

# City of Belleville

Report No: DF-2026-05

Meeting Date: February 25, 2026



To: Mayor and Members of Council

Department: Finance

Staff Contact: Brandon Ferguson, Director of Finance/Treasurer

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**Subject: 2026 Property Assessment Analysis**

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## Recommendation:

That the Director of Finance/ Treasurer Report No. DF-2026-05 2026 Property Assessment Analysis be received.

## Strategic Plan Alignment:

The City of Belleville's Strategic Plan identifies nine strategic themes. This report aligns with each of the City's nine strategic themes and the City's mission statement by providing innovative and efficient services in support of our community's vision.

## Background:

Property assessments in the City of Belleville are a key factor in determining municipal tax rates. After Council approves the total amount of revenue to be raised through property taxes, the assessed values for 2026, provided by the Municipal Property Assessment Corporation (MPAC), are used to calculate tax rates for each property class.

The current assessment framework is based on the province-wide update completed in 2020, which used a valuation date of January 1, 2016. Increases in property values from that update were phased in over four years (2017–2020), while any decreases were applied in full in 2017.

The next assessment cycle was originally scheduled to begin in 2021, using January 1, 2019 values. However, due to the COVID-19 pandemic, the Province deferred this update. The municipality is still awaiting confirmation on when the next cycle will occur. Until then, assessed values remain tied to the January 1, 2016 valuation date. Adjustments occur only through new construction, supplementary assessments, property classification changes, or successful appeals.

## Analysis:

### 2026 Returned Assessment

Based on the 2026 returned assessment, the City of Belleville has 21,553 (2025 - 21,508) properties with a total assessment value of \$7.0 billion. Included in this total is \$460 million in “exempt” assessment which represents 6.56% of total assessment for the City. Examples of some of the significant exempt properties include but are not limited to Municipal property, Schools, Hospitals, and Churches.

The City’s assessment base is comprised of various property classes as outlined below:

Property Class	2025 to 2026				2025 to 2026			
	Total 2025 Assessment	Phase In			Total 2026 Assessment	Phase In		
		Growth	(Equity)	Total		Growth	(Equity)	Total
Residential	4,541,640,150	50,085,300	-	50,085,300	4,591,725,450	1.10%	0.00%	1.10%
Multi-Residential	316,890,300	2,821,100	-	2,821,100	319,711,400	0.89%	0.00%	0.89%
Commercial	1,316,554,221	14,955,800	-	14,955,800	1,331,510,021	1.14%	0.00%	1.14%
Industrial	175,554,574	4,570,500	-	4,570,500	180,125,074	2.60%	0.00%	2.60%
Aggregate	3,185,500	-	-	-	3,185,500	0.00%	0.00%	0.00%
Other	26,284,000	62,000	-	62,000	26,346,000	0.24%	0.00%	0.24%
Farms	103,761,600	(315,600)	-	(315,600)	103,446,000	-0.30%	0.00%	-0.30%
<b>Total Taxable</b>	<b>6,483,870,345</b>	<b>72,179,100</b>	<b>-</b>	<b>72,179,100</b>	<b>6,556,049,445</b>	<b>1.11%</b>	<b>0.00%</b>	<b>1.11%</b>
Exempt	458,494,300	1,411,100	-	1,411,100	459,905,400	0.31%	0.00%	0.31%
<b>Total Assessment</b>	<b>6,942,364,645</b>	<b>73,590,200</b>	<b>-</b>	<b>73,590,200</b>	<b>7,015,954,845</b>	<b>1.06%</b>	<b>0.00%</b>	<b>1.06%</b>

As there is no phase-in for 2026, the change in assessment is solely attributable to new assessment (growth) net of any reductions in assessment. Assessment growth reflects construction, additions, improvements, and changes in property use. Reductions in assessment can occur due to the settlement of requests for reconsideration, appeals, demolition and change in property use.

### Residential Assessment

Residential assessment has increased by 1.10% or 50.1M (2024 - \$66.8M). Assessment in this area is down compared to assessment growth in the prior year. This increase is below the previous three year average, however it is expected that residential growth will see increases going forward, in line with increased efforts to stimulate and accelerate housing supply and housing starts currently underway. Both Provincial and Federal policy and funding have been directed towards continued growth in this sector, and the City of Belleville is actively monitoring residential housing targets set for it under Provincial policy and Federal funding programs. Additional information on housing and development can be found on the City's [development tracker](#).

### Multi-Residential Assessment

Less growth in assessment was seen in the multi-residential class portfolio with a \$2.8M (0.89%) increase in 2025. In the prior year, growth was above average due to a significant multi-residential development being added to the assessment, as well as an expansion of an existing multi-residential property.

**Commercial Assessment**

Commercial assessment grew by \$14.96M in 2025, representing a 1.14% increase. Overall growth in this portfolio is positive and has outpaced normalized growth in the past three years. While growth was above normalized levels, a significant portion was related to a large development add in the year.

**Industrial Assessment**

Industrial Assessment increased in the year by \$4.6M (2.60%). This increase was predominately related to an expansion of an existing Industrial property within the Belleville Urban area.

**Aggregate Extraction Assessment**

In 2025 a new Aggregate Extraction property class was put in place and the Ministry of Finance amended the regulation to establish a new property class with restrictions on the tax ratios that could be utilized for this class. The City of Belleville Aggregate Extraction tax ratio has been set at 1.952895 (Industrial ratio is currently 2.4). There has been no change in assessment base in this class during the year.

**Tax Rate Billing Tables**

Belleville has four “service” or “tax billing” areas; Belleville Urban, Cannifton Urban, Cannifton Rural and Belleville Rural. Each area receives certain services and is impacted by the yearly budget for these services through their property taxes.

Table 1 Urban Belleville	Table 2 Urban Cannifton	Table 3 Rural Cannifton	Table 4 Rural Belleville	Table 5 Rural to Urban Cannifton
Core	Core	Core	Core	Core
Urban Police	Urban Police	Urban Police	Rural Police	Urban Police
Urban Fire	Urban Fire	Rural Fire	Rural Fire	Urban/Rural Fire
Transit				
Street lighting	Street lighting	Street lighting		Streetlighting

**Fire Master Plan**

Fire response is one of these area rated services, and with the approval of the Fire Master Plan in 2024, the urban fire response area is being expanded to include properties that are transitioning from the rural fire response area. Taxation impacts for these properties (Table 5 - Rural to Urban above) will be transitioned over a five-year period, which began in 2025. Ultimately, both of the urban tax billing areas will see relief in their annual taxes as the rural properties are transitioned to urban servicing and begin contributing to the urban fire budget. Those in the rural tax billing areas will see increases because the transitioning properties will no longer be contributing to the rural fire service costs. Properties transitioning from rural to

urban services will see the greatest increase in tax billing given the proportionate costs for service delivery.

**Financial:**

The following table outlines the relative shift in assessment by billing table from year to year, as well as their proportionate share of total assessment:

Property Area	2025 Assessment (\$M)	2026 Assessment (\$M)	Change in Assessment (\$)	% Change in Assessment (%)	Share of Total Assessment (%)
Belleville Urban	5,168,007,136	5,211,114,136	43,107,000	0.83%	74.28%
Cannifton Urban	77,225,600	76,656,300	(569,300)	-0.74%	1.09%
Cannifton Rural	30,261,100	30,810,100	549,000	1.81%	0.44%
Rural	970,559,300	979,793,800	9,234,500	0.95%	13.97%
Cannifton Rural to Urban	696,311,509	717,580,509	21,269,000	3.05%	10.23%
<b>Total Assessment</b>	<b>6,942,364,645</b>	<b>7,015,954,845</b>	<b>73,590,200</b>	<b>1.06%</b>	<b>100.00%</b>

Within the City’s property areas (billing tables), the Cannifton Rural to Urban section is experiencing the highest percent change in assessment at 3.05%. This increase continues to be spurred by high residential property growth in this area. The Belleville Urban area has the largest assessment value increase at \$43.1M, with increases in the year related to steady residential growth, as well as above average commercial assessment growth. This area has the largest proportion of property assessment at 74%.

**Assessment at Risk**

Assessment at Risk is a result of appeals launched by taxpayers. Taxpayers in all classes, who disagree with MPAC’s assessment of their property value or classification, can submit a Request for Reconsideration (RFR) to MPAC. The deadline for submitting a RFR is provided on each Property Assessment Notice. As all municipalities issue tax bills based on returned assessment, any subsequent appeal constitutes a potential liability for the City. In recent years, we have witnessed many Commercial appeals which have resulted in significant reductions in assessment.

Current open and unresolved appeals have a total assessment being challenged by taxpayers totaling approximately \$78.6 million, translating to Municipal taxes of \$2.4 million. As tax appeals commonly take several years to be resolved, the eventual expenditures resulting from current outstanding claims would be determined over years to come. It should be noted that this calculation does not include any assessment appeal in 2026.

Since 2017, the City has paid out approximately \$14.9 million in tax adjustments from Assessment Review Board and Request for Reconsideration Appeals, Post Roll Amendments, Amended Notice Adjustments, and Classification changes:

Year	Tax Adjustments Processed	Budget
2017	3,528,087	3,550,000
2018	1,379,715	3,550,000
2019	377,376	3,550,000
2020	2,448,228	3,500,000
2021	155,703	3,500,000
2022	3,743,609	3,575,000
2023	899,060	3,242,000
2024	899,060	3,242,000
2025	1,487,165	2,023,500
	<b>14,918,003</b>	<b>29,732,500</b>

The City has budgeted aggressively for appeals and tax adjustments since 2017, with residual funds being allocated to the Tax Rate Stabilization reserve fund to provide funding availability for assessment at risk. Below is the projected transfer to the Tax Rate Stabilization Reserve fund based on the preliminary 2025 tax adjustments and supplemental taxes:

As the timing of an appeal decision is generally unknown and the magnitude of successful appeals can be significant, it is critical that funding is maintained in the Tax Rate Stabilization Reserve Fund to adequately accommodate against these potential financial risks. For 2025, approximately \$2.3M is projected to be transferred to this reserve fund.

2025 Results	Actual	Budget	Variance
<b>A. Tax Adjustments - Municipal Only</b>			
Charity Rebates	(105,338.73)	(113,000.00)	7,661.27
Adjustments - Capping	-	-	-
Seniors & Disabled Rebates	(476,490.28)	(540,500.00)	64,009.72
	<b>(581,829.01)</b>	<b>(653,500.00)</b>	<b>71,670.99</b>
<b>B. Tax Adjustments - Assessment Changes</b>			
Tax Adjustments - Core and Other	(1,099,839.22)	(2,000,000.00)	900,160.78
Tax Adjustments - PILS	(52,425.30)	(23,500.00)	(28,925.30)
Estimated Allowance Adjustment - year-end	(334,900.00)	-	(334,900.00)
	<b>(1,487,164.52)</b>	<b>(2,023,500.00)</b>	<b>536,335.48</b>
<b>C. Supplementary Tax Revenue</b>			
Tax Supplementary & Omitted	2,464,518.78	1,735,000.00	729,518.78
Tax PIL Supplementary & Omitted	-	-	-
	<b>2,464,518.78</b>	<b>1,735,000.00</b>	<b>729,518.78</b>
<b>Projected Transfer at Year End</b>			<b>1,337,525.25</b>
Transfer to Reserve - Taxation	-	(1,000,000.00)	1,000,000.00
<b>Total Tax Rate Stabilization Transfer at Year End</b>			<b>2,337,525.25</b>

For 2026, a budget of \$1.8 million is proposed for tax write-offs as well as a \$1.15 million transfer to the Tax Rate Stabilization reserve fund. This funding combined with the reserve fund balance is important to allow the City to fund outstanding and potential appeal settlements in 2026 and beyond.

**Supplementary and Omitted Assessments**

Assessment increases that occur after the annual assessment roll has been returned are liable for property taxation. These assessment increases can be supplementary - arising from changes to property values (triggered by building construction), classification, or tax-exempt status - or omissions from the roll when it was returned. Omitted assessments can only be issued for the two preceding tax years.

MPAC is responsible for notifying property owners of any change in property value resulting from a supplementary or omitted assessment. The City issues supplementary/omitted tax bills upon notification by MPAC. A summary of annual supplementary and omitted tax bills is outlined below:

<b>Year</b>	<b>Supplementary Tax Bills</b>	<b>Budget</b>
2017	3,041,394	1,000,000
2018	1,988,406	1,000,000
2019	1,870,531	1,500,000
2020	1,962,672	1,600,000
2021	1,911,006	1,800,000
2022	1,056,457	1,900,000
2023	1,086,435	1,900,000
2024	5,738,193	4,400,000
2025	2,464,519	1,735,000
	<b>21,119,612</b>	<b>16,835,000</b>

In 2024 there was a significant increase in supplementary and omitted taxes, however this activity is isolated and continuation of building activity at this rate is not expected. 2025 also had a large development with supplemental billing generating larger than expected supplemental tax revenue. Given normalized supplemental tax revenues, existing permit activity and continued focus on housing activity and commercial and industrial building activity, it is expected that the City should generate \$1,725,000 in supplementary and omitted taxes in 2026.

**Conclusion:**

The City has benefited from considerable residential growth in recent years. However, continuing commercial tax appeals have and continue to pose a significant cost and financial risk to the City. Staff continues to monitor these issues and has developed Operating Budget provisions to ensure any future liabilities are addressed.

**Reviewed by:**

Doug Irwin, City Clerk  
Matt MacDonald, Chief Administrative Officer

**Status:**

Approved - 20 Jan 2026  
Approved - 22 Jan 2026