

TO: CHAIR AND MEMBERS
FINANCIAL MANAGEMENT COMMITTEE

DATE: 2021 September 01

FROM: DIRECTOR FINANCE

FILE: 7000-01

SUBJECT: 2022 SUPPLEMENTARY UTILITY FEES DECLARATION PROGRAM

PURPOSE: To outline the 2022 Supplementary Utility Fees Declaration Program.

RECOMMENDATION:

1. **THAT** the Financial Management Committee recommend Council receive this report for information.

REPORT**1.0 INTRODUCTION**

Burnaby homeowners who rent out a suite in their home are charged supplementary utility fees annually to cover the increased usage of water and sewer services. In addition, if a dwelling is rented out and not occupied by the registered owner(s), an annual House Rental Licence is required.

Annually, homeowners are sent letters instructing them to inform the City, through a declaration form, if the status of the property has changed. This may include a change in ownership, occupancy, rental use, suite addition or removal. A declaration form is not required where there is no change in status. Letters are sent to homeowners in late September, with declaration forms due back by November 30. Further reference materials and fillable declaration forms are available on the City's website for use by homeowners to report respective changes.

The purpose of this report is to provide information on the 2021 Supplementary Utility Fee declaration program and outline plans for the 2022 program.

2.0 POLICY SECTION**Goal**

- A Thriving Organization
 - Financial viability –
Maintain a financially sustainable City for the provision, renewal and enhancement of City services, facilities and assets

3.0 BACKGROUND

To date, the City has levied 2021 supplementary utility fees for 7,192 properties, comprised of 6,288 Single Family Dwellings and 904 Two Family Dwellings. These figures are revised daily upon receipt of new information from homeowners. 2021 Supplementary Utility Fee revenues total just over \$4 million. Additionally, for the same time period, the City has issued 3,724 House Rental Business Licences amounting to \$482,000 in revenue. Details of the letters issued in late 2020 September for 2021 are as follows:

2020 Letters	Amount
Homeowners that previously submitted a declaration	28,371
Homeowners that did not return a declaration	3,691
Homeowners of new properties	56
Total	32,118

4.0 2022 PROGRAM

4.1 Notification Letters

The 2022 secondary suite declaration letters will be mailed during the week of September 27 and are due back in the Tax Office by 2021 November 30. Any change in status reported on the 2021 declaration will be made effective from 2022 January 01 and updated in the City's billing systems. Details of the proposed letters to be issued in late 2021 September for 2022 are as follows:

2021 Letters	Amount
Homeowners that previously submitted a declaration	31,172
Homeowners that did not return a declaration	92
Homeowners of new properties	46
New homeowners (new for 2021/22)	851
Total	32,161

For the 2022 program, new homeowners have been defined within their own property grouping. This grouping, together with homeowners from new properties, will receive a more tailored notification; the intention being to highlight that utility fees are based on information provided for the prior property / owner, and that if their situation differs, then they need to inform the City.

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4.2 Non-respondents

The City has made significant strides in reducing the number of non-respondents, with numbers down from 3,691 to 92 as at 2021 August 25. Combined penalty fines of \$1,000, \$500 under the Burnaby Waterworks Regulation Bylaw and \$500 under the Burnaby Sewer Charge Bylaw, may be issued for any of the following: failing to submit a declaration; failing to submit an additional declaration within 30 days following a change in the rental status of a suite; or submitting a false or inaccurate declaration. Combined \$1,000 fines have been issued to the owners of the 92 non-responding properties listed in Section 4.1. Efforts to contact these property owners continue in order to attain compliance with the declaration process.

4.3 House Rental Licences

The owner of a “rental house” is required to obtain a House Rental Licence and pay the applicable House Rental Licence Fee. Revenue Services will continue to provide the Licence Office with details of all properties whereby the homeowner has indicated that they rent out the home but do not reside on the property. Renewal invoices for House Rental Licences will be issued by the Licence Office in 2021 October, based on existing information on file.

5.0 RECOMMENDATION

It is recommended that the Financial Management Committee recommend Council receive this report for information.



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

NK:RR/md

Copied to: Chief Administrative Officer
Acting City Manager
Director Public Safety and Community Services