

<b>TO:</b>	<b>CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON APRIL 29, 2014</b>
<b>FROM:</b>	<b>MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>
<b>SUBJECT:</b>	<b>CITY INITIATED ASSESSMENT APPEALS</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, Finance staff **BE AUTHORIZED** to proceed with appeals under the Assessment Act for the properties as set out in Schedule "A" to this report.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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None.

<b>BACKGROUND</b>
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As has been done since 2004, City staff have initiated assessment appeals under Section 40 of the Assessment Act for the current year's taxation. These appeals have been initiated based on a review of the classifications and valuations on the roll. Where staff have determined that property classifications or valuations are incorrect, an appeal has been filed. All revenue generated from these appeals will constitute a source of revenue for the City for 2014 and future years.

The City is very limited in its ability to identify errors on the assessment roll. The City has no legal authority under assessment legislation to obtain detailed income, expense, lease and other information required to value non-residential properties. Only the Municipal Property Assessment Corporation (MPAC) has the legal authority to obtain this type of information under Section 10 and 11 of the Assessment Act. Under Section 53 of the Assessment Act, the Municipal Property Assessment Corporation is prohibited from disclosing income and expense information on individual properties to municipalities other than to meet the municipality's "planning requirements". Any errors which can be corrected by MPAC without an appeal by the City are first brought to their attention.

A list of all the appeals which have been filed is attached as Schedule "A" to this report for Council's information and approval. All of these properties have met one of the following criteria:

1. Property classification appears to be incorrect (minimum \$500 tax change);
2. A sale suggests the quantum on a property or related group of properties could be low by at least \$250,000;
3. Land or buildings appear to be omitted from the roll;
4. Subdivision of land appears to be omitted from the roll.

In addition to initiating appeals on behalf of the City, the City's assessment review staff communicate with MPAC on an ongoing basis regarding the status of all large assessment appeals which have been initiated by property owners. This ongoing communication ensures that the City is kept informed of any significant potential losses and is aware of MPAC's approach on large files. Information obtained from MPAC relating to the potential resolution of large assessment appeals is utilized by staff in the City Tax Office in preparation of the annual budget for contributions to the City's allowance for tax appeals and in the preparation of yearend financial statements.

<b>SUMMARY</b>
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A list of all assessment appeals initiated by Finance staff is attached for Council's information and approval.

<b>PREPARED BY:</b>	<b>CONCURRED BY:</b>
<b>JIM LOGAN DIVISION MANAGER TAXATION &amp; REVENUE</b>	<b>MIKE TURNER DEPUTY CITY TREASURER</b>
<b>RECOMMENDED BY:</b>	
<b>MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>	