,931,519		24	59	59	59	25	61	61	61	838,900		9,770,419	
Customer Relations and Citizen Representation	1,457,550		6	6	6	6	3	3	3	3	66,815		1,524,365	
Internal Support and Administration	22,738,440		87	87	87	87	77	77	77	77	1,487,748		24,226,188	
Mayor and Council	1,890,836		7	7	7	7	-	-	-	-	-		1,890,836	
<u>Corporate Expenditures</u>														
Financial Transactions	13,135,890		50	50	50	50	28	28	28	28	534,447		13,670,337	
Shared Costs	2,881,688		11	11	11	11	9	9	9	9	179,707		3,061,395	
Local Boards and Other Agencies	13,870,909		70	12	12	12	56	12	12	12	644,462		14,515,371	
TOTAL	147,306,671	16,714,782	666	542	565	531	549	481	504	470	8,052,760	1,713,725	155,359,431	18,428,507

Table 3-10
City of Burlington
2016 and Forecast 2031 Annual Non-Tax Operating Revenues by Service

	2016 Annual Non-Tax Revenues		2016 Non-Tax Revenues				2017-2031 Non-Tax Revenues				2017-2031 Annual Non-Tax Revenues		2031 Annual Non-Tax Revenues	
	City-wide	Urban Only	Per Capita	Per Employee			Per Capita	Per Employee			City-wide	Urban Only	City-wide	Urban Only
				Average	Retail	Non-retail		Average	Retail	Non-retail				
City Services														
Public Safety	2,497,905		10	10	10	10	10	10	10	10	183,988		2,681,893	
Maintenance	2,620,686		10	9	12	8	10	9	12	8	182,521		2,803,207	
Roads and Transportation (city-wide)	3,217,812		12	12	13	12	12	12	13	12	240,005		3,457,817	
Roads and Transportation (urban-only)		5,368,700	21	21	21	21	32	32	32	32		570,908		5,939,608
Leisure	14,045,916		73	9	9	9	73	9	9	9	771,167		14,817,083	
Design and Build	5,897,712		16	39	39	39	16	39	39	39	529,262		6,426,974	
Customer Relations and Citizen Representation	212,390		1	1	1	1	1	1	1	1	15,644		228,034	
Internal Support and Administration	771,705		3	3	3	3	3	3	3	3	56,841		828,546	
Mayor and Council	408,100		2	2	2	2	-	-	-	-	-		408,100	
Corporate Revenues														
Corporate Revenues	11,911,250		46	46	46	46	8	8	8	8	147,314		12,058,564	
General Revenues and Recoveries	1,752,787		7	7	7	7	-	-	-	-	-		1,752,787	
TOTAL	43,336,263	5,368,700	199	157	160	156	164	122	125	121	2,126,743	570,908	45,463,006	5,939,608

3.4 Capital-Related Expenditures

Section 3.3 quantifies the incremental net operating expenditures for new development over the forecast period, based on anticipated service demands and current service levels. The incremental operating expenditures do not provide for annual capital-related expenditures, which form part of the annual net levy to provide funding for on-going rehabilitation and replacement of existing assets (and to fund ineligible growth-related capital expenditures). This section summarizes how these expenditures have been quantified and considered in the FIS analysis.

The City has recently completed the Asset Management Plan (AMP) and corresponding Asset Management Financial Plan; comprehensive documents outlining the management of the City's infrastructure and appropriate levels of ongoing capital funding for asset lifecycle requirements. Information regarding asset inventory replacement costs, estimated useful life and annual funding levels are obtained from the city's Asset Management Plan. The City's current tangible capital asset inventory totals approximately \$2.9 billion, and a breakdown of this inventory by asset type is provided in Table 3-11. In total the 2016 budget provided approximately \$36.1 million in annual capital funding.

The City's asset management plan has defined an average annual need of \$67.5 million in order to sustain its existing inventory of assets at the current levels of service. Compared with 2016 budget capital related funding, this represents an increase of \$31.4 million in annual capital related funding. In the context of the city's 2016 net levy, this represents an increase of approximately 21%. The City recognizes as the asset management program is refined, improvements will be made to asset management practices and better information will become available regarding it infrastructure and needs. The level of capital funding will periodically be assessed to address long-term asset lifecycle needs.

In the context of a fiscal impact analysis, incremental development-related capital expenditures are considered to be largely a null factor, falling outside of the analysis, as the City has the ability to recover most growth-related capital costs through development charges. However, it is recognized that development charges potentially fail to recover some capital costs, such as service standard increases and other statutory deductions (i.e. 10% deduction on "soft services"). It also needs to be recognized that the emplacement of new infrastructure, even if funded fully by development charges, results in on-going capital asset lifecycle costs (i.e. subsequent rehabilitation and replacement of infrastructure over its useful life).

Table 3-11 summarizes the incremental capital-related expenditures for growth-related capital needs. Incremental growth-related capital costs were determined based on the City's 2014 D.C. Background Study. Annual capital-related expenditures for non-D.C. recoverable capital costs have been estimated assuming financing over the forecast period. In total, these cost would provide \$435,000 in additional annual capital-related financing costs over the forecast period. With respect to the on-going growth-related lifecycle costs for growth-related infrastructure, these capital-related expenditures were calculated on a sinking-fund basis. In total, the annual lifecycle costs associated with growth-related infrastructure emplaced over the 2017-2031 forecast period is \$3.2 million.

Table 3-11
City of Burlington
Current (2016) Asset Inventory and Incremental Capital by Asset Class

Asset Category	Replacement Value	Incremental (DC) Capital (2016\$)
	City of Burlington 2017 Asset Management Plan	
Roadways	\$ 2,013,335,790	\$ 134,111,241
Stormwater Management	\$ 66,573,650	\$ 10,242,746
Facilities	\$ 547,696,300	\$ 471,143
Parks	\$ 200,306,630	\$ 11,680,100
Information Technology	\$ 44,732,000	n/a ¹
Fleet	\$ 70,598,338	\$ 1,897,054
TOTAL	\$ 2,943,242,708	\$ 158,402,285
Annual Lifecycle Contribution	\$ 67,496,012	\$ 3,154,881
Proportion of asset replacement value	2.3%	2.0%

¹ IT Infrastructure is not a DC-eligible cost and therefore would not be captured in the City's DC Study. As such, there could be incremental IT costs that are not captured within this analysis.

4. Fiscal Impacts on the City's Net Levy and Property Tax Rates

The previous sections described various components that were analyzed for the fiscal impact assessment. This section brings these components together in order to demonstrate the net effect of population and employment growth on the City's net levy and property tax rates by 2031. Table 4-1 summarizes the net impact on the City's net levy and property tax rates.

The first two columns of Table 4-1 (i.e. "2016") provide a summary of the City's 2016 budget. In total, the City's net levy requirement for 2016 was \$146 million (i.e. \$127 million for City-wide services and \$19 million for urban area services). Analyzed in the context of the City's weighted assessment for taxation purposes, this provides a calculated residential-taxable (RT) property tax rate of 0.370608%. This calculated rate is generally consistent with the City's actual 2016 RT tax rate of 0.370576%, with a minimal rounding error.

The subsequent columns in Table 4-1 (i.e. "2016 (at full lifecycle)") incorporate the estimated full lifecycle capital funding requirement for existing infrastructure assets. As discussed in subsection 3.4 of this report, annual full lifecycle funding would equate to \$67.5 million, an increase of \$31.4 million from 2016 budget levels. Incorporating this increase in annual capital funding, absent any future assessment growth, City tax rates would increase by 21.2% from 0.370608% to 0.450470%. On an annualized basis this corresponds to a 1.3% real tax rate increase over the 15-year forecast period.

The net fiscal impacts of incremental growth are provided in the two columns entitled "2017-2031 Increment". Based on the modeling provided above, net annual operating expenditures would increase by approximately \$10.2 million by 2031, including \$7.0 million in annual net operating expenditures and \$3.2 million in annual capital-related funding. Measured against a \$5.1 billion increase in weighted property assessment over the period, the marginal tax rate would be 0.203255%. Compared with current 2016 property tax rates, this would suggest that growth in incremental property assessment would sufficiently offset the projected costs of services and provide additional revenues to contribute towards the full lifecycle funding of existing infrastructure assets. This contribution is estimated at approximately \$8.4 million annually.

The final two columns in Table 4-1, entitled "2031", provide the total fiscal impact on the City's net levy and tax rates by 2031, assuming full lifecycle funding and growth. The

urban service area RT tax rate is projected to reach 0.422574% by 2031. Compared to the City's 2016 RT tax rate, this equated to a real annual tax rate increase of 0.9% over the forecast period. It is noteworthy that this increase is lower than what would be needed if there was no growth in the City. As such, it can be concluded that overall, the forecast development within the City to 2031 would serve to mitigate the fiscal pressures on the City's property tax rates.

Table 4-1
City of Burlington
Fiscal Impact Summary and Tax Rate Calculations (2016\$)

Source	2016		2016 (at full lifecycle)		2017-2031 Increment		2031	
	City-wide	Urban Only	City-wide	Urban Only	City-wide	Urban Only	City-wide	Urban Only
Operating Expenditures								
City Services	117,418,184	16,714,782	117,418,184	16,714,782	6,694,145	1,713,725	124,112,328	18,428,507
Corporate Expenditures	16,017,578	-	16,017,578	-	714,154	-	16,731,732	-
Local Boards and Other Agencies	13,870,909	-	13,870,909	-	644,462	-	14,515,371	-
Total Operating Expenditures	147,306,671	16,714,782	147,306,671	16,714,782	8,052,760	1,713,725	155,359,431	18,428,507
Non-Tax Revenues								
Operating (controllable) Revenue	29,672,226	5,368,700	29,672,226	5,368,700	1,979,429	570,908	31,651,655	5,939,608
Corporate Revenues	11,911,250	-	11,911,250	-	147,314	-	12,058,564	-
General Revenues and Recoveries	1,752,787	-	1,752,787	-	-	-	1,752,787	-
Gas Tax	5,300,000	-	5,300,000	-	-	-	5,300,000	-
Total Non-Tax Revenues	48,636,263	5,368,700	48,636,263	5,368,700	2,126,743	570,908	50,763,006	5,939,608
Capital ¹	28,367,227	7,735,624	53,033,892	14,462,120	3,154,881	-	56,188,773	14,462,120
Tax Levy Requirement	127,037,635	19,081,706	151,704,299	25,808,202	9,080,899	1,142,817	160,785,198	26,951,019
Weighted Assessment	39,612,027,027	38,237,429,087	39,612,027,027	38,237,429,087	5,075,982,561	4,692,257,263	44,688,009,588	42,929,686,351
RT Tax Rate	0.320705%	0.049903%	0.382975%	0.067495%	0.178899%	0.024355%	0.359795%	0.062779%
Total RT Tax Rate in Urban Service Area	0.370608%		0.450470%		0.203255%		0.422574%	
Real Annual Tax Rate Increase			1.3%				0.9%	

¹ For 2016 (at full lifecycle) and 2031, capital funding was attributed between city-wide and urban only based on the 2016 budget.

5. Fiscal Impacts by Development Type

This section disaggregates the fiscal impact conclusions provided in Section 4 to focus on the impacts of each development type. The following sub-sections summarize the net levy fiscal impacts on a per residential dwelling unit basis for residential development, and on a per employee basis for non-residential development. The development type analysis measures the fiscal impact over the forecast period, considering current state (i.e. 2016), current state with full cost lifecycle funding levels, incremental development during 2017-2031, and at 2031 with full cost lifecycle funding.

The individual development impact assessments are based on quadrant-specific, average market assessment data. The City's 2016 property tax rates are applied to these average assessments to arrive at the estimated annual taxes paid. These revenues are compared with the annual net expenditure estimates per capita and per employee, for both operating and capital-related expenditures, applied to the underlying occupancy by development type to arrive at the annual service expenditure demands. Comparing the annual tax revenues with the net expenditure service demands provides a measure of the specific development type's impacts on the City's net levy (i.e. are these developments providing sufficient tax revenues to address their demands for service).

5.1 Low Density - Single and Semi-Detached Residential Dwellings

Table 5-1 summarizes the impacts for single and semi-detached residential dwelling units. In 2016, average single and semi-detached residential dwellings units generated net deficits of approximately \$165 annually per unit. At the full lifecycle funding levels, this net annual deficit would increase to \$662 per unit. Single and semi-detached residential dwellings constructed over the forecast period can be expected to generate a net annual surplus tax revenue of \$393 per unit, indicating that the marginal increase in net expenditures generated by this type of unit is more than made up for by the increase in assessment and consequently tax revenues. By 2031, the average single and semi-detached dwelling unit is projected to produce an annual operating deficit of \$604. The marginal increase in surplus taxation revenues from the incremental development reduces the overall deficit associated with moving to full lifecycle funding levels.

Table 5-1
City of Burlington
Fiscal Impact Summary for Low Density - Single and Semi-Detached Residential
Dwelling Units (2016\$ per dwelling unit)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
PPU	3.2	3.2	3.2	3.2
Operating Expenditures	\$ 2,135	\$ 2,135	\$ 1,761	\$ 2,116
Revenue	\$ (639)	\$ (639)	\$ (525)	\$ (634)
Net Operating	\$ 1,496	\$ 1,496	\$ 1,237	\$ 1,483
Capital				
Asset Lifecycle funding	\$ 377	\$ 875		\$ 815
DC Stranded Costs Annual PMT			\$ 76	
Additional (DC) Capital			\$ 477	\$ 24
Total Capital	\$ 377	\$ 875	\$ 553	\$ 839
Operating & Capital	\$ 1,873	\$ 2,370	\$ 1,790	\$ 2,322
Property Tax Revenue	\$ (1,708)	\$ (1,708)	\$ (2,183)	\$ (1,717)
Net Deficit (Surplus)	\$ 165	\$ 662	\$ (393)	\$ 604

5.2 Low Density - Single Detached Dwellings with Accessory Unit

Table 5-2 summarizes the impacts for single detached residential dwellings with accessory units. In 2016, average single detached residential dwellings with accessory units generated net deficits of approximately \$772 annually per unit. At the full lifecycle funding levels, this net annual deficit would increase to \$1,440 per unit. Single detached residential dwellings with accessory units constructed over the forecast period can be expected to generate lower annual net deficits of \$176 per unit, indicating that property taxes generated for this type of development are insufficient in addressing the marginal increase in net expenditures. By 2031, the average single detached dwelling with an accessory unit is projected to produce an annual operating deficit of \$1,366. By comparison to single detached units without accessory units, it would appear that the marginal increase in property taxation revenue generated by units with accessory units (i.e. \$35/year) does not sufficiently address the added service demands associated with the increase in occupancy for these types of units (i.e. 1.1 persons per unit), this resulting in higher net deficits.

Table 5-2
City of Burlington
Fiscal Impact Summary for Low Density - Single Detached Residential Dwelling
with Accessory Units (2016\$ per dwelling unit)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
PPU	4.3	4.3	4.3	4.3
Operating Expenditures	\$ 2,867	\$ 2,867	\$ 2,365	\$ 2,842
Revenue	\$ (859)	\$ (859)	\$ (705)	\$ (851)
Net Operating	\$ 2,008	\$ 2,008	\$ 1,661	\$ 1,991
Capital				
Asset Lifecycle funding	\$ 507	\$ 1,175		\$ 1,095
DC Stranded Costs Annual PMT			\$ 102	
Additional (DC) Capital			\$ 640	\$ 32
Total Capital	\$ 507	\$ 1,175	\$ 743	\$ 1,127
Operating & Capital	\$ 2,515	\$ 3,183	\$ 2,403	\$ 3,118
Property Tax Revenue	\$ (1,743)	\$ (1,743)	\$ (2,227)	\$ (1,752)
Net Deficit (Surplus)	\$ 772	\$ 1,440	\$ 176	\$ 1,366

5.3 Medium Density - Street Oriented, Stacked, and Back-to-Back Dwelling Units

Table 5-3 summarizes the impacts for medium density street oriented, stacked, back-to-back residential dwelling units. In 2016, average medium density residential dwelling units of this type generated net deficits of approximately \$146 annually per unit, deficits approximately 11% lower than average single and semi-detached residential dwelling units. At the full lifecycle funding levels, this net annual deficit would increase to \$508 per unit. For medium density residential dwelling units of this type constructed over the forecast period, these units are expected to generate a surplus of \$68 per unit. By 2031, the average residential dwelling unit of this type would produce an annual operating deficit of \$459.

Table 5-3
City of Burlington
Fiscal Impact Summary for Medium Density - Street Oriented, Stacked, and Back-to-Back Residential Dwelling Units (2016\$ per dwelling unit)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
PPU	2.3	2.3	2.3	2.3
Operating Expenditures	\$ 1,555	\$ 1,555	\$ 1,283	\$ 1,541
Revenue	\$ (466)	\$ (466)	\$ (382)	\$ (461)
Net Operating	\$ 1,089	\$ 1,089	\$ 900	\$ 1,080
Capital				
Asset Lifecycle funding	\$ 275	\$ 637		\$ 594
DC Stranded Costs Annual PMT			\$ 56	
Additional (DC) Capital			\$ 347	\$ 17
Total Capital	\$ 275	\$ 637	\$ 403	\$ 611
Operating & Capital	\$ 1,364	\$ 1,726	\$ 1,303	\$ 1,691
Property Tax Revenue	\$ (1,218)	\$ (1,218)	\$ (1,371)	\$ (1,231)
Net Deficit (Surplus)	\$ 146	\$ 508	\$ (68)	\$ 459

5.4 Medium Density - Low-Rise Apartment Dwelling Units

Table 5-4 summarizes the impacts for medium density low-rise apartment residential dwelling units. In 2016, average medium density residential dwelling units of this type generated net surpluses of approximately \$49 annually per unit. This compares with net deficits of \$146/unit for street oriented, stacked, and back-to-back units, which generate average per capita tax revenues approximately 14% lower than average low-rise apartment residential dwelling units. At the full lifecycle funding levels, this net annual surplus would change to a deficit of \$182 per unit. For medium density residential dwelling units of this type constructed over the forecast period, surplus property tax revenues of approximately \$88/unit would more than off-set the marginal cost of service demands. By 2031, the average residential dwelling unit of this type would produce an annual operating deficits of \$160.

Table 5-4
City of Burlington
Fiscal Impact Summary for Medium Density – Low-Rise Apartment Dwelling Units
(2016\$ per dwelling unit)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
PPU	1.5	1.5	1.5	1.5
Operating Expenditures	\$ 992	\$ 992	\$ 818	\$ 983
Revenue	\$ (297)	\$ (297)	\$ (244)	\$ (294)
Net Operating	\$ 695	\$ 695	\$ 575	\$ 689
Capital				
Asset Lifecycle funding	\$ 175	\$ 406		\$ 379
DC Stranded Costs Annual PMT			\$ 35	
Additional (DC) Capital			\$ 222	\$ 11
Total Capital	\$ 175	\$ 406	\$ 257	\$ 390
Operating & Capital	\$ 870	\$ 1,101	\$ 831	\$ 1,079
Property Tax Revenue	\$ (919)	\$ (919)	\$ (919)	\$ (919)
Net Deficit (Surplus)	\$ (49)	\$ 182	\$ (88)	\$ 160

5.5 High Density – High-Rise Condominium Dwelling Units

Table 5-5 summarizes the impacts for high-rise condominium residential dwelling units. In 2016, average high-rise condominium dwellings unit generated a net surplus of approximately \$68 annually per unit. At the full lifecycle funding levels, this unit would produce a net annual deficit of \$163 per unit. High-rise condominium units constructed over the forecast period can be expected to generate net annual surplus tax revenues of \$392 annually per unit, indicating that the marginal increase in net expenditures generated by this type of unit is more than made up for by the increase in assessment and consequently tax revenues. By 2031, the average dwelling unit of this type is projected to produce an annual operating deficit of \$56. It is noted that although high-rise condominiums and medium density low-rise apartments tend to have the same occupancy (i.e. 1.5 persons per unit), high-rise condominiums generate a relatively higher assessment and tax revenues (i.e. \$938/unit compared to \$919/unit respectively). Hence, these units tend to generate more favourable net impacts than those with similar service demands residing in low-rise medium density buildings.

Table 5-5
City of Burlington
Fiscal Impact Summary for High Density – High-Rise Condominium Residential
Dwelling Units (2016\$ per dwelling unit)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
PPU	1.5	1.5	1.5	1.5
Operating Expenditures	\$ 992	\$ 992	\$ 818	\$ 983
Revenue	\$ (297)	\$ (297)	\$ (244)	\$ (294)
Net Operating	\$ 695	\$ 695	\$ 575	\$ 689
Capital				
Asset Lifecycle funding	\$ 175	\$ 406		\$ 379
DC Stranded Costs Annual PMT			\$ 35	
Additional (DC) Capital			\$ 222	\$ 11
Total Capital	\$ 175	\$ 406	\$ 257	\$ 390
Operating & Capital	\$ 870	\$ 1,101	\$ 831	\$ 1,079
Property Tax Revenue	\$ (938)	\$ (938)	\$ (1,223)	\$ (1,023)
Net Deficit (Surplus)	\$ (68)	\$ 163	\$ (392)	\$ 56

5.6 High Density – High-Rise Apartment Dwelling Units

Table 5-6 summarizes the impacts for high-rise apartment residential dwelling units. By comparison with high-rise condominium dwelling units, both units exhibit the same occupancy levels (i.e. 1.5 persons per unit) and thus the same service demands. Property tax revenues generated for both properties are similar with high-rise condominiums averaging \$938/unit compared to high-rise apartment units at \$933/unit, despite apartment units are taxed at higher rates than condominium properties (i.e. multi-residential tax class (MT) is twice as high at RT tax rates). As such, the per dwelling unit impacts are similar for both property ownership types. In 2016, average high-rise apartment dwelling units generated a net surplus of approximately \$63 annually per unit. At the full lifecycle funding levels, this unit would produce a net annual deficit of \$168 per unit. High-rise apartment units constructed over the forecast period can be expected to generate a net annual surplus tax revenue of \$235 per unit. By 2031, the average dwelling unit of this type is projected to produce an annual operating deficit of \$106.

Table 5-6
City of Burlington
Fiscal Impact Summary for High Density – High-Rise Apartment Residential
Dwelling Units (2016\$ per dwelling unit)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
PPU	1.5	1.5	1.5	1.5
Operating				
Expenditures	\$ 992	\$ 992	\$ 818	\$ 983
Revenue	\$ (297)	\$ (297)	\$ (244)	\$ (294)
Net Operating	\$ 695	\$ 695	\$ 575	\$ 689
Capital				
Asset Lifecycle funding	\$ 175	\$ 406		\$ 379
DC Stranded Costs Annual PMT			\$ 35	
Additional (DC) Capital			\$ 222	\$ 11
Total Capital	\$ 175	\$ 406	\$ 257	\$ 390
Operating & Capital	\$ 870	\$ 1,101	\$ 831	\$ 1,079
Property Tax Revenue	\$ (933)	\$ (933)	\$ (1,066)	\$ (973)
Net Deficit (Surplus)	\$ (63)	\$ 168	\$ (235)	\$ 106

5.7 Non-Residential – Commercial Office Developments

The net impacts of non-residential developments are presented on a per employee basis. Table 5-7 summarizes the per employee impacts for non-residential commercial developments. In 2016, commercial office developments generated net deficits of approximately \$79 per employee annually. At the full lifecycle funding levels, this net annual deficit would increase to \$183 per employee. For commercial office developments constructed over the forecast period 2017-2031, it is anticipated that they would generate net annual deficits of \$79 per employee, indicating that the marginal increase in net expenditures generated by this type of development would not be recovered through the incremental assessment and tax revenues generated. By 2031, commercial office developments are projected to produce an annual operating deficit of \$182 per employee.

Table 5-7
City of Burlington
Fiscal Impact Summary for Non-Residential – Commercial Office Developments
(2016\$ per employee)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
Operating				
Expenditures	\$ 531	\$ 531	\$ 470	\$ 524
Revenue	\$ (156)	\$ (156)	\$ (121)	\$ (152)
Net Operating	\$ 375	\$ 375	\$ 349	\$ 373
Capital				
Asset Lifecycle funding	\$ 118	\$ 222		\$ 206
DC Stranded Costs Annual PMT			\$ 4	
Additional (DC) Capital			\$ 140	\$ 17
Total Capital	\$ 118	\$ 222	\$ 144	\$ 223
Operating & Capital	\$ 493	\$ 597	\$ 494	\$ 596
Property Tax Revenue	\$ (414)	\$ (414)	\$ (414)	\$ (414)
Net Deficit (Surplus)	\$ 79	\$ 183	\$ 79	\$ 182

5.8 Non-Residential – Institutional Office Developments

The net impacts of institutional development, presented on a per employee basis, are provided in Table 5-8. Compared to other types of non-residential development, institutional office developments consistently produce higher annual deficits due to the limited taxable assessment generated. It should be noted that in some cases payments in lieu of taxes are provided for these types properties, however incremental increases in payments in lieu of taxes have not been assumed within this analysis. On this basis, in 2016, institutional office developments generate annual net deficits of approximately \$435 per employee, as compared with taxable commercial office developments with annual deficits of \$79 per employee. At the full lifecycle level of capital funding, existing institutional office developments would generate annual net deficits of \$539 per employee. New institutional office development constructed over the forecast period can be expected to generate annual net deficits of \$436 per employee. By 2031, institutional office development is projected to produce an annual operating deficit of \$538 per employee, with full lifecycle funding.

Table 5-8
City of Burlington
Fiscal Impact Summary for Non-Residential – Institutional Office Developments
(2016\$ per employee)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
Operating				
Expenditures	\$ 531	\$ 531	\$ 470	\$ 524
Revenue	\$ (156)	\$ (156)	\$ (121)	\$ (152)
Net Operating	\$ 375	\$ 375	\$ 349	\$ 373
Capital				
Asset Lifecycle funding	\$ 118	\$ 222		\$ 206
DC Stranded Costs Annual PMT			\$ 4	
Additional (DC) Capital			\$ 140	\$ 17
Total Capital	\$ 118	\$ 222	\$ 144	\$ 223
Operating & Capital	\$ 493	\$ 597	\$ 494	\$ 596
Property Tax Revenue	\$ (58)	\$ (58)	\$ (58)	\$ (58)
Net Deficit (Surplus)	\$ 435	\$ 539	\$ 436	\$ 538

5.9 Non-Residential - Commercial/Retail Big Box Developments

Table 5-9 summarizes the per employee impacts for non-residential commercial/retail big box developments. In 2016, these type of commercial/retail developments generated annual net surplus property tax revenues of approximately \$311 per employee. At the full lifecycle funding levels, commercial/retail big box developments would continue to generate annual surpluses estimated at \$131 per employee. Commercial/retail big box developments constructed over the forecast period 2017-2031 are anticipated to generate annual surplus revenues of \$163 per employee, with incremental assessment and tax revenues more than sufficient to recover annual net operating and capital-related expenditures. By 2031, these types of developments are projected to continue to produce an annual operating surpluses of approximately \$128 per employee.

Table 5-9
City of Burlington
Fiscal Impact Summary for Non-Residential – Commercial/Retail Big Box
Developments (2016\$ per employee)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
Operating				
Expenditures	\$ 565	\$ 565	\$ 504	\$ 558
Revenue	\$ (160)	\$ (160)	\$ (125)	\$ (156)
Net Operating	\$ 405	\$ 405	\$ 379	\$ 402
Capital				
Asset Lifecycle funding	\$ 118	\$ 298		\$ 277
DC Stranded Costs Annual PMT			\$ 4	
Additional (DC) Capital			\$ 288	\$ 26
Total Capital	\$ 118	\$ 298	\$ 292	\$ 304
Operating & Capital	\$ 523	\$ 703	\$ 671	\$ 706
Property Tax Revenue	\$ (834)	\$ (834)	\$ (834)	\$ (834)
Net Deficit (Surplus)	\$ (311)	\$ (131)	\$ (163)	\$ (128)

5.10 Non-Residential - Commercial/Retail Street Oriented Developments

The net impacts for commercial/retail street oriented developments are provided in Table 5-10. Based on the sample properties surveyed for this study, commercial/retail street oriented developments typically generate lower per employee assessed values and property tax revenues than big box developments, i.e. \$576 per employee vs. \$834 per employee. As a result, the financial impacts associated with these types of development differ significantly from big box developments. In 2016, commercial/retail street oriented developments generated annual net surpluses of approximately \$53 per employee. At the full lifecycle level of capital funding, existing commercial/retail street oriented developments would generate annual net deficits of \$127 per employee, suggesting higher tax rates for full cost recovery. New commercial/retail street oriented developments constructed over the forecast period can be expected to generate annual net deficits of \$95 per employee. By 2031, these developments are projected to produce an annual operating deficit of \$130 per employee, with full lifecycle funding.

Table 5-10
City of Burlington
Fiscal Impact Summary for Non-Residential – Commercial/Retail Street Oriented
Developments (2016\$ per employee)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
Operating				
Expenditures	\$ 565	\$ 565	\$ 504	\$ 558
Revenue	\$ (160)	\$ (160)	\$ (125)	\$ (156)
Net Operating	\$ 405	\$ 405	\$ 379	\$ 402
Capital				
Asset Lifecycle funding	\$ 118	\$ 298		\$ 277
DC Stranded Costs Annual PMT			\$ 4	
Additional (DC) Capital			\$ 288	\$ 26
Total Capital	\$ 118	\$ 298	\$ 292	\$ 304
Operating & Capital	\$ 523	\$ 703	\$ 671	\$ 706
Property Tax Revenue	\$ (576)	\$ (576)	\$ (576)	\$ (576)
Net Deficit (Surplus)	\$ (53)	\$ 127	\$ 95	\$ 130

5.11 Non-Residential – Industrial Developments

Similar to commercial/retail big box developments, industrial developments are the only other development type that produces annual net surplus taxation revenues per employee at full lifecycle funding levels. This is consistent with traditional municipal study that industrial developments produce annual taxation revenues in excess of the marginal costs of service received. Table 5-11 summarizes the per employee impacts for industrial developments. In 2016, industrial developments generated net surpluses of approximately \$255 per employee annually. At the full lifecycle funding levels, this annual net surplus would decline to \$151 per employee. For new industrial development constructed over the forecast period 2017-2031, it is anticipated that these types of developments generate net annual surpluses of \$254 per employee. At the end of the forecast period, by 2031, industrial developments are projected to continue to produce annual net surplus revenues of \$152 per employee, at full lifecycle funding levels.

Table 5-11
City of Burlington
Fiscal Impact Summary for Non-Residential – Industrial Developments
(2016\$ per employee)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
Operating				
Expenditures	\$ 531	\$ 531	\$ 470	\$ 524
Revenue	\$ (156)	\$ (156)	\$ (121)	\$ (152)
Net Operating	\$ 375	\$ 375	\$ 349	\$ 373
Capital				
Asset Lifecycle funding	\$ 118	\$ 222		\$ 206
DC Stranded Costs Annual PMT			\$ 4	
Additional (DC) Capital			\$ 140	\$ 17
Total Capital	\$ 118	\$ 222	\$ 144	\$ 223
Operating & Capital	\$ 493	\$ 597	\$ 494	\$ 596
Property Tax Revenue	\$ (748)	\$ (748)	\$ (748)	\$ (748)
Net Deficit (Surplus)	\$ (255)	\$ (151)	\$ (254)	\$ (152)

5.12 Non-Residential - Mixed Non-Residential Developments

Mixed non-residential developments produced the lowest per employee property tax revenues amongst the fully taxable non-residential development types sampled (i.e. excluding institutional uses). As a result, mixed non-residential development produced the highest level of per employee annual net deficits. Table 5-12 summarizes the per employee impacts for mixed non-residential developments. In 2016, these types of developments exhibited net deficits of approximately \$162 per employee annually. At the full lifecycle funding levels, these annual net deficits would increase to \$266 per employee. For new mixed non-residential development constructed over the forecast period 2017-2031, it is anticipated that these types of development would generate net deficits of \$163 per employee annually. At the end of the forecast period, by 2031, at full lifecycle funding levels, mixed non-residential developments are projected to continue to produce an annual net deficit in property tax revenues of \$265 per employee.

Table 5-12
City of Burlington
Fiscal Impact Summary for Non-Residential – Mixed Non-Residential
Developments (2016\$ per employee)

	Current (2016)	Current (2016) at Full Lifecycle Level of Funding	2016-2031 Growth	At 2031 (full lifecycle level of funding)
Operating				
Expenditures	\$ 531	\$ 531	\$ 470	\$ 524
Revenue	\$ (156)	\$ (156)	\$ (121)	\$ (152)
Net Operating	\$ 375	\$ 375	\$ 349	\$ 373
Capital				
Asset Lifecycle funding	\$ 118	\$ 222		\$ 206
DC Stranded Costs Annual PMT			\$ 4	
Additional (DC) Capital			\$ 140	\$ 17
Total Capital	\$ 118	\$ 222	\$ 144	\$ 223
Operating & Capital	\$ 493	\$ 597	\$ 494	\$ 596
Property Tax Revenue	\$ (331)	\$ (331)	\$ (331)	\$ (331)
Net Deficit (Surplus)	\$ 162	\$ 266	\$ 163	\$ 265

6. Conclusions

The City of Burlington is undergoing an important transition and is facing a number of economic and demographic changes arising from its Strategic Plan mandate to City-build. The FIS studied the impacts of the forecast amount, type and location of development to provide the City with a tool to assist with decision making in shaping the physical, social, economic and cultural fabric of the City. As such, this document is provided to assist in that decision making process and should be considered in the context of site specific development assessments and broader municipal policies.

Based on the overall City tax rate impacts presented in Chapter 4, in aggregate, the incremental amount of projected residential and non-residential growth over the period 2017-2031 will have a positive fiscal impact on the City's financial position. At 2016 tax rates, the incremental development would produce surplus revenues of approximately \$8.4 million annually. However, the increase in need for capital funding to sufficiently address capital infrastructure lifecycle requirements will exceed the additional surplus revenues generated by development over the period. In total, to fund the increase in demands for operating and capital-related expenditures at full lifecycle levels, the annual net levy would have to increase by approximately \$23 million (in 2016\$) by the end of the forecast period. This would indicate real annual tax rate increases of approximately 0.9% annually to address future funding levels.

Table 6-1 summarizes the overall fiscal impacts on the City's annual net levy over the forecast period, and by quadrant for 2017-2031 anticipated development. The largest amount of surplus tax revenues from future development would be achieved in Quadrant 1 (\$4.0 million) and Quadrant 2 (\$2.9 million), representing 48% and 35% of the total annual surplus revenues respectively. This is largely attributable to the amount and type of growth forecast to occur within these quadrants, where development in Quadrant 1 represents 51% of the increase in forecast weighted assessment growth and Quadrant 2 represents 36% of the total.

Table 6-1
City of Burlington
Net Impact Projections

	Existing (2016)	Existing (2016) - at full Lifecycle	2016-2031 Incremental				2031
			Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4	
Net Levy	146,119,341	177,512,502	\$ 5,526,625	\$ 3,814,534	\$ 275,751	\$ 606,806	187,736,217
Weighted Assessment	39,612,027,027	39,612,027,027	\$ 2,583,100,424	\$ 1,827,313,444	\$ 281,843,395	\$ 383,725,297	44,688,009,588
% Distribution of Incremental Assessment			51%	36%	6%	8%	
Tax Revenue Generated (at current tax rates)	146,119,341	146,119,341	\$ 9,573,175	\$ 6,772,168	\$ 1,044,534	\$ 1,230,625	164,739,843
Surplus (Deficit)\$	\$ -	\$ (31,393,161)	\$ 4,046,549	\$ 2,957,635	\$ 768,783	\$ 623,819	\$ (22,996,375)
% of Suplus Tax Revenue Contribution			48%	35%	9%	7%	

The individual net impacts by development type presented in Chapter 5, and summarized in Table 6-2 below, give an indication as to which development types are more desirable from a fiscal perspective, on a per residential dwelling unit and per non-residential employee basis. Based on the analysis, the fiscal impacts for all residential dwelling unit types analyzed would produce surplus revenues, with the exception of single detached dwellings with accessory units. Single detached dwelling units with accessory units would produce annual net deficits on per unit basis, reflective of the higher annual expenditures with increased occupancy and lower marginal increase in assessed values and associated tax revenues with these properties. Moreover, the annual surplus tax revenues for low density single and semi-detached dwelling units (\$393/unit) is comparable to that produced by high density condominium dwelling units (\$392/unit). While this may lead to the conclusion that both types are fiscally equivalent it should be noted that as the City moves towards buildout and developable land becomes scarce, a greater amount of high density units could be achieved on the same land area, thus producing higher aggregate returns.

For non-residential development occurring over the forecast period, of the six non-residential development types analyzed only commercial/retail big box developments (\$163/employee) and industrial development (\$254/employee) are projected to produce surplus revenues. Positively, the composition of development within the City's non-residential growth forecast is largely represented by industrial development, i.e. industrial development accounts for 59% of growth over the period.

Table 6-2
City of Burlington
Net Impact by Development Type

Residential Development Type	Net Deficit (Surplus) - per unit	Non-Residential Development Type	Net Deficit (Surplus) - per employee
<u>Low Density</u>		<u>Office</u>	
Single/Semi-Detached	\$ (393.39)	Commercial	\$ 79.46
With Accessory Units	\$ 176.35	Institutional	\$ 435.67
<u>Medium Density</u>		<u>Commercial/Retail</u>	
Street Oriented, Stacked, Back-to-Back	\$ (67.87)	Big box	\$ (163.18)
Low-Rise Apartments	\$ (87.53)	Street Oriented	\$ 95.22
<u>High Density</u>		Industrial	\$ (254.09)
Condominium (high rise)	\$ (391.53)	Mixed Non-Residential Growth	\$ 162.67
Apartment (high rise)	\$ (234.53)		

Appendix A - Property Value Assessment Sampling

Appendix A - Property Value Assessment Sampling

Type	Property Codes Sampled	Notes
Low density	301 – Single Family Detached 305 – Link Home 311 – Semi detached	<ul style="list-style-type: none"> Residential Property Codes built 1990 and after Trend is toward the higher density built forms - condos/link homes/townhomes Chose a sample towards the smaller frontage and the link/townhomes Accessory units were pulled based on MPAC data with a basement finish of '8' and built 1990 and after
Medium Density	309 – Freehold Townhouse/Row house 333 – Residential property with three self-contained units 334 – Residential property with four self-contained units 335 – Residential property with five self-contained units 336 – Residential property with six self-contained units 340 – Multi-residential, with 7 or more self-contained units (excludes row-housing) 352 – Row housing, with seven or more units under single ownership 370 – Residential Condominium	<ul style="list-style-type: none"> Property codes 340 and 370 were reviewed for # of storeys and added to either the medium density (< 5 storeys) or high density (5+) Property code 370 roll numbers were grouped by condo plan and analyzed as a condo plan. Some condos had commercial on ground level and those were moved to mixed-use res and non-res category. Property codes 373 and 374 (cooperatives) were not used in the sample as there are so few of these and don't see these as a trend moving forward. Property codes 333, 334, 335, 336 and 352 were generally older builds and may be considered for re-development. Newer builds chosen in each of the categories and tried to choose 1 property that is representative within a townhouse complex.
High Density	340 – Multi-residential, with 7 or more self-contained units (excludes row-housing) 370 – Residential Condominium	<ul style="list-style-type: none"> Property Code 340 were reviewed and split to medium and high density based on # of storeys (<5 is Medium)
Commercial - Office	400 – Small Office 401 – Small Medical 402 – Large Office	<ul style="list-style-type: none"> Queried for properties with DT or YT (office) portion

Type	Property Codes Sampled	Notes
	403 – Large Medical 405 – Office converted from house	<ul style="list-style-type: none"> Queried properties with CT portion and a property code in one of the codes in previous column
Institutional	402 – Large Office 601 – Post secondary education - university, community college, etc 605 – School (elementary or secondary, including private) 608 – Day Care 611 – Other institutional residence 624 – Retirement/nursing home (combined) 625 – Nursing home 626 – Old age/retirement home	<ul style="list-style-type: none"> Queried MPAC Broad Property Type of Institutional Queried OpenTax for a 'C' or 'I' tax class that also had an exempt portion Includes schools, daycares, old age, nursing homes. Didn't feel there was a need in Burlington to build any more of other types (i.e. post office, library)
Commercial - Retail	408-414 – Freestanding Beer Store or LCBO, Retail (one-storey), Restaurant 420-423 – Automotive fuel station, shop/auto repair/collision service/car or truck wash, auto dealership 425-427 – shopping centre 429 – Community shopping centre 430 – Neighbourhood shopping centre - with more than 2 stores attached, under one ownership, without anchor - generally less than 150,000 s.f. 432 & 433 – Banks and similar financial institutions, including credit unions 435 & 436 – Large retail 438 – Neighbourhood shopping centre with offices above 444 & 445 – Hotel 520 – Standard industrial, undefined property codes 530 – Warehousing 531 – Mini-warehousing	<ul style="list-style-type: none"> Queried for properties with CT, ST, XT, and ZT tax classes, and property codes identified in previous column Chose properties based on representative of #'s in each property code, using the newer builds and those that fall within a range of the average CVA/sq.ft.

Type	Property Codes Sampled	Notes
	540 – Other industrial (others not specifically defined) 580 – Industrial mall	
Industrial	402 – Large Office 516 – Automotive parts production plant 520 – Standard industrial properties not specifically identified by other industrial Property Codes 540 – Other industrial (all other types not specifically defined) 575 – Industrial condominium 580 – Industrial mall	<ul style="list-style-type: none"> • Data extracted based on tax class. • Removed any mixed use properties • Chose a representative sample based on property codes • Chose the properties with the greatest year built • Removed some properties where CVA/sq.ft. was low • Included a few units for Industrial Condos
Mixed Non-residential	402 – Large Office 512 – Cement/asphalt manufacturing plant 520 – Standard industrial properties not specifically identified by other industrial Property Codes 530 – Warehousing 540 – Other industrial (all other types not specifically defined) 575 – Industrial condominium 580 – Industrial mall	<ul style="list-style-type: none"> • Properties with a mixed Commercial and Industrial component • Chose newer properties