

FOCUS & MUNICIPAL ASSESSMENT TAXATION

CASES, COMMENTARY, NEWS AND BEST PRACTICES • OCTOBER 2010, VOLUME 15 • NUMBER 10

FEATURE

Islamic community centre enters repayment schedule with New York City

The developer of the Islamic community centre near Ground Zero in New York City reached an agreement for the developer to pay the more than \$200,000 the city is owed in property taxes. The entity representing the controversial project owed more than \$270,000 in property taxes and interest, which the city reduced by \$35,000 in May. A spokesperson for Sharif El-Gamal of Soho Properties said the group was appealing the assessment and therefore hadn't paid all the taxes yet. El-Gamal is one of eight investors who bought the \$4.8-million site with plans to build the 13-floor mosque and cultural centre. "We were involved in the legal process by which a property owner can challenge the real estate assessment on a given piece of property in an attempt to reduce the property's assessment and real estate taxes," Soho Properties said in a statement. "The city had recently

responded to our request with a reduction. This week we completed our negotiations with the city and the matter has been resolved."

The New York Times reported that El-Gamal paid \$35,449.17 at a tax office and promised to pay eight quarterly installments. Owen Stone, spokesperson for the Department of Finance business centre, said it was a typical process for a property tax debtor and covers the taxes owed on the parcel of three properties that investors either own or control through a long-term lease.

El-Gamal faces another conflict with his former landlord, who filed suit for outstanding rental payments of \$39,000, which Soho Properties said will be settled out of court. El-Gamal has also applied to the Internal Revenue Service to set up the centre as a non-profit organization.

QUOTABLE QUOTE

“There are times when we need to surround ourselves with new furnishings and views to help cement inner transitions. Our senses go dead if we spend too long at home; we cease to notice rooms, smells and lights. But transported to a summer house, we are suddenly as sensitive as if we had slipped out of our own skins.

— *Alain de Botton, Monocle Mediterraneo*, Summer 2010

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FEATURE

California city officials set new definition of “obscene” in financial irregularities and voter fraud

Just weeks after auditors found that taxpayers in the city of Bell paid \$2.9 million in a “retirement tax,” it was revealed that property owners also overpaid \$621,737 in levies in 2007 for sewer fees applied without required voter approval. Controller John Chiang said the illegal fee was tacked on each parcel in the last three years’ tax bills. An audit of the “retirement tax” – to fund employee pensions – found the city’s top officials among the highest-paid in the state, such as a city manager, whose salary figures at almost \$800,000 a year, with benefits at \$1.5 million and paid vacation of 20 weeks last year. All but one of the part-time council members collected some \$100,000 a year (an estimated \$96,000 more than council members in the 140 similar sized cities in California).

Auditors also found that Bell overcharged – by more than 50% – business licence rental taxes to approximately 1,000 business owners. Since 2006, taxes doubled, as have direct assessments for trash collection, sewer maintenance and other services. “I didn’t know what to expect, but what we are finding is shocking,” said interim city attorney Jamie Casso. One of these findings is that the Bell police chief of a 46-person department enjoyed an annual salary of \$457,000, 33% higher than the chief of police in Los Angeles, who oversees 12,899 employees and earns \$307,000.

Bell has the second-highest property tax rate of any city in Los Angeles County for its 4,000 property owners, higher than those of Beverly Hills. Property owners pay as much as 1.55% of their assessed value, 34% above the norm; the average for the county is 1.16%. In Beverly Hills, where the per-capita income is nearly four times that of Bell (www.city-data.com/city/California.html), residents pay 1.19%. One in six of its 36,000 residents live in poverty and roughly 90% of residents are Latino. Bell’s tax rate is higher than other cities due to bond debt for municipal improvements and costs for a sports complex under construction. A bill to refund the \$2.9 million to property owners was signed into law, and California’s attorney general is suing eight former and current city officials – the former city manager and three council members – for fraud and conspiracy. Also passed was a measure to stop pension spiking by public employees who save years’ worth of sick time and vacation until the last year of employment to augment their pay when calculating their retirement benefits.

State assemblyman Hector De La Torre, who authored and introduced Assembly Bill 827, said automatic increases

led to the “obscene” compensation escalations. The LA County district attorney’s office and the California attorney general’s office are also looking into numerous allegations of financial irregularities and voter fraud, such as the 2005 special election where fewer than 400 votes were cast – more than half absentee ballots – to clear council members to increase their own salaries. On September 21, eight former and current city officials were arrested for misappropriating \$5.5 million in city funds, such as the former city manager, who faces 53 counts of misappropriation of funds and conflict of interest. “This is corruption on steroids,” said Steve Cooley, the district attorney of Los Angeles. About the arrest of the mayor, Cooley said: “There was, let’s say, slowness in coming to his door that was handled by a forced entry that went down quite well.” See www.bellcityclerk.org/news and http://en.wikipedia.org/wiki/2010_City_of_Bell_salary_controversy.

Quirky but true...

Question: Should town residents volunteer? Community members volunteered at the library in a cash-strapped US town and the library laid off staff. While “having fewer municipal employees means a slight reduction in property taxes,” it left others jobless.

Answer from Randy Cohen, *The Ethicist* column: While many jobs require trained professionals, it’s ethically fine for “tasks an amateur can handle. ... My optimistic view is that the money that library volunteers save will be applied to the infinite number of things to be done only by trained professionals or those workers who perform difficult or unpleasant jobs nobody will do without pay. And not just at the library. Ideally, volunteers are not eliminating a job but transferring it.” However, he suspects that few will volunteer to work on garbage trucks and that “there is a sad limitation” with winners and losers, as “a laid-off library employee is not apt to be hired to teach 11th-grade calculus.” Cohen also writes that “it would be unfortunate if this upsurge of civic virtue resulted in only a tiny reduction in some people’s property taxes, an outcome that thwarts the noble motives of those volunteers, to promote civic betterment by reallocating limited resources.”

– *The New York Times Magazine*, August 29, 2010

Publications: New & Noted

The Components of a Public Relations Program IAAO Standard on Public Relations, 2010

A public relations program consists of research, action planning, communication and evaluation. Research should determine how the public perceives the policies, programs and operations of the assessment office and is necessary to provide meaningful data. An action plan should be based on such research, and communications with the public should be positive, courteous and provide education on the issues. The most current and cost-effective means of distributing information should be used with all aspects of a public relations program tested, evaluated and improved as required. See www.iaao.org/sitePages.cfm?Page=411.

2010–2011 Lincoln Institute Program

The Lincoln Institute's annual program presents a comprehensive overview of the institute's mission and its expanding diversity of programs including its Valuation and Taxation Department. Key topics in its education, research and pub-

lications activities are property taxes, property rights, value capture, land development, climate change, regional planning, land conservation, affordable housing and related land use and taxation issues of concern to policy makers, scholars, practitioners and citizens throughout the world. For a printed copy of the 72-page program, email help@lincolninst.edu or see the free downloading section for the entire program or separate files at www.lincolninst.edu/pubs/1837_2010-2011-Lincoln-Institute-Program.

Guide to Equalized Assessment in Alberta: A Layperson's Guide

Alberta Municipal Affairs, August 2010

Provides stakeholders with general information about equalized assessments and how they are used to support provincial and regional programs. To download the 8-page publication, see www.municipalaffairs.alberta.ca (click on "Municipalities & Communities" and "Property Assessment and Taxation").

FEATURE

Report estimates oil spill costs

According to a CoreLogic report, the oil spill affecting the Gulf Coast could cost up to \$3 billion over the next five years and reach \$28 billion if the spill reaches around the Florida Keys and up the Atlantic coast of Florida. The report assessed the impact of April's BP DeepWater Horizon oil spill on home values in 15 coastal counties, and found that the financial impact is expected to reach \$648 million over one year. Of the affected communities, the largest long-term loss in amenity value could be in Pensacola, Florida (\$1.6 billion), followed by Gulfport, Mississippi (\$1.2 billion). The report found that Panama City, Tampa Bay, Cape Coral and Naples could experience a total loss in amenity value of \$11 billion by affecting 238,000 homes. Though it noted chances are low, CoreLogic estimated a worst-case scenario if the spread extended to Miami, Key West, Palm Bay, Daytona Beach and Jacksonville; more than 295,000 properties within 1,000 metres of the beach could be affected, with a total loss of \$13.5 billion. CoreLogic based its calculations on an analysis of comparable homes. Among the highlights of the report:

- The loss in amenity value is calculated as the annuity value of the perpetuity value of access to the beach, measured in distance for five years because of environmental impacts.

- The highest-risk coastal communities along the Mississippi, Alabama and Florida panhandle include more than 71,000 residential homes at risk of losing an estimated average loss in beach amenities valued between \$40,000 and \$56,000. See www.corelogic.com; click on "About Us" and track your cursor to "News," scroll down to "Research and Trends" by date to "8/2/2010." Or go to www.corelogic.com/About-Us/News/New-CoreLogic-Data-Shows-the-Potential-Impact-of-the-BP-Deepwater-Horizon-Oil-Spill-on-Coastal-Real-Estate.aspx.

WORK WORD

quit date, *n.* Agreed-upon time for completion of the project, anticipating the point at which mass resignation to the hopelessness of the cause will set in, making further work on it a pointless cruelty.

From *A Devil's Dictionary of Business Jargon*
by David Olive

Legal Briefs

Muller v. Tillamook County Assessor. TC-MD 100938C. Tax Court of Oregon, Magistrate Division, Property Tax, August 31, 2010

Plaintiffs appealed the defendant's omitted property assessment for the tax years 2004/05 through 2009/10 inclusive. The assessment added the value of the plaintiffs' home, built in approximately 1998, but omitted from assessment and tax rolls from the time of construction until the date of the property assessment in June 2010. The plaintiffs assert they paid their taxes in full; the failure to assess the property was not their error; the county did not assess it properly; and they paid what was requested on all tax years. The plaintiffs requested the court dismiss corrective action of \$5,760.81, not challenging the value the assessor placed on the home for the years at issue. The court held a hearing July 28, 2010. Based on information in the plaintiffs' complaint and statements during a July 28 teleconference, the court concluded the appeal should be dismissed for lack of controversy. As a practical matter, while the plaintiffs alluded to fairness, fault and equity, they had received annual property tax statements dating back to the late 1990s, which included a value for land but not a value for an improvement. This information should have put the plaintiffs on notice that their home was not being taxed. The plaintiffs could have contacted the assessor to ask about the lack of that value. Moreover, the omitted property assessment goes back only to the 2004/05 tax year, with the result that the plaintiffs avoided property taxes for five or six years (from 1998 or 1999 through 2003). The omitted property assessment goes back only to tax year 2004/05, because ORS 311.216(1) limits the reach of the assessor's authority to add omitted property to five years prior to the last certified roll. While the plaintiffs are unhappy with the retroactive tax assessment, they did not challenge the assessor's legal authority or the value placed on their home for the years at issue. Accordingly, there was nothing for the court to resolve, and the appeal was dismissed. See www.leagle.com/unsecure/page.htm?shortname=inorco20100831710

6787 Steelworkers Hall, Inc. v. Scott. Cause No. 49T10-0906-TA-27. Tax Court of Indiana, September 2, 2010

6787 Steelworkers Hall, Inc. appealed the final determination of the Indiana Board of Tax Review (board) denying its application for an educational/charitable purposes property tax exemption for the 2006 tax year. Local 6787's appeal presents a single issue for the court's review: whether the Indiana Board's denial of its exemption application is supported by substantial evidence. An affiliate of the United Steelworkers of America, Local 6787 was incorporated as a domestic not-for-profit corporation in 1967, recognized by the Internal Revenue Service as a 501(c)(5) organization. Pursuant

to articles of incorporation, its purposes are "[t]o acquire title to real property, together with furnishings and fixtures thereon; and to maintain said property for offices, meeting halls, and social rooms to house and serve the needs, pleasure and conveniences of organized union labor." Incidental purposes are "[t]o rent such property, lease such property, collect income and turn over the entire amount thereof, less expenses, to the labor organization specified in [its] by-laws, to borrow money for the acquisition or improvement of the property, and to transfer property as security for such indebtedness." During 2006, Local 6787 owned and operated a banquet facility and a union hall. Construction of the facility was completed December 2005; construction of the adjoining union hall was completed several years prior. The Porter County Assessor assigned the property a value of \$3,554,800 for 2006: \$344,300 for land and \$3,210,500 for the improvements.

On June 5, 2006, Local 6787 filed an exemption application seeking an educational purposes exemption on both buildings, land and personal property within. In December 2006, the Porter County Property Tax Assessment Board of Appeals (PTABOA) issued its final determination, concluding that Local 6787's hall, personal property and land were exempt from property taxation. However, the banquet facility was 100% taxable. The local filed a Petition for Review of Exemption with the board.

Local 6787 claimed that the banquet facility's eligibility for an educational/charitable purposes exemption was "obvious" because the assessor admitted the union hall was exempt. Local 6787 presented the testimony of Allen Long (Local 6787's financial secretary), a schedule of events and a summary of the facility's overall usage to demonstrate that the facility qualified for an 86.11% exemption. Long explained the union hall was used for the sole purpose of conducting "day-to-day" union business. However, use of the 22,000 square foot banquet facility varied. During 2006, the banquet facility was used 41.67% of the time for union-related activities, 44.44% for culinary classes and 13.89% for weddings/banquets. On May 8, 2009, the board issued its final determination, concluding that Local 6787 had not demonstrated that the banquet facility was predominately used for educational/charitable purposes, finding that the local's evidence established its main function was to promote member interests in its employment with Arcelor Mittal Steel. As such, the board concluded that any uses of the banquet facility that appeared to be educational or charitable were merely incidental to the local's main purpose. The board also explained that evidence did not demonstrate that the banquet facility was predominately used by other organizations.

On June 22, 2009, Local 6787 initiated this original tax appeal. The claim did not establish that Local 6787 predomi-

nately used its banquet facility for charitable or educational purposes for several reasons. First, as the board recognized, Local 6787 provided no citation to Indiana statutes, case law or any other persuasive authority for the proposition that unions are inherently charitable. Second, the fact that its union hall qualified for a property tax exemption in the past does not automatically mean its banquet facility should be deemed exempt for 2006. Third, while its bylaws evidence some charitable/educational intent, intent does not establish predominate use. Likewise, the local's status as a not-for-profit corporation is insufficient to support a finding of predominate use.

Finally, Local 6787's educational uses of the banquet facility (i.e., culinary classes) were insufficient to support a finding of predominate use because the facility was used for such activities less than 50% of the time for 2006. Consequently, court could say the board erred in rejecting Local 6787's exemption application. Court affirmed the Indiana Board's final determination. See www.legale.com/unsecure/page.htm?shortname=ininco20100902182

FEATURE

Toronto aims to renegotiate deal with golf courses

As of the end of 2009, the city of Toronto gave up an estimated \$30 million in potential property tax revenue from nine private golf clubs; \$18.7 million and \$14.8 million accrued in interest. Council voted to renegotiate the decades-old agreement that allowed the clubs to pay a reduced part of their property tax payments – between 10% to 30%, depending on the course – also suggesting they open their facilities to the public. The former cities of Etobicoke, North York, Scarborough, Toronto and York made the agreements during the 1950s and 1960s, with course owners agreeing to repay the entire amount of deferred taxes plus interest if their land was ever sold or used for other purposes. “The last thing these courses want is for this to come to light,” said Councillor Adrian Heaps. “The public is subsidizing nine high-end golf courses that certainly aren’t in dire straights and they’re receiving no public benefits.” MPAC changed the criteria for how it values golf course tax rates, shifting from straight acreage to including profitability and business models of individual clubs. Across Ontario, clubs appealed. In a test case with Oakville’s Glen Abbey Golf Club, a partial deal with the Municipal Property Assessment Corporation (MPAC) resulted in a lower assessment value. Until those issues are sorted out, the clubs in question will wait before negotiating on the tax deferral issue with the city.

As stated in their May 2010 letter to golf courses, MPAC requires income and expense information, and not just in reassessment years. This includes actual itemized operating statements for the most recent fiscal year, detailing the following:

- *Revenue:* Golf operations as to type of course (e.g., nine-hole daily fee, 18-hole semi-private, 18-hole private, not-for-profit, etc.), green fees, membership and initiation fees, driving range income, pro-shop income, electric/gas cart income, lessons and other income (banquets, meeting room rental, pull carts, etc.), food and beverage revenue,

dining room, banquet room, snack bar and other income (service charges on course food and beverage sales, etc.).

- *Expenses:* Departmental cost and expense/golf operations, food and beverage.
- *Undistributed operating expenses:* Administration and general, management fee, turf operations, marketing and promotion, repairs and maintenance, utilities, professional fees and other expenses.
- *Fixed charges:* Property taxes, insurance and reserve for replacements (if applicable).
- *Chattels and personal property:* If owned, details of ownership to include the depreciated cost of the following equipment and/or furnishings: golf carts, maintenance equipment, kitchen equipment and clubhouse furnishings. If leased or leased to own, details of leases to include term and payments for the following equipment and/or furnishings: golf

Derrick Golf & Country Club v. City of Edmonton MGB 081/10

A decision was issued concerning valuation of several golf courses in Edmonton. The Court of Queen’s Bench issued a decision regarding sections 294 to 296 and a decision on net annual rental value for the purpose of business tax. For the 27-page decision in *Derrick Golf & Country Club v. City of Edmonton MGB 081/10*, see Reynolds Mirth Richards & Farmer (RMRF) at www.rmrf.com/index.php?section=131.

RMRF provides Alberta municipal assessors with an Assessment Help Line, offering a 15-minute call at no charge, to discuss questions relating to property assessment and taxation. Call toll free 1-800-661-7673.

carts, maintenance equipment, kitchen equipment and clubhouse furnishings.

- *Other information required:* A schedule outlining the greens fees charged and the number of rounds played in each of the last three years, itemized by regular, discounted, member and complimentary. If private non-profit, private for profit or semi-private non-profit, indicate guest fees for prime, weekday and twilight times, plus initiation fees and annual dues. If the property has transacted through a share sale or asset purchase (within the last five years), provide relevant details including amount, vendor, purchaser, date and a

schedule of items included in transaction. Also report capital improvements made within the last five years, including the nature of the improvements and the related costs; any other information deemed pertinent to the valuation of the property; and a current rent roll (if applicable) indicating any tenants, their leased areas, lease commencement date, lease term, base rent, percentage rent and tenant inducements (free rent and/or finishing allowances). See www.mpac.ca/pages_english/products_services/tip_letters_2010.asp

Coast to Coast to Coast to Coast

USA (NB: All figures in US\$)

New Jersey

New York's Giants and Jets football teams might have to pay property taxes on their new \$1.6-billion Meadowlands Stadium, "the world's most expensive stadium." The town of East Rutherford sent the Giants a \$745,000 bill for a practice complex built on the same site and plans to levy taxes on the stadium next year. Mayor James Cassella said, "We believe the new stadium built for the Jets and Giants and the training facility should be taxable. For some reason, they believe they shouldn't have to pay taxes on a private development." The former stadium, on the same site until last year, was exempt from property taxes because it was owned by a public entity, the New Jersey Sports & Exposition Authority, owned by the state and rented to the teams. A payment in lieu of taxes agreement shows each team's share at \$1.3 million. The teams each borrowed \$650 million to help finance construction of the shared 82,500-seat stadium. At East Rutherford's tax rate of about \$1.54 per \$100 of assessed value, a \$1.6-billion stadium would generate a bill of some \$25 million, almost as much as the town of 8,700 people collected from its taxpayers in 2008. New Jersey's average residential property tax bill was \$7,281 in 2009, the highest in the United States, according to the state Department of Community Affairs.

Wyoming

Duke Energy Corp. is appealing the property tax bills on all four of its wind energy projects, by approximately half the assessed value of more than \$40 million, almost identical to the estimates the company presented to state regulators when it sought approval of the projects. Based on Duke's testimony to the state's Industrial Siting Council, **Converse County** officials expected to receive \$2.8 million in property taxes per year. Commission chair Ed Werner questioned the company's earlier estimates: "You told us that was your best estimate.

Are you just stupid, or are you trying to mislead us?" Duke Energy spokesperson Greg Efthimiou said, "The reason that we are appealing the property tax assessment is due to the methodology for calculating that tax assessment," claiming the state's property tax assessments failed to account for depreciation and remove intangible costs. Senator John Schiffer said it appears the people who testified for Duke Energy were not straightforward with their testimony. The legislature recently passed a \$1-per-megawatt-hour generation tax on wind energy and a state tax exemption on sales and use taxes for the industry expires next year. While Duke argues its case with the State Board of Equalization, approximately half of the \$41.7 million the state says the company owes two counties remains in escrow.

Indiana

The **Hoosier Property Tax Reform Alliance** is a coalition promoting a ballot measure to place property tax caps into the constitution, saying limits on tax bills would make it harder for judges to undo caps. Proponents also said limits would bring more predictability to a system that produced huge increases for many homeowners. Opponents argued that limits hurt the ability of local governments and schools to raise money and deliver services. The General Assembly passed a law in 2008 that generally limits tax bills to 1% of homes' assessed value, with 2% caps on farmland and rental property and 3% caps on business property. A majority vote in the November election would place such caps in the state constitution. The Legislative Services Agency projected that caps would save property owners approximately \$465 million this year, but leave counties, cities, local governments and schools without funds (with some exceptions). The alliance plans a media campaign to push for passage of the amendment, favoured by 64% of Indiana residents surveyed by Ball State University's Bowen Center for Public Affairs.

Colorado

Like cities throughout the country, the “famously right-wing” **Colorado Springs** was hit hard by the recession. City revenue comes mostly from local sales taxes, and property taxes are among the lowest in the United States; in 2008, the per capita property tax was approximately \$55. At the end of 2009, the city faced almost a \$40-million revenue gap and a \$700-million capital needs backlog. The budget was slashed and severe service cuts imposed, such as a \$15-million cut to the parks department’s \$17-million budget and one-third of the city’s streetlights being turned off to reduce electricity costs. The city cut some 550 employees, with most of the remaining 1,600 municipal employees (1,200) being firefighters and police officers. The police department auctioned its three helicopters on the Internet and bus service was reduced by 100,000 hours. The city included a measure on the November 2009 ballot (defeated) to increase property taxes as the Colorado Springs’ Taxpayer Bill of Rights states that any proposed tax increase must be voted on by its 42,000 citizens. As politics moved right, Colorado Springs opposed taxes: since 1990, the tax rate dropped 41%. But the city thrives with 70 miles of on-street bicycle lanes and 100 miles of urban trails for jogging and hiking. As government scaled back services, the proliferation of non-profit groups encouraged volunteerism. Citizen groups took over pools and a community centre and the city asked residents to “adopt a trash can.” Citizens can “adopt a street light” to have it turned it back on by donating between \$100 to \$240, and the city discussed a program for residents to mow medians – with their own lawnmowers. Council member Jan Martin, sponsor of the proposed tax increase, advised residents to look a few years down the road as “the parts of the community that can’t afford services will continue to deteriorate,” she said. “And the neighbourhoods that can afford to pay for street lights, parks, trash removal and medians will continue to prosper and be beautiful.” Other cities are waiting to see if this severe cost-cutting might serve as a model during tough times. See “Do-It-Yourself Government,” *Governing* magazine, September 2010 at www.governing.com/topics/mgmt/Colorado-Springs-DIY-government.html

Canada

Quebec

Montreal’s agglomeration council of the city, its boroughs and demerged suburbs, released its 2011–2013 valuation rolls with values raised an average of 25%. The biggest increases were in the Plateau Mont-Royal and South West boroughs of between 30% and 35%. In Montreal’s suburbs, average values rose between 11% to 25%. Other increases (compared to the last assessment roll three years ago) included Dorval at 20.3%, Dorval Island at 60.5%, Mont-Royal at 19%, Pointe-Claire at 20.1% and Westmount at 19%. Overall, multiplexes across

the island had value than condominiums and single-family dwellings.

British Columbia

Some 66% of **Vancouver’s** Olympic Village condos (483 units) that served as housing for athletes during the 2010 games remain unsold. The city is on the hook for more than \$1.03 billion in Millennium Water’s outstanding development debt. The city’s venture includes a \$750-million loan plus undisclosed interest payments; \$170 million is still owed to the city for the land, together with the \$110-million outlay for affordable housing units, which came in \$45 million over budget. “It shouldn’t come as a shock to anybody that the risk remains,” said councillor Geoff Meggs. “I have no doubt that, down the road, this will be seen as a successful project – but we’re in strange economic times.” A spokesperson for the company handling sales of the units – priced from \$400,000 to \$5 million each – said a major marketing campaign would start with incentives “yet to be determined, but they could include things like free washers and dryers.”

Alberta

Officials from cities across Alberta are working with the Alberta Urban Municipalities Association to prevent the passage of Private Members’ Bill 203. Concerns include changes that might affect the flexibility of municipal governments and restrict use of a traditional source of revenue for municipalities. This bill seeks to impose a single methodology for all municipalities, which may result in the redistribution of costs between different classes. Municipalities have differing needs that require a jurisdiction to respond locally; the Municipal Government Act gives municipalities the flexibility required in determining revenue sources, such as property tax or user fees.

2010 Base Year Modifiers: for the 2001 Alberta Residential Assessment Manual & the 2001 Metal Buildings Manual:

- Base Year Modifier for the 2001 Residential Cost Manual: 2010 1.70
- Base Year Modifier for the 2001 Metal Buildings Manual: 2010 1.91

See the Base Cost Modifier Factor Table and the Base Year Modifier Factor Table at www.municipalaffairs.alberta.ca. Base year modifiers for the 2001 Residential Assessment Manual are available through the Queen’s Printer Bookstore at 780-427-4952 or fax at 780-452-0668. The Assessment Services Branch is no longer providing modifiers and cost indices for the 1984 Alberta Commercial Cost Manual and 1994 Alberta Residential Cost Manual. Contact the branch at 780-422-1377 (toll free in Alberta by first dialing 310-0000).

Calendar

INTERGEO: DVW e.V. International/German Society for Geodesy, Geoinformation & Land Management
October 5 to 7, 2010
 Cologne, Germany
 includes the seminar New Standards in National & International Property Valuation
www.intergeo.de/de/deutsch/kongress/anmeldung.php?navid=39

2010 Annual Conference: 75 Years of IMLA
 International Municipal Lawyers Association
October 10 to 13, 2010
 New Orleans, LA
www.imla.org

Valuing Our World: Challenges Facing the Global Market
25th Union of Pan-American Valuers Associations Congress
November 2 to 4, 2010
 Miami Beach, FL
 To broaden knowledge through an exchange of information and ideas and to foster a spirit of comradeship, sense of perspective and understanding among valuation and consulting professionals.
www.appraisalinstitute.org/upav

31st Annual IAAO Legal Seminar
 International Association of Assessing Officers
December 9 to 10, 2010
 Chicago, IL
 For members who are primarily involved in legal issues, presenting substantive and procedural developments in law that affect assessments and valuation. Sessions include Case Law Updates, Assessment Etiquette, Handling Expert Witnesses, Insights on Ethical Dilemmas, Ethics and Public Policy Questions.
www.iaao.org/sitePages.cfm?Page=17

Factoid

A study of hotels in Cook County, Illinois showed a sharp increase in assessment appeals. In the 2007 assessment year, 1% of hotels in the sample appealed assessment values. In 2008, the number of hotels that filed an appeal increased to 12%, and in 2009 appeals more than tripled from the previous year to 45%. See www.4hotellers.com/4hots_fshw.php?mwi=5386.

FOCUS MUNICIPAL ASSESSMENT & TAXATION

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