



Pinnacle Ridge Hillside Fiscal Impact Study

Anmore Hillside Landowners (Trez/MNP, Anmore Gate LP, Bella Terra 2)

Fiscal Impact Study

Anmore, British Columbia

Prepared for:

Anmore Hillside Landowners (Trez/MNP, Anmore Gate LP, Bella Terra 2)

Date:

October 2023

Prepared by:

Urbanics Consultants Ltd.

#1207 – 409 Granville Street

Vancouver, BC, Canada V6C 1T2

Table of Contents

Tables	3
Figures	3
Executive Summary	4
Development Program Summary	6
Development Capital Cost Considerations	7
Tax Revenue Impacts	11
Replacement Costs.....	18
Key Findings	20
APPENDIX	21

Tables

Table 1: Development Programs Summary.....	6
Table 2: Altus 2023 Construction Cost Guide.....	7
Table 3: Comparable residential land values (psf)	8
Table 4: Development Program Cost and Valuation Assumptions – Base Case	9
Table 5: Development Program Cost and Valuation Assumptions – Proposed Case.....	10
Table 6: Anmore 2020 Mill Rates.....	11
Table 7: Anmore 2021 Mill Rates.....	12
Table 8: Anmore 2022 Mill Rates	13
Table 9: Anmore 2023 Mill Rates	13
Table 10: Anmore Residential Mill Rates 2020-2023.....	14
Table 11: Proposed Budget 2023 changes	16
Table 12: Property Tax Calculation During Buildout (Base Case)	17
Table 13: Property Tax Calculation During Buildout (Proposed Case)	17
Table 14: ISL Report on Infrastructure Servicing Costs for New Developments	19
Table 15: Full incremental property tax implications (Base Case) 2024, 2033-2053	21
Table 16: Full incremental property tax implications (Proposed Case) 2024, 2033-2053	21

Figures

Figure 1: Anmore 2023 Budget Insert	14
Figure 2: Property Tax Burden in Anmore by Levying Authority.....	15
Figure 3: Current DCC levies for SFH (2021)	18

Executive Summary

Urbanics Consultants Ltd. was retained by Urbanex Strategies Ltd and BST Trading Ltd. on behalf of an ownership group consisting of 3 entities (Trez/MNP, Anmore Gate Limited Partnership, Bella Terra Investments 2 Inc) to undertake a Fiscal Impact Study examining the taxation benefits to the Village of Anmore of a proposed development. The taxation impacts are defined narrowly as only the property taxes accruing directly to the Village of Anmore from mill rate levies and does not include any tax revenues accruing to regional and provincial authorities, or to the federal government via sales taxes or income taxes. Two development programs were requested for evaluation for a 75-acre site, a base case, and a proposed case. The primary outputs of this study are the following:

- The development's benefits in terms of cumulative value of annual property taxes deriving from mill rates levied during the years of construction (first 10 years): **\$5.3 million for the base case, and \$6.4 million for the proposed case.**
- The Village of Anmore is estimated to collect via its own taxing authority (mill rates) approximately **\$3 Million in fiscal year 2023.**
- **Annual incremental property taxes** derived from mill rates generated per year post buildout, is estimated at approximately **\$1.2 million for the base case, and \$1.45 million for the proposed case.**
- The development's benefits in terms of potential incremental tax revenues derived from mill rates levied during the entire study period: **\$41 million for the base case, and \$49 million for the proposed case.**
- The maximum infrastructure replacement cost at the end of 30 years at the most upper end boundary for the estimated level is **\$880,300 for the base case, and \$1.72 million for the proposed case.**
- Approval of either of the development programs will represent an augmentation of between **18-21% of the total property taxes collected** during buildout and represent between **40-48% increase** to the property tax revenues collected post completion.

Background data for this study was obtained from a variety of public and private sector sources during August to September of 2023. Similar to other studies of this nature, a number of assumptions regarding the state of the economy, the state of future servicing, and the state of utility provisions have been made. These assumptions are made with great care and are based on the most recent and reliable information available. Should any assumptions noted in this study be undermined by the course of future events, we recommend that the study's findings be re-examined.

While specific assumptions may be noted throughout the report, the following general assumptions also apply:

- No unforeseen economic or political events will occur within the study period on an international, national, provincial, or local level which would significantly alter the outcomes of the study's analyses.
- While short-term fluctuations are likely to occur, long-term rates are presumed to prevail over time.
- Tax rates and construction costs will remain steady and predictable, inflating at the reasonable rates assumed over a 10–30-year period.

Development Program Summary

There are 2 development programs proposed.

1. Base Case: 135 homes (based on the current RS-1 zoning allowing for 1.8 UPA)
 - 108 Single Family Homes
 - 27 Multiplex/Townhouses
2. Proposed Case: 261 homes (based on 3.49 units per acre assumption)
 - 58 Single Family Homes
 - 203 Multiplex/Townhouses

Assumptions held in common for analysing both development programs are:

For the Base Case:

Land needed by typology: 20,000 sf (approximately 1/2 acre) per single family home, and 3,500 sf per Multiplex/Townhouse. The average building sizes would be a Single-Family Home structure of 5,000 sf, Townhome/Multiplex structure of 2,500 sf per unit.

For the Proposed Case:

Land needed by typology: 10,000 sf per single family home, and 3,500 sf per Multiplex/Townhouse. The average building sizes would be a Single-Family Home structure of 5,000 sf, Townhome/Multiplex structure of 2,500 sf per unit.

Table 1: Development Programs Summary

	Base Case			Proposed Case
Number of units	135			261
SFH	108			58
Multiplex/Townhouse	27			203
Average Lot Size (sf)				
SFH	20,000			10,000
Multiplex/Townhouse	3,500			3,500
Average Floor Area of Dwelling (sf)				
SFH	5,000			5,000
Multiplex/Townhouse	2,500			2,500

Development Capital Cost Considerations

While it is difficult to fully accurately estimate the total cost of construction of the previously described 2 development programs, some broad but defensible assumptions can be made.

The following conservative hard construction cost estimates have been derived through discussion with industry partners, review of relevant and recent data banks such as the 2023 Altus Construction Cost Guide as well as the Butterfield Construction Cost Index Calculator:

- \$300 psf for single family homes
- \$300 psf for Multiplex/Townhouses

Table 2: Altus 2023 Construction Cost Guide

Private sector (cost per square foot)

BUILDING TYPE		Vancouver	
		Low	High
RESIDENTIAL	WOOD FRAMED RESIDENTIAL (DIMENSIONAL LUMBER)		
	Row Townhouse with Unfinished Basement	180	to 290
	Single Family Residential with Unfinished Basement	185	to 315
	3 Storey Stacked Townhouse	215	to 300
	Up to 6 Storey Wood Framed Condo	245	to 350
	Custom Built Single Family Residential	485	to 1,225

In addition to the hard cost assumptions above, the following soft cost and developer profit margin assumptions have been made.

- 35% of the hard costs per square foot will be the assumed to be the appropriate soft costs (architectural and design fees, legal, financing, marketing etc.)
- 15% developer profit margin

The land value assumptions are more difficult to ascertain. The Consultant has used recent comparable sales of residential lots to derive land value per square foot. In addition to this, some current residential listing for sale in Anmore are reviewed and their current BC Assessment value for land is isolated. As Anmore is a small municipality, the data on this is necessarily limited. The below table summarizes the different values and sales prices for comparable residential land. After reviewing the sales and market data in Q3 to Q4 of 2023, current transaction and BC assessment information shows values of approximately \$1.6-\$1.8M for serviced 1-acre residential lots. For the purposes of this analysis, a residential land value per square foot (psf) of \$40 will

be used for large lot single family home parcels. As residential densities increase, land value generally increases as well. A parcel that is subdivided usually can sell for more than if it was 1 larger piece, a phenomenon somewhat similar to wholesale vs. retail pricing in consumer markets. In land markets, the sum of the parts is usually greater than the whole. So, for smaller lot Single Family Homes, the inputted land value will be somewhat higher (\$60 psf), and for multiplexes the residential lot value will be assumed to be \$70 psf. These figures are noticeably but not dramatically higher than the \$40 psf derived land value and represent a conservative and realistic estimate given current market realities.

Table 3: Comparable residential land values (psf)

Address	Condition	Asking or sold price	BC Assessments Current Total Assessed Value	Building Value	Land Value	Land Size (sf)	Land Value psf estimate
130 LANSON CRESCENT	Luxury home currently for sale	\$ 3,495,000	\$ 3,379,000	\$1,630,000	\$1,749,000	21,780	\$ 80
2057 RIDGE MOUNTAIN DR	Luxury home currently for sale	\$ 5,489,000	\$ 4,749,000	\$2,754,000	\$1,995,000	43,560	\$ 46
169 WOLLNY COURT	Luxury home currently for sale	\$ 3,480,000	\$ 2,704,000	\$892,000	\$1,812,000	43,560	\$ 42
2610 SUNNYSIDE ROAD	Luxury home currently for sale	\$ 5,880,000	\$ 6,273,000	\$4,460,000	\$1,813,000	43,647	\$ 42
1990 RIDGE MOUNTAIN DRIVE	Raw land currently for sale	\$ 2,388,000	\$ 1,812,000	\$0	\$1,812,000	43,560	\$ 42
2571 EAST RD	Home sold in July 2022	\$ 5,250,000	\$ 4,535,000	\$2,271,000	\$2,264,000	55,756	\$ 41
2000 RIDGE MOUNTAIN DR	Lot sold in February 2020	\$ 1,700,000	\$ 1,763,000	\$0	\$1,763,000	43,560	\$ 40
1946 NORTH CHARLOTTE RD	Lot sold January 2022	\$ 1,668,000	\$ 1,630,000	\$0	\$1,630,000	43,560	\$ 37
3050 SUNNYSIDE RD	Lot sold in April 2022	\$ 1,375,000	\$ 1,477,000	\$0	\$1,477,000	55,887	\$ 26

With all of the above assumptions and considerations, the below table can be populated, wherein the estimated value of the 2 types of residential typologies can be calculated. The values reflect a 2023 estimate and will be inflated by approximately 5% per year to account for general appreciation, cost escalation, and inflation.

Table 4: Development Program Cost and Valuation Assumptions – Base Case

Construction Hard Cost estimate (psf)	
SFH	\$ 300.00
Multiplex/Townhouse	\$ 300.00
Soft Cost Assumption at 35%	
SFH	\$ 105.00
Multiplex/Townhouse	\$ 105.00
Total construction cost (psf)	
SFH	\$ 405.00
Multiplex/Townhouse	\$ 405.00
Average Construction cost by typology	
SFH	\$ 2,025,000.00
Multiplex/Townhouse	\$ 1,012,500.00
Land Value (PSF) Assumed	
SFH @ \$40 psf for 0.5 acre, \$60 for 0.25 acre lots	\$ 800,000
Multiplex/Townhouse @ \$70 psf	\$ 245,000
Total Value of residential properties by typology assuming 15% developer margin	
SFH	\$ 3,248,750
Multiplex/Townhouse	\$ 1,446,125

Table 5: Development Program Cost and Valuation Assumptions – Proposed Case

Construction Hard Cost estimate (psf)	
SFH	\$ 300.00
Multiplex/Townhouse	\$ 300.00
Soft Cost Assumption at 35%	
SFH	\$ 105.00
Multiplex/Townhouse	\$ 105.00
Total construction cost (psf)	
SFH	\$ 405.00
Multiplex/Townhouse	\$ 405.00
Average Construction cost by typology	
SFH	\$ 2,025,000.00
Multiplex/Townhouse	\$ 1,012,500.00
Land Value (PSF) Assumed	
SFH @ \$40 psf for 0.5 acre, \$60 for 0.25 acre lots	\$ 600,000
Multiplex/Townhouse @ \$70 psf	\$ 245,000
Total Value of residential properties by typology assuming 15% developer margin	
SFH	\$ 3,018,750
Multiplex/Townhouse	\$ 1,446,125

Tax Revenue Impacts

For the purpose of this report the only stream of **property taxes** being analyzed are the property taxes derived from **mill rates levied by the Village of Anmore**. Residential property owners in Anmore pay much more in property taxes than the mill rates set out by the Village, but those other fees and levies are set by regional and provincial bodies and are not under the control of the Village of Anmore. The following 4 years of mill (property tax) rates have been provided by the Village of Anmore.

Table 6: Anmore 2020 Mill Rates

VILLAGE OF ANMORE BYLAW NO. 624-2020 SCHEDULE "A"			
PROPERTY CLASS	A GENERAL MUNICIPAL	B CAPITAL ASSET	C REGIONAL DISTRICT
	per \$1,000 assessed value	per \$1,000 assessed value	per \$1,000 assessed value
1. RESIDENTIAL	0.7888	0.7176	0.1897
2. UTILITY	0.7888	0.7176	0.6638
3. SUPPORTIVE HOUSING	0.0000	0.0000	0.1897
4. MAJOR INDUSTRY	0.0000	0.0000	0.6449
5. LIGHT INDUSTRY	0.0000	0.0000	0.6449
6. BUSINESS	0.7888	0.7176	0.4647
7. MANAGED FOREST LAND	0.0000	0.0000	0.5690
8. SEASONAL/RECREATIONAL	0.7888	0.7176	0.1897
9. FARM	0.0000	0.0000	0.1897

Table 7: Anmore 2021 Mill Rates

VILLAGE OF ANMORE BYLAW NO. 643-2021 SCHEDULE "A"			
PROPERTY CLASS	A GENERAL MUNICIPAL	B CAPITAL ASSET	C REGIONAL DISTRICT
	per \$1,000 assessed value	per \$1,000 assessed value	per \$1,000 assessed value
1. RESIDENTIAL	0.8086	0.7229	0.2555
2. UTILITY	0.8086	0.7229	0.8938
3. SUPPORTIVE HOUSING	0.0000	0.0000	0.2555
4. MAJOR INDUSTRY	0.0000	0.0000	0.8683
5. LIGHT INDUSTRY	0.0000	0.0000	0.8683
6. BUSINESS	0.8086	0.7229	0.6257
7. MANAGED FOREST LAND	0.0000	0.0000	0.7662
8. SEASONAL/RECREATIONAL	0.8086	0.7229	0.2555
9. FARM	0.0000	0.0000	0.2555

Table 8: Anmore 2022 Mill Rates

Bylaw No. 659-2022
Page 2

"SCHEDULE A"

CLASS	MUNICIPAL (B)	CAPITAL (C)	REGIONAL (D)
1	0.6969	0.6318	0.2596
2	0.6969	0.6318	0.9086
3	0.6969	0.6318	0.2596
4	0.6969	0.6318	0.8826
5	0.6969	0.6318	0.6360
6	0.6969	0.6318	0.7788
7	0.6969	0.6318	0.2596
8	0.6969	0.6318	0.2596
9	0.6969	0.6318	0.8826

Table 9: Anmore 2023 Mill Rates

Bylaw No. 681-2023
Page 2

AMENDED BY BYLAW NO. 660-2023

"SCHEDULE A"

CLASS	MUNICIPAL (B)	CAPITAL (C)	REGIONAL (D)
1	0.7232	0.6373	0.3035
2	0.7232	0.6373	1.0623
3	0.7232	0.6373	0.3035
5	0.7232	0.6373	1.0319
6	0.7232	0.6373	0.7436
7	0.7232	0.6373	0.9105
8	0.7232	0.6373	0.3035
9	0.7232	0.6373	0.3035

LAS Parcel Tax Regional Levy (average)

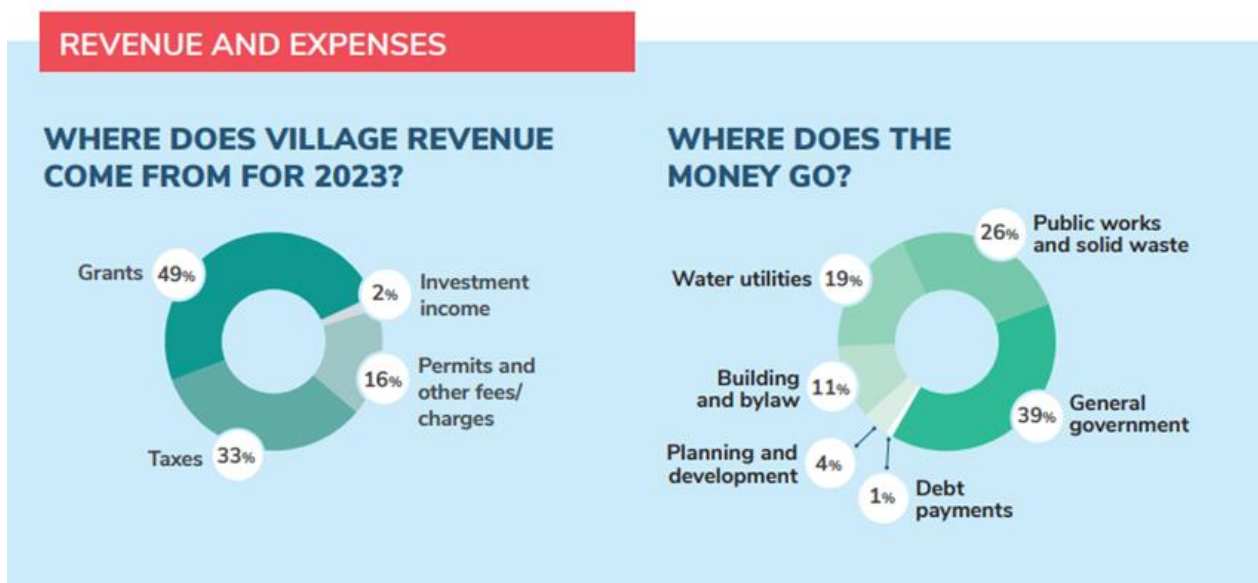
\$1,072

Table 10: Anmore Residential Mill Rates 2020-2023

	Mill Rates			
	2020	2021	2022	2023
Residential				
General Muncipal	0.7888	0.8086	0.6969	0.7232
Capital Asset	0.7176	0.7229	0.6318	0.6373
Regional District	0.1897	0.2555	0.2596	0.3035
Total	1.6961	1.787	1.5883	1.664

It should be understood that these mill rates only represent 38% of the total property taxes collected in Anmore. The other 62% comes from property taxes levied on homeowners from other levels of government or district authorities such as Translink, Metro Vancouver, and the Fire Department. The analysis contained in this report will remain constrained to only the taxes levied by the Village of Anmore directly via Mill rates. In effect, this undercounts the total positive tax implications of any proposed development. As Anmore is home to many luxury homes (defined by the province of BC as homes over \$3M in assessed value) which are eligible for the “school tax” there will likely be a substantial additional property tax stream generated by many of the single-family homes proposed by the developer. The 2023 breakdown of municipal financing in the Village of Anmore is included in the below figures.

Figure 1: Anmore 2023 Budget Insert



It should be understood that the Village of Anmore is only responsible for setting Mill rates, which only represent approximately 38% of all property tax revenue collected from homeowners in the Village. This report in this way significantly understates the total taxes collected from new residential development, as all calculations are done based on mill rates alone, and not additional taxes levied by regional and provincial authorities like Translink, Metro Vancouver, BC municipal Finance Authority & BC Assessment. The following Figure 2 displays the various taxation levies on homeowners in fiscal year 2023.

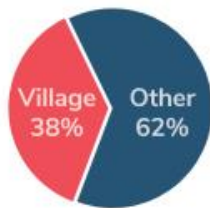
Figure 2: Property Tax Burden in Anmore by Levying Authority



PROPERTY TAXES

Who Gets My Tax Money?

The Village collects taxes on behalf of several organizations, and they set their own tax increases each year. In fact, only about 38% of the amount collected on your property taxes goes to the Village.



The Village's property tax increase for municipal services in 2023 is 7.64%.

HOW PROPERTY TAXES ARE DISTRIBUTED

Only a portion of property taxes go to the Village for municipal services.

	2022 \$	2022 %	2023 \$	2023 %
Village: General Operating	\$1.31M	20%	\$1.43M	20%
Village: Fixed Asset Levy	\$1.19M	18%	\$1.26M	18%
School Tax	\$2.87M	43%	\$2.96M	42%
TransLink	\$0.43M	7%	\$0.44M	7%
Metro Vancouver	\$0.10M	1%	\$0.10M	1%
Fire Department	\$0.40M	6%	\$0.51M	7%
Police	\$0.24M	4%	\$0.30M	4%
Municipal Finance Authority & BC Assessment	\$0.07M	1%	\$0.07M	1%
Total	\$6.60M		\$7.08M	

Source: *Tips for 2023 Property Tax Notice, Village of Anmore.*
<https://anmore.com/wp-content/uploads/2023/05/Anmore-Tax-Insert-2023-11x14-web.pdf>

Table 11: Proposed Budget 2023 changes

▲

Proposed Budget Impact

\$2,350,104 AVERAGE 2023 ASSESSED VALUE HOUSEHOLD*

	Change (\$)	Change (%)
Revenue Changes	(\$19,288)	(0.07%)
Expenditure Changes	149,356	5.5%
Fixed Asset Levy	76,058	2.8%
	\$199,979	7.64%

\$32.29 FOR EACH 1% INCREASE = \$247/AVG. PER HOUSEHOLD

*BASED ON REVISED ROLL

Source: <https://anmore.com/wp-content/uploads/2023/05/2023-04-18-RC-Minutes.pdf>

There are currently 745 households, with the average 2023 assessed value of a residential property at \$2.35 million. This implies that the residential property tax base for the entire Village of Anmore currently is approximately \$1.75 Billion. Currently the Village of Anmore collects approximately \$3 million per year from mill rates levied on properties within its jurisdiction.

For the **Base Case** scenario, applying these tax rates to the aforementioned development program, with a 10-year buildout period (beginning in 2024), arrives at approximately \$5.3 million (undiscounted) being produced for the Village over the 10-year buildout period. This means, on average, the base case development will **generate \$530,000 per year in property taxes** alone during the buildout period. This represents **approximately 18% of the total revenues raised by Anmore via mill rate taxation in Fiscal Year 2023**. Upon completion, the base case development will likely yield approximately **\$1.2 million per year in property taxes** (just from mill rates) on a continuous basis post final buildout. This **represents almost 40% of the total** mill rate derived tax revenues collected by Anmore in 2023. In total, the incremental additional gross property taxes based solely on mill rates for the base case development program is just over \$41 million (undiscounted) for the 30-year lifecycle the Consultant evaluated.

Table 12: Property Tax Calculation During Buildout (Base Case)

	Absorption	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Base Case unit count											
135											
108 SFH		11	11	11	11	11	11	11	11	11	11
27 Multiplex/Townhouse		3	3	3	3	3	3	3	3	3	3
Value of Residential Dwellings											
**Residential dwellings assumed to inflate at 5% per											
SFH		\$ 3,248,750	\$ 3,411,188	\$ 3,581,747	\$ 3,760,834	\$ 3,948,876	\$ 4,146,320	\$ 4,353,636	\$ 4,571,317	\$ 4,799,883	\$ 5,039,878
Multiplex/Townhouse		\$ 1,446,125	\$ 1,518,431	\$ 1,594,353	\$ 1,674,070	\$ 1,757,774	\$ 1,845,663	\$ 1,937,946	\$ 2,034,843	\$ 2,136,585	\$ 2,243,415
Property Tax Considerations											
*Combined Mill Rate at \$1.6/\$1000 of value increasing by 4% per year		1.6	1.664	1.73056	1.7997824	1.871773696	1.946644644	2.02451043	2.105490847	2.189710481	2.2772989
Incremental property taxes generated per year		\$ 62,386	\$ 68,125	\$ 74,393	\$ 81,237	\$ 88,711	\$ 96,872	\$ 105,784	\$ 115,516	\$ 126,144	\$ 137,749
Total property taxes generated per year (increasing at 4% per year)		\$ 62,386	\$ 135,731	\$ 218,529	\$ 311,756	\$ 416,485	\$ 533,892	\$ 665,263	\$ 812,010	\$ 975,680	\$ 1,157,967
Total Value of Taxes Paid during buildout	\$ 5,289,699										
Total Value of All Incremental Taxes (30 years)	\$ 41,150,997										

Table 13: Property Tax Calculation During Buildout (Proposed Case)

	Absorption	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Proposed Case unit count											
261											
58 SFH		6	6	6	6	6	6	6	6	6	6
203 Multiplex/Townhouse		20	20	20	20	20	20	20	20	20	20
Value of Residential Dwellings											
**Residential dwellings assumed to inflate at 5% per											
SFH		\$ 3,018,750	\$ 3,169,688	\$ 3,328,172	\$ 3,494,580	\$ 3,669,309	\$ 3,852,775	\$ 4,045,414	\$ 4,247,684	\$ 4,460,069	\$ 4,683,072
Multiplex/Townhouse		\$ 1,446,125	\$ 1,518,431	\$ 1,594,353	\$ 1,674,070	\$ 1,757,774	\$ 1,845,663	\$ 1,937,946	\$ 2,034,843	\$ 2,136,585	\$ 2,243,415
Property Tax Considerations											
*Combined Mill Rate at \$1.6/\$1000 of value increasing by 4% per year		1.6	1.664	1.73056	1.7997824	1.871773696	1.946644644	2.02451043	2.105490847	2.189710481	2.2772989
Incremental property taxes generated per year		\$ 74,984	\$ 81,883	\$ 89,416	\$ 97,642	\$ 106,625	\$ 116,435	\$ 127,147	\$ 138,844	\$ 151,618	\$ 165,567
Total property taxes generated per year (increasing at 4% per year)		\$ 74,984	\$ 163,141	\$ 262,660	\$ 374,714	\$ 500,593	\$ 641,709	\$ 799,609	\$ 975,992	\$ 1,172,714	\$ 1,391,812
Total Value of Taxes Paid during buildout	\$ 6,357,928										
Total Value of All Incremental Taxes (30 years)	\$ 49,461,241										

For the **Proposed Case** scenario, applying these tax rates to the aforementioned development program, with a 10-year buildout period (beginning in 2024), arrives at approximately \$6.4 million (undiscounted) being produced for the Village over the 10-year buildout period. This means, on average, the proposed case development will **generate \$640,000 per year in property taxes from mill rates** alone during the buildout period. This represents **approximately 21% of the total revenues raised by Anmore via mill rate taxation in Fiscal Year 2023**. Upon completion, the base case development will likely yield approximately **\$1.45 million+ per year in property taxes** (just from mill rates) on a continuous basis post final buildout. This represents approximately **48% of the total mill rate tax revenues collected by Anmore in 2023**. In total, the incremental additional gross property taxes based solely on mill rates for the proposed case development program is just over \$49 million (undiscounted) for the 30-year lifecycle the Consultant evaluated.

Replacement Costs

The cost of developing infrastructure to service new development in a municipality is usually recouped by the municipality through the levying of DCC fees. Currently the Village of Anmore has the following DCC fees. It is reasonable to conclude that whatever infrastructure servicing costs new developments impose on the Village, the cost is recouped in DCC's, meaning there is no net contribution or shortfall for developing new infrastructure associated with approving new development.

Figure 3: Current DCC levies for SFH (2021)

A: Yes, DCCs have been included for those scenarios that the bylaw applies (for single family home lots). DCCs that are collected by and kept for Village purposes are as follows:

Water \$5,555

Drainage \$1,050

Roads \$4,114

Source: AMENDED BY BYLAW 190-1996, AMENDED BY BYLAW 271-2000. AMENDED BY BYLAW 385-2005 VILLAGE OF ANMORE BYLAW NO. 38 <https://anmore.com/wp-content/uploads/2021/12/Anmore-South-Infrastructure-Financial-Analysis-Open-House-QAs.pdf>

With respect to the cost of servicing a new subdivision, the Village of Anmore has commissioned a professional study done by ISL engineers “Anmore South Infrastructure Financial Analysis Village of Anmore” *November 2021*. While this subdivision infrastructure analysis was done on a separate parcel of land than the site(s) in question for the client, it is very instructive to review its conclusions. This report accounts for the ongoing cost to replace and service the new infrastructure for new subdivisions, not just building new infrastructure. Reviewing the below table which summarizes the conclusions of the ISL report indicates that a reasonable cost per parcel (1/4th acre – or approximately what the developer is proposing for the single-family homes) is approximately \$2800. The denser the development the lower per parcel infrastructure servicing costs are likely to be. The economics of scale helps municipalities balance their budgets at a lower level of taxation if the density of development is higher. Even if we assume the highest estimate of \$6580 per parcel (presuming “inefficient” 1-acre parcels per dwelling), the total long-term **cost of the base case infrastructure servicing and replacement is \$888,300**. This pales in comparison to the 30-year **estimated incremental property tax of \$41 million**. For the proposed case scenario, a **\$1.72 million long term infrastructure replacement and servicing liability** on the books of the Village of Anmore is **balanced against a \$49 million incremental property tax increase** over the 30-year study period.

Table 14: ISL Report on Infrastructure Servicing Costs for New Developments

Analysis Component	Scenario 1	Scenario 2
Developed Area	143 acres	106 acres
Dedicated Land/Parkland	8 acres	45 acres
Regional Land Designation	Rural	Rural
Number of Parcels/Units	120	312
Average Population Per Parcel/Unit	5.2 people	2.6 people
Population Increase	624 people	811 people
Average Lot Size	1 acre	1/4 acre
Anmore Infrastructure Capital Cost	\$51.0 million	\$68.5 million
Metro Vancouver Infrastructure	Not applicable	Not applicable
Village Infrastructure Replacement Costs Per Year	\$790,000	\$875,000
Infrastructure Replacement Per Parcel (for new development only)	\$6,580	\$2,800
Estimated Parcel Evaluation (Land and Building)	\$5.0m	\$3.1m
Expected Asset Levy Variance Per New Parcel	- \$3,280	- \$800
Estimated Tax Increase Per Parcel	\$405	\$215

Source: https://anmore.com/wp-content/uploads/2021/11/211119_AnmoreSouthInfrastructure_FinancialAnalysis_FINAL.pdf

Key Findings

The study's major findings are as follows:

- The development's benefits in terms of cumulative value of annual property taxes deriving from mill rates levied during the years of construction (first 10 years): **\$5.3 million for the base case, and \$6.4 million for the proposed case.**
- The Village of Anmore is estimated to collect via its own taxing authority (mill rates) approximately **\$3 Million in fiscal year 2023.**
- **Annual incremental property taxes** derived from mill rates generated per year post buildout, is estimated at approximately **\$1.2 million for the base case, and \$1.45 million for the proposed case.**
- The development's benefits in terms of potential incremental tax revenues derived from mill rates levied during the entire study period: **\$41 million for the base case, and \$49 million for the proposed case.**
- The maximum infrastructure replacement cost at the end of 30 years at the most upper end boundary for the estimated level is **\$880,300 for the base case, and \$1.72 million for the proposed case.**
- Approval of either of the development programs will represent an augmentation of between **18-21% of the total property taxes collected** during buildout and represent between **40-48% increase** to the property tax revenues collected post completion.

These incremental property tax revenues identified by this report represent only a fraction of the total value generated by the approval of these proposed and base density programs. This report only calculated the Mill Rate taxation impacts, and did not quantify in total the value of:

- DCC contributions.
- The additional incremental property taxes that are levied on residential property by taxation authorities other than the Village of Anmore (assumed to be 62%+ of the total property taxes charged to homeowners).
- School Tax contributions, which are unaccounted for, despite the fact that most of the dwellings built would qualify for that surtax.
- Secondary economic spin off effects such as employment growth, retail sales growth (and the concomitant income and sales taxes generated).

These figures, if calculated in full would likely amount to hundreds of millions of dollars in benefit to workers, the Village of Anmore, local businesses and suppliers, as well as the Provincial and Federal governments.

APPENDIX

Table 15: Full incremental property tax implications (Base Case) 2024, 2033-2053

Absorption	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
Base Case unit count																														
135																														
58 SHH	11	11																												
273 Multiplex/Townhouse	3	3																												
Value of Residential Dwellings																														
*Residential Dwellings assumed to inflate at 5% per																														
SHH	\$ 3,248,750	\$ 5,039,878																												
Multiplex/Townhouse	\$ 1,446,125	\$ 2,243,415																												
Property Tax Considerations																														
*Combined Mill Rate at \$1.6/\$1000 of value increasing by 4% per year	1.6	2.7772989																												
Incremental property taxes generated per year	\$ 62,386	\$ 137,749	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total property taxes generated per year (increasing at 4% per year)	\$ 62,386	\$ 1,157,967	\$ 1,204,285	\$ 1,252,407	\$ 1,302,555	\$ 1,354,657	\$ 1,408,843	\$ 1,465,197	\$ 1,523,805	\$ 1,584,757	\$ 1,648,147	\$ 1,714,073	\$ 1,782,636	\$ 1,853,942	\$ 1,928,099	\$ 2,005,223	\$ 2,085,432	\$ 2,168,850	\$ 2,255,604	\$ 2,345,828	\$ 2,439,661	\$ 2,537,247								
Total Value of Taxes Paid during buildout	\$ 5,289,699																													
Total Value of All Incremental Taxes (30 years)	\$ 43,150,987																													

Table 16: Full incremental property tax implications (Proposed Case) 2024, 2033-2053

Absorption	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053
Proposed Case unit count																														
261																														
58 SHH	6	6																												
203 Multiplex/Townhouse	20	20																												
Value of Residential Dwellings																														
*Residential Dwellings assumed to inflate at 5% per																														
SHH	\$ 3,018,750	\$ 4,683,072																												
Multiplex/Townhouse	\$ 1,446,125	\$ 2,243,415																												
Property Tax Considerations																														
*Combined Mill Rate at \$1.6/\$1000 of value increasing by 4% per year	1.6	2.7772989																												
Incremental property taxes generated per year	\$ 74,984	\$ 165,567	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total property taxes generated per year (increasing at 4% per year)	\$ 74,984	\$ 1,391,812	\$ 1,467,485	\$ 1,545,394	\$ 1,625,559	\$ 1,708,223	\$ 1,793,652	\$ 1,881,086	\$ 1,970,755	\$ 2,062,922	\$ 2,144,631	\$ 2,228,336	\$ 2,314,470	\$ 2,401,188	\$ 2,489,635	\$ 2,579,966	\$ 2,672,338	\$ 2,766,812	\$ 2,863,440	\$ 2,962,273	\$ 3,063,361	\$ 3,166,745	\$ 3,272,476	\$ 3,380,604	\$ 3,491,180	\$ 3,604,254	\$ 3,719,886	\$ 3,838,127	\$ 3,959,037	
Total Value of Taxes Paid during buildout	\$ 6,357,928																													
Total Value of All Incremental Taxes (30 years)	\$ 49,461,241																													