



Communication

Canadian Property Tax Association, Inc.
Association canadienne de taxe foncière, Inc.

Volume No. 30
Issue: January/February 2010

Editor: J. Bradford Nixon
Co-Editor: Grace L. Marsh

EXECUTIVE COMMENT

Submitted by: Grace L. Marsh,
National VP Administration, Toronto, ON

This is the first Communication Update this year. Let me welcome you to 2010. Here's hoping this is a prosperous year for us all. It's amazing that the 21st century is already 1/10th completed. A recent news show indicated the question of the day is, "How are you pronouncing this year?" Are you using, "twenty ten", "two thousand ten", "two-0-ten" or the very short "two ten"? Wikipedia suggests that "twenty ten" will prevail, but let's wait and see.

As your Vice President of Administration, my role includes the oversight of the National Office operations and I can tell you without hesitation that we are in good hands. President Gerry and I conducted a performance review with Viviane on December 3rd, 2009, and determined that Viviane meets our expectations in every area, and in fact exceeds our expectations in the vast majority of the categories reviewed. Thank you Viviane for all you do.

In the spring, a formal internal audit will be performed by two current CPTA members and the results will be reported to you in due course.

I was extremely sorry to have missed our last conference; however I am very excited about attending in beautiful Quebec City. If you haven't already blocked your calendar for September 26-29, 2010 why not go ahead and do it now. It's sure to be an exciting conference. Jim Fraser and his committee are working very hard to bring you meaningful and educational speakers and topics along with some excellent opportunities to network and socialize.

Update

— Index —

Executive Comment.....	1/2
British Columbia	
Update.....	2/3
Mixed Success on Challenges to Municipal Property Tax Rate Bylaws	3/4
Legislative Change.....	5
Western Chapter	
Update.....	5/6
Manitoba Update.....	6/7
Ontario	
Update.....	7
Tilted Playing Field #1.....	7/8
Québec	
Update.....	8/10
IBM - Bromont: The Appeal Court Decides in Favour of IBM,	10/13
Newfoundland & Labrador Update .	13/16
Nominations Committee.....	16
2010 National Workshop.....	16/19
Future Chapter Meetings & Events.....	20

I'd also like to take this opportunity to mention the 2011 conference, which we have decided to hold in Niagara Falls, ON. We know this is a deviation from the "east/west" system which has been in play for a number of years; however, given that all our members are facing economic restraints, we expect to reduce overall travel costs for the members. We are hoping the reduced travel costs that many will experience with this location, may provide an opportunity for some of our member firms to send additional delegates including some of our newer members to attend at least some portion of the conference.

I look forward to seeing as many of you as possible at the 5th National Valuation and Legal Symposium in February, and in the meantime, keep warm, and remember spring will be here before you know it, and along with that comes the passing of most of the appeal deadlines across the country. Don't get caught without all your appeals filed!

WELCOME TO THESE NEW MEMBERS		
Dani-Rae Anttonen	DuCharme McMillen & Associates Canada Ltd.	- ON
Steve Lipton	The TDL Group Corp.	- ON
Donna L. Mattachini	DuCharme McMillen & Associates Canada Ltd.	- ON
Fionnuala Fordham	Ryan ULC	- ON
James M. Gang	Cushman & Wakefield	- QC
Mathias Hintikka	Ryan ULC	- ON
Brendan Moore	Ryan ULC	- ON
Tara L. Pjurko	McCarthy Tétrault LLP	- ON

"You can buy a man's time; you can buy his physical presence at a given place; you can even buy a measured number of his skilled muscular motions per hour.

But you can not buy enthusiasm... you can not buy loyalty... you can not buy the devotion of hearts, minds, or souls.

You must earn these"

Clarence Francis

BC CHAPTER

UPDATE

*Submitted by Peter Austin,
Austin Real Estate Consultants, Vancouver, B.C.*

BC ASSESSMENT REQUESTED PROCESS TOWARD APPEAL RESOLUTION

For the 2010 Assessment Roll BC Assessment's Vancouver Sea to Sky office is taking the following approach for appeals to this year's Property Assessment Review Panel (PARP) in an effort to resolve more appeals. BC Assessment requires, prior to the commencement of any discussion, that property agents provide:

- Last year's income statement and current rent roll for all income producing properties regardless of whether the improvements represent a highest and best use, or information for the property was received by our office in the preceding year or only the land value is the subject of the appeal.
- A written outline clarifying the agent's position regarding opinion of value and/or classification.
- And supporting evidence and/or documentation to that effect – sales, relevant lease details, etc.

Within 48 hours (two business days) of receipt of this information the appraiser responsible for the property will contact the agent and establish, as a minimum, a timeline towards meaningful dialogue with the ultimate goal being resolution.

The expectation from this process is that when both parties focus their efforts on the files where the necessary information is available, then a greater number of appeals can be resolved at the Property Assessment Review Panel level.

PVS AVAILABILITY

The new BC Assessment service on the Internet under Online Services on the "For Businesses" page allows a property owner or their agents to access a single PVS report by keying the area, jurisdiction, roll number and PIN.

<http://www.bcassessment.ca/businesses.asp>

Currently, this service is available for properties with a predominant actual use code 200 - 499. PVS reports are not available for legislated properties or properties where there is an override.

APPEAL FROM PARP

If there are no changes made at the Property Assessment Review Panel, an appeal must be made to the Property Assessment Appeal Board by April 30th 2010 to the Board office. Decisions should be received in early April from PARP. It is not possible to appeal until the decision is handed down.

APPEALS ON INDIAN BAND LAND

Starting this year with the implementation of the TFN treaty the Band Lands now come under the Assessment Act rather than their own assessment by-law. Therefore, the same appeal provisions now apply as for any other property and an appeal from the PARP can go to the PAAB.

INDUSTRY THINK TANK

The Ministry advised that they were going ahead with this concept and CPTA would be asked to join. The purpose is to provide input to government on specific issues.

The first issue concerns the taxation of Industrial Property.

LEGAL PANEL

The Legal Panel was held on January 13th to discuss the latest cases, chaired by Cheryl Vickers. Panelists were Jim Fraser, John Shevchuk and Rob Anderson. The turn out was 40 people. Our thanks to all the panalists.

BC ASSESSMENT

It is proposed to have a BCA and CPTA round table in April or May.

APPEAL BOARD PRESENTATION

There will be a presentation by the Board in March or April and discussion on Board Policy and Procedures in 2010 will follow. Dates will be announced in due course.



MIXED SUCCESS ON CHALLENGES TO MUNICIPAL PROPERTY TAX RATE BYLAWS

Submitted by: Robert S. Anderson, Q.C. and Ludmila B. Herbst, Farris, Vaughan, Wills & Murphy LLP, Vancouver, BC

The BC Supreme Court has recently decided several challenges to municipal tax rate bylaws, instigated by companies involved in the forest sector: Catalyst Property Corporation ("Catalyst") and various TimberWest entities ("TimberWest").

Catalyst, which largely argued not that the bylaws it challenged were outside municipal authority but that they were illegal on the basis of being "unreasonable", was for the most part unsuccessful. It has appealed the decisions. In a different factual context, TimberWest prevailed on the basis that the bylaws it challenged were outside the authority of the municipality involved.

In October and December 2009, Mr. Justice Voith of the BC Supreme Court decided the four cases brought by Catalyst (2009 BCSC 1420, 2009 BCSC 1751, 2009 BCSC 1752, 2009 BCSC 1753). Catalyst had sought declarations that the property tax rates for Class 4 (Major Industry) established by bylaws in the communities of North Cowichan, Campbell River, Powell River and Port Alberni (where Catalyst had pulp and paper operations) were unreasonable and thereby illegal. Catalyst pointed specifically in this regard to the fact that its contribution to the municipal tax base far eclipsed its limited consumption of municipal services. The Class 4 rates also substantially exceeded the rates for Class 1 (Residential).

Mr. Justice Voith confirmed that the court could consider whether or not a municipal bylaw is reasonable, and that in such cases there should be some evidence before it to support the rationality of the municipal decision being challenged. However, Mr. Justice Voith also made clear that courts will give considerable deference to policy-based decisions made within municipal authority and on the basis of relevant considerations, and will not revisit the outcomes which a municipal council has determined to be appropriate other than in exceptional

circumstances, such as where those outcomes are so aberrant as to enable the court to conclude that no reasonable body could have come to them.

Municipal councils have the power to impose different rates of tax on different classes of property. Mr. Justice Voith held that the essence of a municipality's right to discriminate in fixing property tax rates is that it can deviate, although for relevant purposes, from a linear relationship between consumption and taxes, or from the need to treat members of different classes in the same way. While a municipal council is likely required to consider information (where it exists) as to the actual levels of municipal services consumed by a given class, it is up to council to determine the significance to be given to such consumption data and to fit that information into its decision-making matrix in the way that it considers appropriate. Other categories of relevant information to be fit into that matrix may include such non-empirical matters as council's knowledge of the community, the community's needs and the adequacy of the services provided.

Mr. Justice Voith found that, in part through Catalyst's own efforts to engage with the involved municipalities in the years before its court proceedings were commenced, the municipal councils had before them many diverse factors relevant to the bylaws and in particular to Class 4 tax rates. The court found the municipalities' obligation to ensure there was information in the record before the court from which it could glean the factors that council had considered in its decision was satisfied, that the bylaws were rationally supported and that the effects or outcomes they created were within the range of permissible outcomes.

Catalyst did succeed in its argument that tax rates set in the Campbell River bylaw for regional district purposes were outside municipal authority (given their departure from specific inter-class ratios required in the regional district context), and those rates were severed from the remainder of the bylaw. In its case, which was also against Campbell River, TimberWest succeeded in a similar argument regarding taxation for regional district services.

More generally, TimberWest sought in its case to set aside municipal bylaws which had the effect of increasing TimberWest's 2009 property tax rate on its managed forest land in Campbell River

approximately 10 times compared to the 2008 rate. The change appeared to have been made with a view to forcing TimberWest to withdraw at least a portion of its land from its managed forest lands (with the bylaws making it uneconomical for TimberWest to manage its forest lands in accordance with the provisions of BC's *Private Managed Forest Land Act*) so that the land could be developed for a non-forestry use which Campbell River desired.

Madam Justice Gerow of the BC Supreme Court concluded (2009 BCSC 1804) that whether Campbell River had the authority to enact the bylaws was to be reviewed on a standard of correctness, and determined that those portions relating to raising taxes on TimberWest's managed forest lands were outside the municipality's powers. Madam Justice Gerow noted that while s. 197 of BC's *Community Charter* empowers a municipality to use property tax bylaws to raise revenue, it does not confer the power to effect changes in land use. Further, even if taxation powers might be construed to confer a power to regulate, the power to regulate did not give a power to pass a bylaw which has the effect of restricting a forest management activity in contravention of s. 21 of the *Private Managed Forest Land Act*, which provides that a local government must not adopt a bylaw in respect of land that is private managed forest land that would have the effect of restricting, directly or indirectly, a forest management activity. Madam Justice Gerow set aside (and remitted to Campbell River for reconsideration) a portion of the tax rates bylaw as well as the attendant property tax notices.

In this context, Madam Justice Gerow found it unnecessary to consider whether portions of the bylaws should also be set aside on the basis they were unreasonable, which is the applicable standard of review for the exercise of an authorized municipal action. However, the court did suggest that Campbell River's *in camera* consideration of the tax increase would have made its decision less worthy of deference on this standard than would ordinarily be the case.



LEGISLATIVE CHANGE

*Submitted by Meridith Parkes, Legal Counsel,
BC Assessment, Victoria, BC*

The Property Assessment Appeal Board (the "Board") has started the New Year by providing some direction on the classification of strata accommodation properties ("SAPs"). On January 13, 2010, the Board delivered its decision in *City of White Rock v. Assessor of Area 14 – Surrey/White Rock*, 2010 PAABBC 20092029.

For the purposes of the 2009 assessment roll, BC Assessment treated 39 strata lots in the Ocean Promenade All Suites Hotel as SAPs and split their classification between Class 1 – residential and Class 6 – business and other. The split classification was based on a declaration of use provided by the strata management company as agent for the owners. The City of White Rock appealed the classification of 26 of these SAPs.

The City argued that a section 219 covenant negotiated by the developer and the City, and registered against the titles of the SAPs, prevented the owners from using their strata lots for any purpose other than "public rental residential use", which was defined in the covenant to mean commercial rental use by the public. Because the owners could not occupy their SAPs, it could not be said that the owners had the right to use their SAPs for at least 7 days between July 1, 2007 and June 30, 2008 as required by s. 1 (a)(iii)(A) of B.C. Reg. 438/81 (the *Prescribed Classes of Property Regulation*). The SAP owners and BC Assessment argued that the covenant permitted owners to use their SAPs for personal, residential purposes for 50% of the year.

The Board found for the City, stating that the section 219 covenant was clear, valid and enforceable, with the result that the SAPs under appeal were entirely within Class 6.

It does not appear that the Board gave any weight to a second covenant registered against the titles, which purported to allow the owners to use their strata lots for personal, residential use for up to 42 days per year. The City was not a party to this second covenant and it appears that the second covenant did not take priority over the section 219 covenant.

The City also argued, in the alternative, that even if the owners were entitled to occupy their SAPs for at least 7 days in the reporting period, the owners did not satisfy their requirement to report because the usage statistics for the SAPs under appeal were reported by the strata management company as agent for the owners and not by the owners themselves. Although not required to address the issue, the Board went on to find that the owners had complied with their requirement to report under section 11 of B.C. Reg. 438/81. The Board held that to conclude otherwise would have consequences for both BC Assessment and the owners. The Board found the City's position on this issue to be "untenable".

The owners are requiring the Board to state a case to the BC Supreme Court. For the full text of the decision, please see:

http://www.assessmentappeal.bc.ca/decisions/dfull/dec_2009-14-00015_20092029.asp.

WESTERN CHAPTER

UPDATE

*Submitted by Monica Keller, Talisman Energy Inc.
Calgary, AB*

DECEMBER MEETING

The Western Chapter Christmas social was held this year on December 15th. As in previous years, we generally do not schedule a speaker for the event. Retirees are invited to get together with the membership and celebrate the season.

JANUARY MEETING

We were pleased to have Mr. Kevin Heffernan, Vice President of the Canadian Society for Unconventional Gas as the guest speaker at our January 19th meeting. Mr. Heffernan gave a very informative presentation on shale gas and the North American Natural Gas Market.

FEBRUARY MEETING

Our February meeting will be held this year on Tuesday the 16th following the Family Day long weekend. The speaker for the luncheon will be Mr. Jordan Martens, Sales Representative from Cushman & Wakefield Ltd. Mr. Marten's topic of

discussion will be the Calgary real estate market with a special focus on real estate trends in relation to drilling rates and forecasts.

ANNUAL EDUCATION SEMINAR

There have been numerous planning meetings held by the Education Committee for the annual seminar scheduled this year on March 22 - 23, 2010 at the Radisson Hotel Calgary. The theme for the seminar this year is "Hope in the New Decade: Emerging Trends and Issues". The committee members include Jon d'Easum, Kirk Wasylik, Amy Bricker, Ben Matthews, Ian Magdiak, Rhine Olyniuk, Monica Keller, Brian Waters and Trevor Selanders.

Some of the speakers and topics include:

**Keynote Speaker: Ken King, President & CEO
Calgary Flames**

- Provincial Update
 - Gregg Paton (BC)
 - Steve White (AB)
 - Brad Korbo (SK)
- Legal Panel
 - Jim Fraser (BC)
 - Gil Ludwig (AB)
 - Tim Stodalka (SK)
 - Mark Newman (MB)
- City of Calgary and City of Edmonton Assessment Updates
 - Wilhelm Malan (Calgary)
 - Rod Risling (Edmonton)
- A Provincial perspective on Bill 23 implementation
 - Dennis, Woolsey, Chair Municipal Government Board
- Toromont Energy
 - Tony Stone
- Real Estate Trends and Forecasting
 - Tim Sommer, Cushman & Wakefield Ltd.
 - Greg Kwong, CB Richard Ellis
- Bird Construction
 - Frank DeLuca, Construction cost expert
- Discussion on Carbon Capture
 - Douglas Lammie

GOVERNMENT LIASION COMMITTEE

The next committee meeting has been confirmed for February 10th from 9:30 – 11:00. Items on the agenda include Assessment Appeal / Complaints Regulation (Bill 23), Commingled wells, Assessment of idle equipment at well sites,

cogeneration assessments, residential / non residential tax rates. Should anyone wish to attend the meeting please contact Joanne Manning at (403) 691-7535.

MANITOBA UPDATE

*Submitted by Mark Newman, Fillmore Riley LLP,
Winnipeg, MB*

EQUITY UPDATE

In past issues, we have reported on the decision of the Manitoba Court of Appeal in *Gardentree Village*, a case dealing with equity, in respect of which the Manitoba Court of Appeal ruled in the summer of 2009, that the onus lies upon the Assessor to show equity and that the Municipal Board has the power in fixing value to take equity into account.

The Court remitted the matter to the Municipal Board for rehearing.

The Municipal Board has now scheduled the hearing for May 4 – 5, 2010.

During the course of a prehearing conference, the City has indicated it intends to take the position that a Global ASR based on all classes of property in the City of Winnipeg will, at least in part, be relied upon by the City.

Further updates will follow.

SATELLITE TELEVISION

A decision from the Court of Queen's Bench continues to be awaited in respect of the attempt by the City of Winnipeg to impose business tax upon satellite television revenues earned from customers in the City of Winnipeg.

2010 GENERAL REASSESSMENT

Approximately 8,100 appeals were filed in respect of the 2010 reassessment. The deadline for the filing of appeals was June 26, 2009.

Of the approximately 8,100 appeals filed, approximately 84% have now been disposed of, representing 89% of the value in appeal. A significant percentage have been resolved by way of settlement. The appeal process will be complete by early March, 2010.

At late January, 2010, there were approximately 390 appeals which have been filed with the Municipal Board of Manitoba from decisions of the Board of Revision, the first level of appeal.

BUSINESS TAX

The 2010 business tax assessment has issued and appeals will be heard over a period of approximately 3 months, commencing in March 2010.

2012 ASSESSMENT

Manitoba has moved to a 2 year cycle and the next general reassessment in Manitoba will be effective in 2012.

The date of value will be April 1, 2010.

The City of Winnipeg Assessment Department advises that it will begin the preview process in respect of the 2012 general reassessment in approximately 1 year, with the general reassessment issuing at the end of May, 2011.

PROVINCIAL ASSESSMENT

The appeal process for appeals outside of the City of Winnipeg, which is administered by the Provincial Municipal Assessor, has been completed. There are approximately 15 commercial appeals arising out of this process, and approximately 100 hog barns. The appeals in relation to hog barns are a function of economic conditions relating to that industry.

With respect to the 2012 general reassessment, the Provincial Assessor will issue assessment notices in the spring of 2011. Deadlines in respect of Provincial appeals vary from municipality to municipality, but generally commence approximately the beginning of September and run through the fall. Adjustments will be possible in respect of notices issued by the Provincial Assessor until the appeal deadlines.

ONTARIO CHAPTER

UPDATE

Submitted by: Angie DaCosta, Cushman & Wakefield Property Tax Services, Toronto, ON

Is it too late to say "Happy New Year"? It seems like just yesterday we were exchanging gifts and raising a toast to the New Year, yet here we are quickly approaching the end of February.

Well, Happy New Year, anyway.

With the end of February coming on fast we find ourselves busy drumming up new business, completing municipal rebate applications and preparing for the onslaught of assessment appeals. No matter how organized, prepared and ready we are, we'll all still burn the midnight oil ensuring all our applications and appeals are in, accurate and on time.

However, no matter how busy we all are, your Ontario Chapter Executive managed to put together a fantastic Symposium. The 2-day Symposium (February 8th and 9th) took place in the spectacular banking hall for the historic Dominion Bank of Canada at 1 King West. I personally want to thank Gayelyn Henderson, Maria Colavecchio, Jason George, Brad Nixon and Viviane Marcotte for their tremendous efforts and dedication. I also want to thank all our delegates and speakers for taking time out of their busy schedules to attend the Symposium. The ongoing support and positive feedback received makes all our efforts truly worthwhile. Congratulations to everyone for a successful 2010 Legal & Valuation Symposium!

As Chair of the Ontario Chapter, one of my main responsibilities is collecting articles and commentary to be included in the CPTA Communication Update. Surprisingly, this relatively simple task is not always as easy as it sounds. I encourage and invite everyone to participate and submit an article. Generally, we look for summaries of recent case law as well as general interest articles relating to issues affecting our business - be it valuation, legislative or administrative. Share your experiences!

Lastly, I'd like to remind you of our annual golf tournament that is confirmed for Thursday, June 3rd at Cardinal Golf Club in Newmarket. I only wish for good weather and a record number of golfers because everything else - a good course, good food and good times - is guaranteed!

TILTED PLAYING FIELD #1

Submitted by: J. Bradford Nixon, Walker Poole Nixon LLP, Toronto, ON

The property tax classification system in Ontario, described as Ontario Regulation 282/98 is complex.

It establishes in excess of 50 classes and subclasses: each with its own local rate of taxation.

Occasionally the tax classes and subclasses establish a discriminatory tax treatment for similar economic activities. The following is the first of a two-part series on the tilted playing field caused by such unintended discrimination.

This article was originally published in RenewCanada for the Canadian Brownfield Network. The tax analysis was undertaken by Cushman Wakefield. RenewCanada may be found at www.renewcanada.net

Tax classes are making it hard for brownfields to compete with greenfields.

Brownfield redevelopment transforms idle industrial property into higher order land-uses resulting in a host of benefits to the surrounding community, including increased property taxes. But before the transformation, applications for planning approvals must be made, processed and approved; buildings must be demolished; the site must be remediated; risk assessments must be prepared and approved; and Records of Site Condition must be filed.

That's a lot of paperwork.

Contrast this with the typical greenfield redevelopment process where the existing land use is often agricultural lands that remain farmed while planning applications are made, processed and approved.

The current property tax regime puts brownfields at a distinct disadvantage when competing against similar greenfield sites for a developer's attention.

A recent study (see "Brown vs. Green") analysed property tax implications in the development / redevelopment of a hypothetical 15-acre site. A three-year timeframe was applied to compare a greenfield versus brownfield site from acquisition through to rezoned and serviceable lands in four Ontario municipalities. The results clearly

demonstrated a brownfield redevelopment paying between \$200,000 and \$500,000 in additional property taxes over the three-year development horizon. This is obviously detrimental to any brownfield site that is being analysed for redevelopment potential.

There are three determining factors in establishing the property taxes for an individual property: the assessed property value; the property classification; and, the tax rate, which the property classification determines.

Agricultural lands are consistently assessed as having a lower value than lands that are developed or readily developable. The tax rate for agricultural land is also among the lowest, resulting in property taxes that are significantly lower than for any other class of land. The property taxes remain low throughout the planning approvals process, including rezoning. Only a slight increase in property taxes is incurred when the plan of subdivision is registered and the property shifts into a new tax class. Only when the developer breaks ground to begin servicing the site do the property taxes at the new higher-order land-use come into effect.

The assessed value of a brownfield property, on the other hand, is based on the values of other industrial properties in the area, resulting in some of the highest property taxes. Property owners can achieve some tax relief upon demolition of the buildings on the site, but the tax class and tax rate remain unchanged.

QUÉBEC

UPDATE

Submitted by: Jules Mercier, AEC International, Montréal, QC

MONTREAL 2010 BUDGET

After eight years of booming real-estate activity, the city's surplus is all gone after one recessionary year. That's how newly re-elected

mayor Gérald Tremblay explained the tax increase contained in the \$4.298 billion 2010 budget for the city.

Mayor Tremblay also noted that he had not raised taxes since taking office in 2002.

Tremblay argued the sudden tax increases can be blamed on the worldwide economic recession, which last year deprived municipal employee pension funds of \$57 million through stock market losses, diminished the return on municipal investments by \$32 million, and caused a slowdown in real-estate activity that led to a \$10 million drop in municipal revenue from a tax on realty transactions, known as the welcome tax.

The mayor also warned that even more tax increases are in the offing in the next few years' budget if the provincial government doesn't accede to the demands he's made for the last eight years.

It's time, he said, for off-island municipalities to pay a fair share of the metropolitan costs that Montreal currently shoulders alone. The city is asking the provincial government to provide new sources of revenue that are not sensitive to volatile fluctuations in property values which may be a concern for tax payers in Greater Montreal if the city succeeds in its quest to obtain new taxing tools such as tolls on all highways entering Montreal, a city sales tax and a municipal gasoline tax.

HIGHLIGHTS OF MONTREAL'S 2010 BUDGET

- City and agglomeration budget of \$4.298 billion, up 5.6 per cent.
- Overall tax revenue increase for Montreal of \$168 million, an increase of 6.9 per cent over 2009.
- Property taxes will be up in 2010 by 5.3 per cent, on average, from last year (\$154 for the average residential property). Meanwhile, the taxes of non-residential properties are rising by 6.0 per cent on average.
- Montreal has implemented a tax on non-residential indoor and outdoor parking lots that is expected to increase municipal revenues by \$20 million. These revenues will be used to finance new public transit services.
- Downtown outdoor parking lot owners will be charged \$19.80 per square meter of parking

while indoor owners in the same area will be charged \$9.90 a square meter. Parking lot owners located in a zone further from the city core will be assessed \$14.85 per square meter for a lot outdoors and \$4.95 for an indoor lot.

- Municipal contribution to public transit of \$389.6 million, up by 17.3 per cent, or \$57.6 million, over 2009.
- A 6.2 per cent decrease in roadwork spending in the city.
- Seven boroughs have a local borough tax in 2010: Anjou, Lachine, LaSalle, Montréal-Nord, Pierrefonds-Roxboro, Saint-Léonard and Verdun.

COALITION AGAINST PARKING TAX

As of February 4, 2010, an alliance opposed to the new parking tax has been created.

Grouping business people from the Downtown Business Core, this coalition would like to prove that this new tax will hurt Montreal Downtown property owners, adding to the actual economic condition resulting from the 2008-2009 Economic Crisis and Recession.

Mayor Tremblay said this tax will remain and no pull out is tolerable by the City of Montreal.

This new parking lot tax is creating strong reactions from various real estate owners holding properties in Downtown Montreal.

Lots of questions remain unanswered at this time and the future will tell how this new tax will be finally received by those taxpayers affected by this parking tax and, if the City of Montreal will maintain this new tax as announced.

2010 ASSESSMENT ROLLS

All 2010 Assessment Rolls for the Province of Quebec are 3-year rolls. The date of assessment is July 1, 2008.

This means all assessed value were estimated before the September 2008 world economic crisis and the recession.

The deadline to file an application for assessment review is April 30, 2010.

In the Province of Québec, you can appeal the assessment only the first year a new roll is

implemented. If you don't, then you have to accept the new assessment for the 3-year period.

2011 ASSESSMENT ROLLS

The municipalities having classified properties, for the 2010 Assessment Rolls, as "Single Purpose Property" (Immeuble à Vocation Unique – IVU) have an obligation of advising the taxpayer by February 15, 2010. Then the taxpayer must be prepared to reply to the municipality by June 1, 2010.

Among the municipalities entering a new roll in 2011:

- | | |
|--------------------|----------------------------|
| - Montreal | - Beloeil |
| - Boisbriand | - Chambly |
| - Joliette | - La Prairie |
| - Lévis | - Matane |
| - Mirabel | - Mont-Tremblant |
| - Rimouski | - Rivière-du-Loup |
| - Sainte-Catherine | - Sainte-Thérèse |
| - Saint-Jérôme | - Salaberry-de-Valleyfield |
| - Sorel-Tracy | - Terrebonne |

JURISPRUDENCE

Administrative Tribunal of Quebec – Tribunal Administratif du Québec (TAQ)

Corporation D'Aliments Ronzoni du Canada c. Ville de Montreal

Date: January 26, 2010
Number: SAI-M-144698-0803
Tribunal: Tribunal Administratif du Québec

Les Emballages Mitchell-Lincoln Ltée c. Ville de Montreal (Saint-Laurent) et Mitchel Garfinkle

Date: October 9, 2009
Number: SAI-M-140384-0712
/SAI-M-144646-0803
Tribunal: Tribunal Administratif du Québec

These decisions refer again to application of Article 65 of an Act Respecting Municipal Taxation.

QUEBEC COURT – COUR DU QUÉBEC

IBM Canada Limitée c. Ville de Bromont et MRC La Haute-Yamaska

Date: January 12, 2010
Number: 455-80-000103-075
Tribunal: Quebec Court

BREAKFAST MEETING

February 18, 2010 – City of Montreal Budget

Considering what is happening, the Quebec Chapter has invited Mr. Jean-François Leclaire from the City of Montreal Finance Department to our next Breakfast meeting on February 18, 2010.

During a 60-90 minute period, including Q & A, Mr. Leclaire will explain to the participants:

- Implementation of new 2010 taxes for: Montreal Agglomeration (Montreal Island) including:
 - . Burroughs (City of Montreal) and
 - . De-amalgamated Municipalities
- Parking Tax
- Water Tax
- Residual Tax
- Non-residential Tax

For those interested in reading the City of Montreal 2010 Budget, please use the following link: www.ville.montreal.qc.ca and click on Budget 2010. All documentation is in French.

ACTF/CPTA GOLF TOURNAMENT

As in the past, Éric Riberdy, É.A. of Nexacor Realty Management Inc. will be responsible for organizing the 2010 Golf Tournament. The projected date is Thursday May 20, 2010. It will be held at "Golf Le Versant" in Terrebonne. We are still looking for other venues but green fees are prohibitive.

THE QUEBEC CHAPTER EXECUTIVE

Chair: **Jules Mercier**, AEC International
Vice-Chair: **Normand Cloutier**, CN
Secretary: **Corinne Li**, Nexacor Realty Management Inc.
Treasurer: **Gilles Beauchemin**, Canadian Pacific

IBM – BROMONT: THE APPEAL COURT DECIDES IN FAVOUR OF IBM ¹

Submitted by, Gilles Fafard, De Grandpré Chait, Montréal, QC

The litigation begins with the decision of first instance (TAQ) reducing by approximately 5 million dollars a total assessment of 47.2 million dollars, but maintaining a "virtual" value for the

electrical and mechanical systems. The TAQ also recognized even certain factors some 2 ½ years after the return of the roll (*ie factors that were modified in a 2005 version of the Quebec Manual of Assessment representing adjustments to the cost new of a building for application as of July 2006*) could be applied to the assessment of the IBM property to be determined as of July 2003.

The appeal to the Quebec Court was allowed on the basis of:

- a) whether or not there should be any value on the roll for electrical and mechanical systems;
- b) the determination of the appropriate class and economic factors that should be retained and applied to the costs new of the buildings.

The judgment on the merits was rendered by the Court of Appeal on January 12, 2010 and was subsequently rectified on January 20. The judgment and the rectified judgment dealt with proper principles to be applied in order to decide the issues. On February 10, the court confirmed the application of the principles to the situation in terms of an assessment reduced by \$14M, including the initial reduction of \$5M.

The Court had to deal with the selection of the appropriate standard for review. The standard applied to the interpretation of the provisions of section 65 of the Act pertaining to electrical and mechanical systems and also to the proper selection of class and economic factors.

1) Interpretation of section 65 of the Act (electrical and mechanical systems).

Section 65 of the Act indicates that mechanical or electrical systems integrated into a structure (intended to lodge persons ... or store things) do not form part of that structure and may not be entered on the roll if it used or intended for purposes of industrial production. The test is that in such a case, the whole component is excluded from the roll if it falls mainly within the scope of industrial production in contrast with the use or intended use of servicing the building (lighting and HVAC).

The IBM decision rendered by the TAQ did not consider it an infringement to section 65 in the situation where the assessor inscribes on the roll not the actual system or a portion of the actual system that could be found on the premises in the

IBM buildings, but rather a rational system based on the cost of a lighting system and the cost of an HVAC system that would virtually service the needs required by the magnitude of the buildings (more or less 525,000 square feet).

The appeal Court finds that it was an error in law made by the first instance Tribunal (TAQ) to interpret section 65 in such a way and that for all practical purposes, that interpretation violated the purpose and the intention of section 65 as drafted by the legislator. In other words it opened the door to bypass that intention with the result that the provisions of section 65 were meaningless.

An historical review of that section demonstrates that it had been abandoned in 1993 following a Supreme Court decision² in order to put an end to the redundant controversy on the percentage of the electrical and mechanical systems that should be excluded from the roll because it is dedicated to industrial production. The intention of the legislator was to avoid calculating such proportions and make the assessor's life easier. If those systems were principally dedicated to industrial production, knowing however that they would be servicing the building in a secondary fashion, then the rule would be a total exclusion of the systems and the determination of percentages would become a concern of the past.

In addition, the Court of Appeal finds that value for the lighting system that the assessor had put on the roll is not the value of an electrical system.

The basis of the decision is the interpretation of the phrase "*to be or not to be on the assessment roll*". That definition applies to any electrical system (and therefore the same for any mechanical system). The lighting of the building is one the many functions accomplished by the electrical system which is primarily and predominantly dedicated to industrial production, including incidentally the service to the building that needs to be lighted, heated, ventilated and air conditioned with or without industrial production occurring on the premises.

The decision rendered by the first instance Tribunal resulted in a value on the assessment roll that represented a "virtual lighting system" and a "virtual HVAC system" for a building which is not the actual system in place, but rather would exist in circumstances where there would be no industrial production or where the industrial

production would be incidental and not predominant. The evidence showed that there was only one electrical and HVAC system, that both were integrated into the buildings and that both were principally installed for industrial production. That evidence, according to the Court of Appeal, was not contradicted or challenged. The conclusion of the first instance Tribunal (TAQ) as to the existence of a distinct electrical system did not rely on the evidence and was not a rational conclusion it could arrive at. And this was directly attributable to the incorrect interpretation of the provisions of section 65.

To some surprise, the conclusion of the first instance Tribunal (TAQ) as to the mechanical system was that it was unique, integrated to the building and principally dedicated to industrial production. But the first instance Tribunal made the same wrong interpretation by allowing a virtual value to remain on the assessment roll for an HVAC system that would be required for a building without industrial production.

The Court of Appeal was of the opinion that such interpretation is at the heart of the decision of the first instance Tribunal and concluded that the standard for review should be correctness in the sense that the first Tribunal didn't have jurisdiction to issue a wrong decision on the interpretation of that section of the law. The Court of Appeal also found that contrary to previous jurisprudence where there was no contestation of the meaning of section 65, but rather a question on the application of the section to specific situations creating therefore a mixed question of fact and law and introducing as a consequence a "reasonability" test. But in the present case, the first instance Tribunal's decision introduced a different perspective as to the interpretation of the section.

The Court examined a few examples of judgments where the interpretation pertaining to matters of exemption or non inscription on the roll were labelled as questions of law.

In addition the Court also made a distinction between an appeal and a judicial review and is of the opinion that an appeal opens a larger door than an application for review as to the recourse to the "correctness" test. The Court does recognize that a question of law familiar to the first instance Tribunal may generate the application of the "reasonability" test. And the Court mentioned as an example the **Imperial**

Tobacco decision where the case relied upon the application of section 65 and therefore justified a review on the basis of the "reasonability" test when such is the issue.

But here, in the IBM assessment appeal, the court reasoned that the standard of review should be "correctness" in the sense that the first Tribunal did not have the authority to make a wrong interpretation of section 65.

2) Dealing with the selection of class and economic factors.

Regarding the appropriate factors to be applied on the cost new of the buildings, the first instance Tribunal was of the opinion that amendments made subsequent to the return of the roll were mandatory³. This is the reason why the Court of Appeal decided that the standard of review was the test of correctness. The class factor is simply determined by referencing to the appropriate source, i.e.: the one that was provided by the Manual and that existed as of July 2003.

The economic factor presents a more complex issue. But here again the assessor had decided that the one proposed by the Manual in 2003 was unjustified because those factors at that time were determined on a geographic basis. The property of IBM was in a sector where the proposed factor was 1.15 while a few kilometers away the proposed factor was 0.96. Instead of neutralizing the factor because the ones proposed by the Manual were irrelevant, the assessor applied the factor proposed by the 2005 version of the Manual: 1.05.

The court found that, having set aside the economic factors proposed in 2003, the assessor could not be justified to rely upon the one proposed in 2005. In addition, none of those factors (whether they be proposed in 2003 or in 2005) could be applied to a property where the costs new exceeded \$32M. IBM's building costs new was \$45M. It was outside the category contemplated by the Manual. Also, the court found that factors contained in the Manual are made for the purposes of a mass appraisal and cannot be utilized in a challenged individual assessment of a property as being appropriate to reflect without question the behaviour of the real estate market at the date of reference. The court said that, in the end, the Tribunal did not have the benefit of any evidence that could be utilized to fix

the economic factor and therefore should have concluded that it had to be neutralized at 1.00.

¹ The appeal Court decision is currently subject to an application for review that has been served by Ville de Bromont on February 11, 2010.

² Known as **Ciment Québec Inc.**

³ Those amendments occur from time to time and are made for the purpose of the return of the roll according to guidelines emanating from the Minister of Municipal Affairs. We put the emphasis on the fact that they maybe mandatory for the return of the assessment roll, but they do not have the same legal impact in an application for review of a specific assessment before the Tribunal, *a fortiori*, when a subsequent version of the Manual did not apply at the time of the return of the roll.

ATLANTIC PROVINCES

NEWFOUNDLAND & LABRADOR UPDATE

Submitted by Michael J. Crosbie, McInnes Cooper, and Jerome Kirkland, ARA – Kirkland, Balsom & Associates, St. John's, NL

**2010 No. 10-0309 and 10-0310
ASSESSMENT REVIEW COURT DECISION
CITY OF ST. JOHN'S**

BETWEEN:

FORTIS PROPERTIES CORPORATION, APPELLANT

- and -

CITY OF ST. JOHN'S, RESPONDENT

JUDGEMENT

This is an appeal by Fortis Properties Corporation in connection with its Business Realty Assessment in the amount of \$33,900,000 for property 120 New Gower Street in the City of St. John's. This is a combination of two assessments 10-0309 (\$10,850,000) and 10-0310 (\$23,050,000).

Appearing for the Appellant were Jerome Kirkland and Michael Crosbie and appearing on behalf of the Respondent were Robert Peddle, Chris Browne and Ron Cadigan.

The basis of this appeal as stated by the Appellant is that the property is assessed higher than its market value.

There were two main issues raised by the Appellants representatives. The first issue is that the assessed value is higher than its market value and the second issue is that of Capitalization Tax Loading. The City disagrees with the applying of tax loading to hotel properties. I will deal with the tax loading issue first as the decision will have a bearing on how the value is derived.

Both parties presented oral and written submissions on tax loading summarized as follows:

Chris Browne submitted a "Simplified Example—Property Tax Expense" paper dated November 27, 2009; a section of the Appraisal Institute of Real Estate, Second Canadian Edition; paper titled "Point Regarding Case Law", and a paper titled "Summary of City of St. John's Assessment Capitalization Rate Method" (2010 Assessment of Hotel Properties).

Ron Cadigan submitted a paper titled "Hotel Property Valuation".

Jerome Kirkland, appraiser for the appellant submitted a paper titled "Capitalization Tax Loading Method"; a copy of an assessment by the Newfoundland and Labrador Municipal Assessment Agency showing their method which included tax loading, and copies of the City of St. John's previous assessments where they used the tax loading method for hotels.

The Appraisal of Real Estate used by the Appraisal Institute states that ***"The income approach supports two basic methodologies; direct capitalization, which uses the relationship of one year's income to conclude a value, and a yield capitalization, which considers a series of cash flows over time together with any reversion value or resale proceeds.***

As an initial step, both methods require a comprehensive study of historical income and expense for the subject property.... Although there are various income capitalization techniques available to the appraiser, certain steps are essential in applying the income approach... In addition, the appraiser must make certain that the net operating income of each comparable property is calculated and estimated

in the same way that the net operating income of the subject property is estimated...

The paper prepared by Chris Browne titled Simplified Example-Property Tax Expense shows the difference in conducting an evaluation where the business and realty taxes are included in the expenses and an example where the business and realty taxes are not included in the expenses. He used an adjusted cap rate in the example which did not include the business and realty taxes.

Mr. Browne's paper titled Point Regarding Case Law states that he does not consider the case law referenced by Jerome Kirkland i.e.1285308 Ontario Ltd. v Municipal to be appropriate as the method was accepted by both parties and not based on arguments/evidence from both parties involved.

In the paper titled "Summary of City of St. John's Assessment Capitalization Rate Method (2010 Assessment of Hotel Properties)" two examples are shown, one with the property and business taxes included in expenses before determining the cap rate and the other with the property and business taxes excluded from expenses before determining the cap rate. The change in capitalization rate between the two examples is not equal with the property and business tax rate, which indicates that "loading" a capitalization rate to account for property and business taxes may not be a completely accurate method. It concluded that ***"Therefore, as noted above, it was concluded that the best method of valuation to be utilized in estimating the 2010 assessment of the subject hotel property was to follow typical appraisal methods; whereby property and business taxes are deducted as an operating expense and not loaded into the capitalization rate!"***

The report compiled by Jerome Kirkland titled "Capitalization Tax Loading Method" this document includes articles and case law supporting the use of tax loading.

In Mr. Kirkland's report at tab 1 is a paper titled "The Determination of Hotel Value Components for Ad Valorem Tax Assessment written by Stephen I. Matonis, MAI and Daniel R. DeRango, MAI. The article stated in the section dealing with Real Property Valuation shows a Base capitalization rate to which the Tax rate is loaded thus giving an overall loaded capitalization rate. It further states that ***"Because hotels represent a***

unique form of real property investment, a simple income analysis using direct capitalization may overstate the value of the real property component of the investment..."

Tab 2 in Mr. Kirkland's report contains an article titled "Loading The Cap Rate For Hotel Tax Appeals: Useful tool or dangerous weapon? Written by David C. Lennhoff, MAI, SREA, CRE. Mr. Lennhoff states that ***"Real estate taxes are a particularly good match for this analysis because they are expressed as a % of total value. By loading the cap rate, you calculate the taxes that would be appropriate for the correct value estimate, rather than the actual taxes, which are the subject of the analysis and may or may not be based on the correct value. The actual taxes will exactly equal the taxes indicated by a loaded cap rate if they have been based on a percent of the correct market value."***

Tab 3 of Mr. Kirkland's report contains an article titled "Loading capitalization rates and discount rates for property taxes and other expense items." Taken from Appraisal Journal, April 1997. It states in part:

"WHY LOADING THE CAPITALIZATION RATE WORKS –

It helps to think of income and the various components of income as a percentage of total property value. For example, a capitalization rate of 12% indicates that the NOI is equivalent to 12% of the total value of the property.

Any of these items can be expressed as a capitalization rate or as an income multiplier based on its relationship to the total property value as follows:

When expressed as capitalization rates (percentage of total property value). Individual income and expense items and their respective capitalization rates may be added or subtracted as long as both the dollar amount and the capitalization rate for each item are added or subtracted in the same manner. Income multipliers are mathematical reciprocals of capitalization rates and cannot be added or subtracted.

In other words, there's really no mystery here. Loading the overall capitalization rate for

property tax expense is simply the process of adding the effective tax rate (expressed as a percentage of total value) to the overall capitalization rate (expressed as a percent of total value) to derive a new loaded capitalization rate that should be applied to NOI plus real estate tax expense (NOIT). The implications of this analysis are:

Loading the cap rate for property tax expense works because the process is really no more than adding two numbers (overall capitalization rate and effective tax rate) when both: are expressed as a percent of total property value.

Any expense that can be expressed as a percent of total property value can also be loaded into a capitalization rate...

Tab 4 contains an article titled “Five Common County Mistakes in Valuing a Hotel or Restaurant for Property Tax Purposes” written by Richard D. Williams and Karen A. Smith. It states....

”The fourth common mistake is applying an inappropriate capitalization rate in determining the value of the hotel or restaurant. The capitalization rate for advalorem tax purposes consists of two components, a base rate and a tax load. The base rate is the rate frequently in dispute. The tax load is a simple calculation and reflects the actual tax rate imposed by a particular county. The base rate should be reflective of the risks involved with a hospitality property. Rates listed in surveys usually are reflective of major sales, and consequently, may indicate the low end of the range of appropriate capitalization rates if the subject is a more typical property. The base capitalization rate used by the County Assessor should be examined to determine whether the rate is appropriate.

Mr. Kirkland also submitted a copy of an assessment on a hotel property conducted by the Municipal Assessment Agency for Newfoundland and Labrador showing that it used the tax loading methodology in its assessments and a copy of a previous assessment by the City of St. John’s on a major hotel property showing that it also used the tax loading methodology for previous assessments.

Ron Cadigan’s paper “Hotel Property Valuation” states that **“In the valuation of hotels many assessment jurisdictions across the country adjust a “Base cap rate” in the Income Approach to Value by adding the “tax rate(s)” of the municipality to the “base cap rate” to arrive at a “loaded cap rate” in valuing the property. Many do not. In any case, in the former scenario, this “loaded cap rate” is then applied to the NOI (Net Operating Income) of the property to calculate the hotel value. In this process the actual total “taxes” expense from the previous year is deducted from the “Expenses Total” of the Net Income calculation. So, in this action, the total expenses are lower, and thus the Net Income is higher, than before the tax expense deduction.”...**

There was no evidence provided to support the statement that many assessment jurisdictions across the country adjust the base cap rate while many do not.

In reviewing all the material submitted by both parties I cannot find anything that mandates either assessment approach. However **there is overwhelming data to strongly support the tax loading methodology as the preferred method of assessing hotels.** In the meantime, the methodology applied by the City is an acceptable methodology, but in applying it the various factors affecting the capitalization rate must be carefully considered.

The subject property is a branded, profitable hotel facility, typically held for real estate investment purposes. Giving consideration to its highest and best use, its value is linked directed to the present value of its income producing potential. The Income Approach therefore is the most relevant method of analysis.

The Overall Capitalization Rates derived by the market place include an additional expense item other than that employed in the typical City’s of St. John’s income calculation for assessment purposes. This additional expense item is for annualized Capital Expenditures (CapEx) /FF & Expense. **All rates derived by the market include this expense”.** In previous deliberations, the City has referenced to market rates published by the HVS survey. It has been confirmed with HVS that their rates include an expense adjustment for FF&E reserves.

In this instance the hotel market allows for an expense that the City does not allow for. The market rates therefore, must be adjusted to

correspond with the City's methodology of expense analysis. In most instances the difference is in the 1% to 1.5% range. With the Cap rate of 10% and to account for the differential methodology, this rate is adjusted to 11.25%. To this is added in the Realty and Business Taxes to bring the Cap rate to 14.94%. I have disallowed the deduction for trained workforce and business value used by the Appellant as these are considered in the revised capitalization rate.

Using the methodology employed by the City but including the capitalization rate adjustment the value is revised to \$30,715,668.

DATED AT ST. JOHN'S IN THE PROVINCE OF NEWFOUNDLAND AND LABRADOR. This 25th day of January A.D. 2010

Donald C. Peckham, PAdm, FCIS
and Notary Public Commissioner
Assessment Review Court

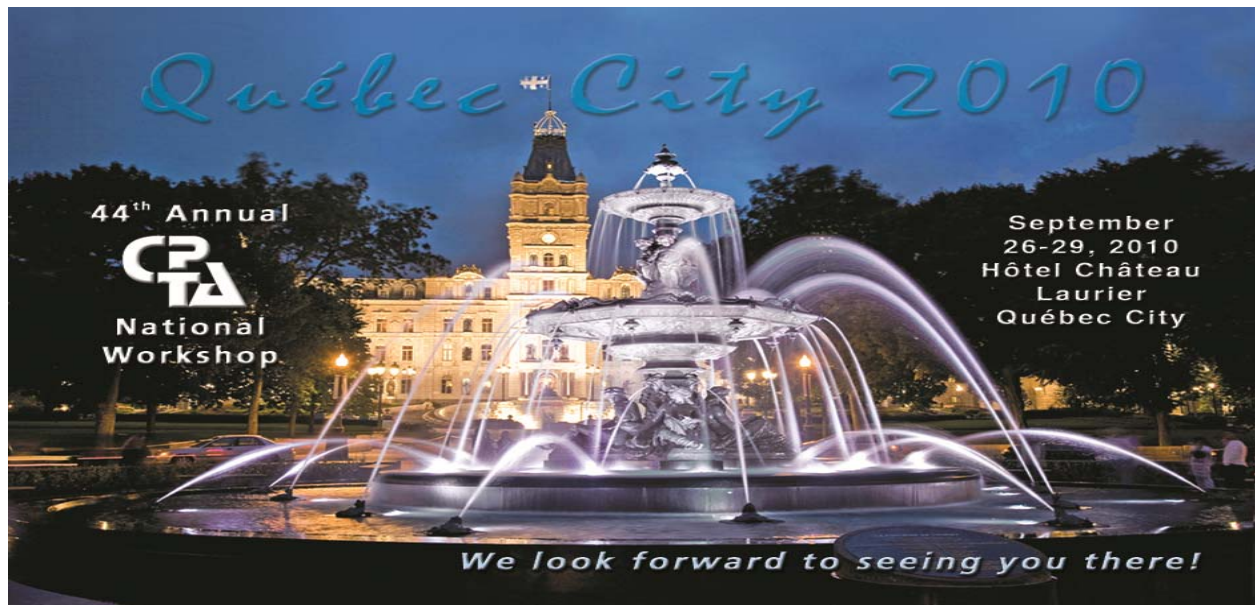
THE 2010 NATIONAL NOMINATIONS COMMITTEE

CHAIR: Kevin Olmstead, Calgary, AB • 403.319.7905 kevin_olmstead@cpr.ca

MEMBER: Ken Marsh, Calgary, AB • 403.920.2839 ken_marsh@transcanada.com

MEMBER: Jeff G. Cowan, Toronto, ON • 416.365.1110 jcowan@weirfoulds.com

*If you intend to let your name stand, or if you wish to nominate a CPTA member for the position of **Vice President, Communication**, please contact one of the above committee members or notify Kevin Olmstead through the National Office by **Friday, July 28th, 2010**.*



Hôtel Château Laurier, Québec City ... a 5 minute walk from the Fountain of Tourny

ADVANCE NOTICE

44th Annual CPTA National Workshop

“Grappling with Tax Policy And Tough Appraisal Questions”

September 26 - 29, 2010

Agenda Includes:

- Mr. David Mendel - *The Best Introduction to Quebec City Presentation*
- Dr. Gary Cornia, Brigham Young University - *Tax Policy*
- Mr. Paul Sanderson, London, England - *Global Tax Reform*
- Dr. Enid Slack, Dr. Richard Tindal, Bruce Fisher - *Regional Tax Reform Initiatives*
- *Cross Canada Legal Panel*
- *Unblurring the Line between Advocates and Experts*
- Breakout Sessions: * *How to be a Good Expert Witness* * *How to be a Good Advocate*
- Concurrent Sessions: * *Highest and Best Use* * *Special Use Properties*
- *First Nation Property Ownership Initiative, luncheon presentation*
- *Annual Meeting and Election of Officers*

COST: \$725 plus HST— **Members before July 31st**
\$800 plus HST— **Members after July 31st**
\$950 plus HST— **Non-Members**

Hôtel Château Laurier, Québec City

A block of rooms has been set aside until August 24th, 2010, at the delegate rate of \$169.00/night plus taxes for Regular rooms and \$184.00/night, plus taxes for Superior rooms
Contact the hotel directly toll free at 1-800-463-4453 or online at

<http://www.vieux-quebec.com/en/laurier/>

Enter your arrival date and this group code : **261292**
All reservations must be made from the CPTA room block

The Hôtel Château Laurier Québec was selected by the Government of Quebec as the official caterer of Quebec's culinary representative at the Quebec House (Maison du Québec) during the 2010 Olympic Games in Vancouver.

CPTA National Workshop

Speaker Highlights

Dr. Enid Slack, Director of the Institute on Municipal Finance and Governance, is one of Canada's foremost experts in municipal finance. Enid has been working in this field for over 30 years and is respected nationally and internationally for her research on property taxes and other aspects of municipal finance.

Dr. Slack is an Adjunct Professor at the University of Toronto teaching a graduate course in urban public finance to planning students, and is affiliated faculty at the School of Public Policy and Governance. She is also a Senior Research Associate at the University of Toronto Cities Centre.

She is currently the Chair of the Municipal Property Taxation Fairness Commission for Metro Vancouver. She chairs the Intergovernmental Committee for Economic and Labour Force Development in Toronto (ICE), is a member of the Policy and Research Advisory Council of The Learning Partnership, is a member of the Advisory Board of the International Property Tax Institute, and is a member of the associations committee of the Ontario Municipal Knowledge Network.

Dr. Gary C. Cornia was appointed Dean of the Marriott School of Management at Brigham Young University on July 1, 2008. The Stewart Grow Professor of Public Management, had been serving as Director of the school's George Romney Institute of Public Management since 2004.

Dr. Cornia earned a Ph.D. in public finance from Ohio State University in 1979. In 2006, the National Tax Association presented him with its Stephen D Gold Award. From 2002 to 2003 he served as president of the National Tax Association. From 1990 to 1998 he was associate dean of the Marriott School.

In 1998, he was named the Marriott School Outstanding Faculty member, the highest award given by the school. He currently serves on the boards of three fixed income funds and one equity fund as well as with the Lincoln Institute of Land Policy in Massachusetts, the Land Reform Training Institute in Taiwan and the Utah Governor's Tax Review Commission.

Paul Sanderson, JP LLB (Hons) FRICS IRRV, is a Director in the UK Valuation Office Agency (VOA) and a member of the VOA's Management Board. He was responsible for the 2005 revaluation of non-domestic properties and, in particular, for introducing a programme of modernisation initiatives designed to improve the revaluation process and increase the understanding of taxpayers about the rating system and their involvement in the revaluation.

Paul is now responsible for Data Strategy & Security in the VOA and heads a number of projects that seek to improve the way in which the Agency obtains, stores and uses property survey and transaction data, taking full advantage of modern electronic systems. The VOA is responsible for the valuation of around 25 million properties for local property taxes, so modernising the processes involved in securely handling this volume of data is an important aspect of his work.

Prior to his present post, Paul was the Director of Rating and Central Valuation Officer for England & Wales and responsible for the VOA's implementation of a wide range of legislative and policy aspects of non-domestic rating and associated litigation. He has considerable international experience of local property tax systems having carried out work for the World Bank and UNDP in developing countries and has provided expert advice and technical assistance to countries across the globe.

44th Annual CPTA National Workshop

September 26 - 29, 2010 - Hôtel Château Laurier, Québec City

Keynote Speaker: David Mendel - The Best Introduction to Québec City!

Discover the extraordinary cultural heritage and natural environment of Quebec City with one of the best historian-guides in Canada. His depth of knowledge and passion for his subject will offer you a truly memorable experience of Quebec.

David Mendel is an architectural historian who studied in Toronto and Paris before moving to Québec. He has led numerous tours in Eastern Canada, from Lake Ontario to the Atlantic. A resident of Québec City's historic district since 1976, he has been involved in several campaigns to protect endangered buildings and sites. He has served on advisory committees for city council, on religious architecture and the management of Québec's historic district.

A fascinating visual presentation and talk on the history of Quebec City. The BEST introduction to the city that you will remember for years to come! A professional historian will make history come alive throughout a richly illustrated talk that give a unique and concise link with the culture and history of Québec!

QUÉBEC: WORLD HERITAGE CITY: With its fortification walls, narrow winding streets and historic buildings, Québec is renowned for its beauty and history. In 1985, Québec became the first city on the continent to be placed on the World Heritage List of UNESCO. Besieged six times in its history, Québec was finally conquered by the English in the Battle of the Plains of Abraham in 1759. Capital of New France, then capital of British North America, Québec is, today, the heart of French culture in North America. This presentation, which provides a colorful and entertaining introduction to the city's dramatic history, is richly illustrated with historic maps, illustrations and photographs. This lecture offers a unique opportunity to understand the essential elements of the story of one of North America's most fascinating destinations, from the arrival of the first French explorers to the present day.

The talk has been given to hundreds of important groups over the years including international businesses, medical and academic conferences, groups from the Alumni Associations of institutions such as Stanford, Yale University and the Harvard Business School, and art museums from across North America. This presentation has been given on numerous occasions to dignitaries, foreign diplomats, members of NATO, parliament representatives from all over the world and groups from prestigious companies worldwide. While the talk has been given to many prestigious groups, it is designed to fascinate a wide variety of people. It is very visual and tells a dramatic story. The talk has been enjoyed and acclaimed by all! There is no better way to start a memorable program in Québec City.

David Mendel is also the author of, 'Québec: World Heritage City', recently published by Les Éditions Sylvain Harvey and the Commission de la Capitale nationale du Québec, is the first in a series of four volumes devoted to Québec City and its surrounding region.

A walking tour of the historic district will follow the lecture for the CPTA Companion Program participants.



David Mendel and the Queen of Denmark in Québec City during an official visit to Canada

CPTA CHAPTER MEETINGS & EVENTS

BC CHAPTER

March or April	Presentation by Assessment Appeal Board
April or May	Chapter meeting with BCA Executive
June	Education Seminar

WESTERN CHAPTER

March 22 & 23	Education Seminar
April 21	Dinner meeting in conjunction with the Alberta Assessors Association Convention
May 18	Chapter meeting
June 15	Chapter elections

ONTARIO CHAPTER

June 3	Chapter Elections and Golf Tournament
--------	---------------------------------------

QUEBEC CHAPTER

February 18	Breakfast Information Session
March or April	2-hour Session - Professional Education
May 20	Golf Tournament
September or October	Breakfast Information Session or 1-day Seminar
November	Christmas Dinner

NEW CAREER OPPORTUNITIES HAVE BEEN POSTED PLEASE VISIT THE CPTA WEBSITE

Canadian Property Tax Association, Inc.
 All rights reserved.
 No part of this work covered by the publishers copyright may be replaced or copied in any form or by any means (graphic, electronic or mechanical, including photocopying, recording, taping or retrieval systems) without the permission of the publisher.

"Information contained in Update is obtained from sources deemed to be reliable and neither the CPTA nor contributors take any responsibility for its accuracy. If any readers intend to use or act on any information stated herein, they should obtain their own legal, tax or accounting advice."

