

## FEATURE

### Ontario couple loses wind turbine case

**T**he Ontario couple who launched a case arguing that nearby wind turbines devalued their waterfront home and should be a factor in property assessments lost their potentially precedent-setting court challenge. A two-person panel from the province's Assessment Review Board ruled that proximity to wind turbines would not be a factor in deciding how much property tax Edward and Gail Kenney should pay. The couple has lived on Wolfe Island for 48 years and appealed their assessments on the grounds that the 86 wind turbines erected around their home brought unwanted noise and posed a health concern, estimating a 40% to 50% loss in the value of their property. The board ruled there was no evidence that turbines negatively affected property values. The Kenneys' assessment was set at \$357,000 in 2010. Organizations concerned about potential adverse health effects linked to wind turbines say that the constant, low-frequency noise emitted can disturb sleep or cause headaches and nosebleeds.

### A site and buildings perfect for... condos? daycare? prison tourism?

**W**ith Ontario's Kingston Penitentiary set to close, whoever buys the prime waterfront property site will have some challenges. According to the Municipal Property Assessment Corporation, this year's assessment for the eight-building, 8.4-hectare [21-acre] property is \$20.76 million. "In terms of market value ... it's probably worth more in the \$5 [million] to \$7 million range," said Martin Skolnick, a vice-president at DTZ Barnicke Eastern Ontario Ltd. because of the cost of renovation and rebuilds. "The problem with these old historic institutional properties is they're ... single-purpose built, so there are all of these little cell rooms that are built of heavy stone walls and small windows," he said. With its limestone buildings being almost 177 years old, the prison has been designated a National Historic Site, preventing their demolition. The last time the land sold was in 1873 for \$4,000. In 1836, it was sold for \$55. The 3.24-hectare [8.1-acre] Prison for Women site, which consists of a single building, sold for just under \$2.9 million in January 2008 when Queen's University took ownership for its archives.

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## FEATURE

# Toronto wins billboard tax appeal

**T**oronto won its appeal against the outdoor advertising industry for a billboard tax that came into effect in 2009. Expected to generate an estimated \$10.4-million, billboard companies say it is unprecedented in Canada and could significantly affect their market success. The tax allows a levy of \$1,100 to \$24,000 per sign, depending on the size and type. Pattison Outdoor Advertising LP/Pattison Sign Group and the Out-of-Home Marketing Association of Canada (OMAC) launched a legal challenge, with the Ontario Superior Court ruling the tax would be phased in and would not apply to billboards erected prior to April 2010. Because most billboards were up before then, the decision stalled any revenue-generating potential.

Lawyers for Pattison Outdoor and OMAC had argued the tax was discriminatory because it exempts advertisers who are in a relationship with the city, such as those that advertise on bus shelters. Pattison's lawyers said the company could not survive unless it could pass the tax on through increased

advertising rates or by reducing rents it pays to landowners, and that such a tax was unconstitutional. The Ontario Superior Court judge disagreed with both arguments, saying the tax could not be retroactively applied. The City of Toronto can start levying the tax, which staff estimated would have brought in more than \$11 million in 2011, less the approximately \$1.8 million to enforce tougher billboard rules. The tax estimate for Pattison Outdoor is approximately \$3.7 million because it has 885 sign structures and several large billboards along the Gardiner Expressway. Devon Ostrom of Beautiful City, the coalition of arts groups that championed the tax, said, "The court did the right thing in overturning the previous decision, and we look forward to seeing the city honour its art commitments in the next budget." Toronto City Council is discussing directing the proceeds of the tax to arts initiatives as originally promised, but has not made a decision. See [www.beautifulcity.ca/bcbf.asp?id=22](http://www.beautifulcity.ca/bcbf.asp?id=22).

## FEATURE

# TransLink taxing woes deepen

**A** letter issued by TransLink Greater Vancouver mayors' council chair Richard Walton said that the mayors voted at their monthly meeting "for the two-year, \$30-million in property tax funding for TransLink's latest expansion plans to be cancelled, until alternative funding sources are determined." Three mayors from municipalities where most of the improvements would have occurred voted against the call to cancel. TransLink is being asked to come up with \$45 million a year by running the billion-dollar service more efficiently. The province is doing another audit on the agency on the efficacy of its new governance model as property tax rose to cover a then \$30-million expansion. A TransLink bonus program of 15% of annual wages for nine executives and a financial report showed that members of the team each received more than \$200,000 in 2010 – the CEO got \$350,000 – prompting a backlash amid rising property taxes to fund the transit authority.

A *Globe and Mail* feature included infographics headed "Vancouver's Property Tax Changes Over Time," showing that TransLink increased the amount of property tax at a significantly faster pace than municipalities, collecting \$90 million from such taxes in 2000. By 2011, TransLink's revenue from property tax more than tripled to \$298 million. The provincial government created TransLink in 1999, giving it authority to

raise funds through tax measures. Now TransLink is to boost property taxes again to pay for rapid-bus projects, and the agency also wants to raise funds from a vehicle levy or gas tax. Premier Christy Clark turned down both proposals. Vancouver Councillor Raymond Louie, chair of the city's finance committee, said that Vancouver works very hard to keep finances under control but then sees what TransLink does: "It is essentially taxation without representation, because the elected [people] have no power to influence how the money is spent." TransLink's first chairman (1999 to 2001) is former Vancouver councillor George Puil, who said he "always felt it should be user pay, and property tax is not a user-pay tax." He added that if the province had approved a vehicle levy of \$75 in 2001, "it would have brought in \$160 million a year."

## WORK WORD

**seagull manager**, *n.* A flighty meddler who drops in just long enough to mess things up.

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

# Resources: New & Noted

## **A Report to Parliament on the Legislative Review of the *First Nations Fiscal and Statistical Management Act***

This report was filed in March 2012. Established in March 2005, the Act provides federal legislation granting First Nations access to revenue-raising powers, strong financial management systems and the ability to collectively finance debt through a debenture. Since 2008, more than 80 First Nations have generated more than \$99 million in property tax revenue under the Act, adding to a total in property taxes collected by First Nations nearing \$1 billion since the 1988 passage of the Kamloops Amendment. The report's tabling satisfies statutory requirements (section 146) that the Minister undertake a review of provisions and operations of the Act and its fiscal institutions within seven years, and also submit a report to each House of Parliament. For the Report to Parliament on the Legislative Review, see [www.aadnc-aandc.gc.ca/eng/1334169647868/1334169697578](http://www.aadnc-aandc.gc.ca/eng/1334169647868/1334169697578). Also see the First Nations Tax Commission at [www.fntc.ca/index.php](http://www.fntc.ca/index.php).

## **High-Voltage Transmission Lines and Rural, Western Real Estate Values**

By James A. Chalmers

*The Appraisal Journal*, March 20, 2012 (Vol. 80, pp. 30–45)  
Transmission lines are more likely to have a negative impact on sales when a property has a residential use or small lot size, or when similar properties without transmission lines are available. This article looks at the effect of transmission lines on sale prices and time on the market, reporting the findings of an 11-year study of property sales across 640 miles and 15 Montana counties.

## **Apropos: Call for Reviewers**

Would you or a colleague like to write a book review? Even if you've never written one before, just think of a book review as an email of approximately 500 words that you might send to a colleague. (A tip sheet on writing book reviews is available.) You keep the book; you'll also receive a few copies of the issue of *Focus* in which your review appears, along with whatever attribution you wish. If interested, please email Cynthia at [cmartin@longwoods.com](mailto:cmartin@longwoods.com).

## **A Tale of Two Taxes: Property Tax Reform in Ontario**

By Richard M. Bird, Enid Slack & Almos Tassonyi  
Lincoln Institute of Land Policy

Softcover, \$30, 288 pages, ISBN 9781558442252

[www.lincolninst.edu](http://www.lincolninst.edu)

From the publisher: "This book examines the broad reform of the Ontario property tax in 1998. The objectives of this reform included introducing a full market value assessment, establishing a property tax system that would be widely accepted, and removing property tax reform from the provincial political agenda. ... This detailed evaluation of Ontario's reform in both property tax policy and full market value assessment shows that, while such reforms are possible, they require very careful design, implementation and sustained follow-up if they are to succeed, especially in large metropolitan areas."

# Legal Briefs

## ***Papadimoulis v. Cuyahoga Cty. Aud.*, 2012-Ohio-925, no. 97023. Court of Appeals of Ohio, Eighth District, Cuyahoga County, March 8, 2012. Journal Entry & Opinion**

Alex Papadimoulis appealed from a Common Pleas Court (CPC) affirmation of a Board of Revision decision that refused to overturn a real property valuation by the county auditor. Papadimoulis submitted proof of the property's value with evidence he bought it in an arm's-length transaction. It was concluded that court erred by affirming the Board of Revision's decision. At no point in the appeals process had the auditor appeared to defend the valuation. Court's judgment was reversed and Papadimoulis's statement of facts accepted under R.C. 5717.03: the auditor "shall consider the sale price

of such tract, lot, or parcel to be the true value for taxation purposes." Ohio Supreme Court acknowledged that the rules that apply in valuation cases are (1) the party challenging the board of revision's decision in appeals has the burden of proof to establish proposed value and (2) the board or auditor bears no burden to offer proof of the appraisal's accuracy. Those rules were, however, subject to a narrow exception when the record before the board of tax appeals affirmatively negated validity of the county's valuation. Papadimoulis offered significant evidence to show how he purchased the property, contradicting the board's determination. This cause was remanded to court with instructions to enter judgment valuing the property at \$52,781 as in the notice of appeal/decision from the Board of Revision. This cause was reversed

and remanded for proceedings consistent with this opinion, and court ordered that the appellant recover his costs, finding there were reasonable grounds for appeal.

**1200 Bldg Ltd. v. Multnomah County Assessor, TC-MD 110818C. Tax Court of Oregon, Magistrate Division, March 12, 2012. Decision.**

Plaintiff appealed the defendant's March 16, 2011 omitted property assessment for tax years 2006/07 through 2010/11 inclusive. Court held a hearing on the Portland Art Museum (museum) that entered into a property lease in November 2003. In June 2005, the museum entered into a five-year extension with the property's owner. The museum assigned the balance of the lease extension to Northwest Academy, plaintiff in the current appeal. The academy did not file an application for exemption after it assumed the lease and began using the property. Prior to the subleasing, the museum filed

an exemption application indicating the space was to be used for offices. Defendant contended it had information that the property was used for storage during the 2006/07 tax year. Plaintiff asserted the premises were occupied by the museum until June 30, 2007 and submitted a written statement. Court concluded that the plaintiff had not shown its entitlement to the exemption or partial cancellation of taxes added by the omitted property assessment and that the defendant correctly added the property to the assessment and tax rolls as omitted property for the tax years in question. There was insufficient evidence the property was used in the qualifying exempt manner for 2006/07, and the plaintiff did not file the required claim for exemption after it assumed the lease and moved into the property. Court denied the appeal, adding the plaintiff's appeal on the value of the subject property: the assessment and tax rolls for tax years 2006/07 to 2010/11 were upheld.

Both cases at [www.leagle.com](http://www.leagle.com).

## Quirky but true...

**A**ctors Harrison Ford and Calista Flockhart listed their Brentwood, Los Angeles mansion built in 1951 for \$8.295 million. Ford bought the property in June 1983 for \$1 million. The 2011 assessed value was \$2,175 million, with annual taxes of \$27,873. See [www.trulia.com](http://www.trulia.com) (655 MacCulloch Drive, 90049)

Dozens of homeowners who got large tax breaks from a Los Angeles County Assessor's office employee had hired the same consultant, now charged in an influence-peddling investigation. Clients of Ramin Salari from areas such as Beverly Hills, Brentwood and Pacific Palisades dominate a list of 125 owners that benefited from former property appraiser Scott Schenter, who eliminated more than \$56 million in value from tax rolls. Officials said he resigned to avoid being fired after secretly helping clients between 2008 and 2010. Schenter told officials he was approached by property owners and their representatives to lower values and didn't seek approval from his superiors, as county rules require. The new assessor, John Noguez, who won the assessor's election in 2010 with contributions from Salari, his family and his clients, received \$1,000 from Schenter, along with donations from at least six property owners who had received lowered assessments, one with a tax bill \$40,000 lower. See [www.latimes.com](http://www.latimes.com).

*Follow-up:* The Orange County Choppers' headquarters that opened in April 2008 is for sale, no longer owned by its biker family, but they aren't moving from the nearly 100,000-square-foot [9,000-m<sup>2</sup>] building. The deed for Orange County Choppers Realty, one of Paul Teutul Sr.'s companies, was

given to GE Commercial Finance Business Property Corp. and leased back to Teutul for seven years ending December 31, 2018, with an option for another three years. The deal prevented the motorcycle businesses from losing the building to foreclosure, which GE began in 2010 after the Teutels missed payments on two mortgages of \$12.5 million. GE's "consideration" in return for the deed was \$17.2 million, which may include forgiven mortgage principal, interest and penalties. Orange County's Industrial Development Agency (IDA) had provided a 10-year PILT agreement, partially because of tourism and the show's expected draw. The PILT was reinstated after the transfer with the IDA, listed as a defendant in the foreclosure action. GE is seeking an investor to buy the 3.3-acre [1.32-ha] property, now listed for \$11.5 million.

### QUOTABLE QUOTE

“The powers of ordinary men are circumscribed by the everyday worlds in which they live, yet even in these rounds of job, family and neighbourhood they often seem driven by forces they can neither understand nor govern.”

— C. Wright Mills, *The Power Elite*

# PILT: Payment in Lieu of Taxes Roundup

**T**he federal government will pay Meaford, **Ontario** an additional \$473,500 in PILT for the Land Force Central Area Training Centre for the 2009, 2010 and 2011 tax years. The agreement settles a long-standing tax dispute between the municipality and Public Works Canada and the Department of National Defence, which began four years ago when Meaford questioned the disparity between the assessed property value for the military lands and what Public Works Canada paid. Although Meaford's treasurer, David Kennedy, said the municipality keeps approximately 48% of money collected, with the rest going to Grey County and local school boards, "the municipality signed a confidentiality agreement and we intend to honour it." The 2012 rate is under negotiation and with 2013 the Ontario reassessment year, an agreement is expected to establish a property classification and assessment for the entire property and PILT payment. A joint investigation more than a year ago discovered some 20 buildings on the military base that had not been valued for taxation.

**Columbia Shuswap Regional District "B"**  
**Revelstoke–Columbia** residents will benefit from BC Hydro's PILT fund, seeing a decrease in taxation for some services. Going back to 2010, the average residence paid \$574 for its Parks and Recreation portion of taxes cost-shared with the City of Revelstoke. Along with the PILT contribution and the new agreement signed with the city, residents will see a further reduction from \$476 last year to \$294 this year. Also due to the PILT, residents will see a 36% reduction this year compared to 2011 for the portion of fire protection services cost-shared with the city.

Consultants told Newark Municipal Council that the Passaic Valley Sewerage Commission (PVSC) underpaid the city approximately \$0.5 million a year for several years in a

PILT agreement. The 163-acre [65.2-ha] facility along the Passaic River treats sewage from 48 northern **New Jersey** communities. The fifth largest in the nation with 1.4 million customers, it paid Newark a PILT of \$837,000 in 2011. In 1979, the city and PVSC agreed on a payment schedule, but the consultants said that since at least 2005, the utility should have been paying \$500,000 a year more. Frank Mangravite of Public Works Management said that in 1970, 40% of properties were under some form of tax exemption, which rose to 75% by 2000. See [www.nj.gov/pvsc](http://www.nj.gov/pvsc).

Lansing, **Michigan's** coal-fired AES Cayuga power plant valuation is to be cut from \$86.2 million (2012) to \$74 million (2013), then to \$60 million (2014), according to a proposal by the Tompkins County Industrial Development Agency. The proposal updates a 2009 agreement between the county and the bankrupt energy company, downgrading the plant's worth. In 2011, the plant paid taxes of \$3.2 million to Lansing schools, down from \$112.5 million; that amount will be further reduced to \$1.7 million, with an amended PILT to decrease the tax over four years. The 20-year agreement was adjusted in 2010, then again in 2011. As well, AES Somerset and the Niagara County Industrial Development Agency in **New York** agreed to reduced PILT payments by 40% next year and 60% through 2015 for losses worth millions of dollars a year, \$700,000 to the Town of Somerset. In 2010, AES agreed to a valuation of \$482.5 million, an amount that dropped to \$280 million in 2011. Before AES Eastern declared bankruptcy, the Somerset and Cayuga plants went up for auction. Bondholders suggested a combined value of \$162 million, but there were no bidders. In total, 14 AES-affiliated entities filed for Chapter 11 bankruptcy in December, citing \$1 billion in debt.

## Foreign Affairs

### Greece

By a large majority, a Greek high court ruled that a controversial property tax imposed last year by the government on homeowners and charged through their electricity bills is constitutional, but cutting off the electricity for nonpayment is not. The Council of State, Greece's highest administrative court, heard the case, brought by several professional and citizens' groups.

### Ireland

A plan to raise €160 million (\$212 million) with a new property tax of €100 per household garnered massive criticism and demonstrations, with approximately one million of Ireland's 1.6 million households signing up to pay by the

March 31 deadline. Stephen Kinsella, an economics lecturer at the University of Limerick, said the implementation was "botched" and he was surprised at the number of people who paid it. Property owners were to go to a website to sign up and pay, but he said the site was poorly designed and difficult to use. Kinsella said he paid the tax on the first day: "I understand the perilous economic situation we're in." Penalties for nonpayment are minor – €10 for those who pay by June. Kinsella expects the penalties to increase and believes most will ultimately pay the tax, with opinion polls showing that although there is grudging acceptance for the tax, there is relatively strong support for government. See [www.revenue.ie/en/tax/rpt/forms/index.html](http://www.revenue.ie/en/tax/rpt/forms/index.html).

# Coast to Coast to Coast to Coast

## Canada

### British Columbia

“Rise up, the public are getting screwed,” said **Campbell River** Mayor Walter Jakeway after council’s Finance Committee approved a 13.6% property tax increase. “The process is flawed,” he said. “All we’ve done is condemn Campbell River to circling the drain for another three years.” Councillors and city staff faced a \$3.6-million shortfall in increased operating costs, the loss of \$1.8 million in tax revenue from the Catalyst mill and a \$1.1-million draw from reserves in 2011. The 13.6% increase translates into a tax hike of \$160.76 to the owner of the average home assessed at \$268,000. Other city taxes, such as the Parks Parcel Tax and other user fees, were reduced, a move that the city argued lowers the total increase to 7.1%. “It expects the Campbell River taxpayer just to continue paying and financing it,” said Jakeway, adding that council didn’t go far enough. “We haven’t cut costs. We’re preserving projects that don’t need to go ahead.” A budget bylaw must still be drafted and approved.

### Alberta

Property taxes and the provincial education requirement will increase by 5.7% in **Edmonton**. For a home with a typical assessed value of \$357,000, this is an extra \$87 per year for the municipality and \$62 for the provincial education tax.

### Manitoba

**Winnipeg** and the province aim to funnel new property taxes from developments back into the immediate vicinity, with the downtown development agency CentreVenture backing a plan to create a tax increment financing (TIF) zone in an 11-block section downtown, the Sports, Hospitality and Entertainment District. The zone includes the MTS Centre, Winnipeg Convention Centre, Metropolitan Theatre, Burton Cummings Theatre and the \$75-million Centrepont hotel/office complex. The TIF zone would allow property taxes from new developments to be slated for improvements in the same district. Approximately \$8.3 million of new property taxes from the Centrepont development will fund sidewalks, lighting and decorative structures around the MTS Centre. CentreVenture president and CEO Ross McGowan said the agency will borrow cash for the new amenities and recoup it from the property taxes, adding that pending city council approval, up to \$25 million would be spent over the next five years.

### Ontario

(Note: Acronym MPAC is *Municipal Property Assessment Corporation*) Don Drummond’s Commission on the Reform of Ontario’s Public Service was released, commenting on upload agreements

and the Ontario Municipal Partnership Fund. The commission recommended delaying planned uploads of provincial costs from the municipal property tax base by two years. Premier Dalton McGuinty said his government would honour its commitment to upload \$1.5 billion in such costs from the municipal tax base by 2018 and not download new costs onto municipalities. See [www.fin.gov.on.ca/en/reformcommission](http://www.fin.gov.on.ca/en/reformcommission).

**Ottawa** residential property owners will see an average 26% increase in estimated value when new assessments are issued this fall. The higher assessments will reflect a jump in house prices since the last assessment in 2008. The Ottawa Real Estate Board shows the average price of a house or apartment sold on the Multiple Listing Service in 2011 at \$343,701, approximately 26% more than the average 2007 price of \$272,618. MPAC assessments will be close to what each home would have sold for on January 1, 2012 and will be used to set property tax rates in each of the next four years.

**Thorold** city council members approved a 9.6% hike in city taxes for 2012, with the average homeowner of a dwelling assessed at \$203,000 paying an additional \$97.27. That figure includes a 1% levy to begin funding a new seniors’ centre at the old city hall, a project expected to start construction later in 2012. Mayor Ted Luciani said that like many other municipalities, Thorold kept taxes too low for upwards of 20 years, including freezes in the 1990s. “I’m not happy with a 9.6% budget increase,” he said, adding that now “we’re paying for” past budget decisions.

**Orillia’s** Georgian College will not pay development charges or municipal property taxes on a residence for its campus. The exemption will remain for as long as the “heads and beds” PILT applies, said deputy CAO/CFO Bob Ripley. Exempt from municipal development charges and assessment-based taxation, the college pays \$75 for each full-time student. “If Georgian planned, constructed and operated the residence, Georgian would not have to pay development charges or municipal property taxes on the improvements,” Ripley said. “However, Georgian has chosen to build the residence with a [private] partner, and as a result is concerned MPAC may assess the building.” Council committee agreed to provide the exemption, he added. “Although full ownership of the building will not flow to Georgian for a number of years, beneficial ownership immediately occurs to Georgian with student occupancy” on college lands.

### Nova Scotia

The province made amendments to its *Municipal Government Act*, giving municipalities the authority to finance energy-efficient equipment, including solar panels on private property through property taxes.

USA (NB: All figures in US\$)

## California

A **San Jose** police officer could retire after 30 years with a pension worth 90% of his salary, one reason pension reform is on the city's June ballot. Since 1945, Santa Clara taxpayers have been subsidizing retirements for its 14,550 former employees through a special levy on property tax bills in addition to overall property tax revenue that already helps pay for pensions. The county owes \$310 million in retirement costs: \$99 million from the special retirement fund, \$151 million from the county's general fund and \$60 million by employees. Critics say the obscure tax that voters approved almost 70 years ago wouldn't win over residents today. In San Jose, employees' pay and benefits continue to outpace revenues: the city's pension bill ballooned from \$73 million to \$245 million in a decade and is climbing. According to a Senate Committee on Local Government report, state residents in 24 areas pay extra property taxes for retirement programs. In 1982, California Supreme Court ruled that retirement fund taxes could be grandfathered into Proposition 13. The legislature later capped the tax rates at the 1983/84 level, with areas such as Santa Clara County making up the difference to fund its pension bill.

"The [**Sacramento**] Kings are no more important to the local psyche than any other business franchise" and instead of building a new basketball arena, "public skepticism is the best way to keep taxpayer dollars safe," noted *The Sacramento Bee* newspaper. Mayor Kevin Johnson announced that he and the Kings' owners, the Maloof family, failed to agree in a scenario where the city would put in another \$255.5 million with \$58.75 million from the arena's operator, AEG, and \$73.25 million from the team. A source said the Kings carry \$205 million of debt, including a city loan of some \$67 million already to be paid back. National Basketball Association Commissioner David Stern said the team is making a mistake in passing up "a good deal" on a new \$391-million downtown arena. "We had come up with a scenario where the Kings could move into the building without putting a dollar of cash down," he said. The team is scheduled to play next season at the Power Balance Pavilion where, Johnson said, renovating is a "nonstarter." Stern said that the league doesn't plan to extend its loan offer. Articles and an editorial in *The Bee* stated, "Second-tier cities believe that professional sports put them on the map, although all they do is provide some unexceptional entertainment and enrich team owners, who cleverly manipulate the local inferiority complex to gain arena subsidies." The Maloofs consulted economist Christopher Thornberg, who argued that the city-backed deal was based on a "wildly overblown estimate of the kind of revenue value this arena will bring" and would put the city "on the edge of potential fiscal disaster."

## Pennsylvania

**Allegheny County's** court-ordered reassessment increased

the values of 60 homes built for low-income residents by the Habitat for Humanity. Kurt Weber of Babst Calland said that under the agreement his firm makes with Habitat for Humanity, the low-income homeowners are responsible for property tax. Weber's company is offering free legal assistance to homeowners to appeal the values. Also in Allegheny County, a simplified webpage has been designed for easier access to data on 2012 base-year values, 2013 court-ordered reassessment values and information on 2013 market values. See [www.alleghenycounty.us/court reassess.aspx](http://www.alleghenycounty.us/court reassess.aspx).

More than **\$782 million in gaming revenue** will be available in 2012, the fifth year of the state's Property Tax Relief Fund under the 2006 *Taxpayer Relief Act*, to reduce residential property taxes. In mid-April the balance in the fund was \$405 million; gaming revenue until October 15 is projected to add another \$436.2 million, with a reserve of \$59 million. The average property tax reduction for each household this year is expected to be \$200. The amount of property tax relief will vary by school district for homeowners in 66 counties, who will receive reductions in school property tax. Under the Act, Philadelphia's share of funding for relief – \$86.3 million – will be used to reduce the city's wage tax. Gaming revenue also supports the Property Tax/Rent Rebate Program for older and disabled homeowners. If the balance in the reserve fund becomes insufficient to meet requirements under the Act (section 1799-E of Act 46 of 2010), the Pennsylvania Gaming Control Board must immediately assess each slot machine licensee for repayment of outstanding loans. See [www.revenue.state.pa.us](http://www.revenue.state.pa.us). For the *Taxpayer Relief Act*, see [www.portal.state.pa.us/portal/server.pt?open=514&objID=377957&mode=2](http://www.portal.state.pa.us/portal/server.pt?open=514&objID=377957&mode=2).

## Maine

The **Maine Tree Growth Tax Law** provides for the valuation of land classified as forestland on the basis of productivity value rather than fair market value, based on the state constitution, which permits valuation of forestlands for tax purposes. The State Tax Assessor determines the 100% valuation per acre for each forest type by region each year. Valuations are adopted through rulemaking each year and made public before April 1. The municipal assessors are required to adjust the State

## Factoid

The City of Belleville allotted \$600,500 in its 2012 operational budget for costs associated with Ontario's Municipal Property Assessment Corporation.

Tax Assessor's 100% valuation per acre for each forest type by the municipality's certified ratio. Definitions: Commercial harvesting or harvesting for commercial use; Forestland; Forest management and harvest plan; Forest products that have commercial value; Parcel; and Forest type. See [www.maine.gov/revenue/forms/property/pubs/bull19text.htm](http://www.maine.gov/revenue/forms/property/pubs/bull19text.htm).

## Florida

**Miami** filed an application with Miami-Dade County seeking an exemption from property taxes that could reach \$1.5 million for four parking garages at the Miami Marlins' ball-park in Little Havana. City officials were surprised when County Property Appraiser Pedro Garcia Jr. said the city might have to pay. Mayor Tomás Regalado and other officials have been fighting to have the garages deemed exempt; however, a municipal property must serve a public purpose. Miami built the garages by issuing \$100 million in bonds, selling almost each of the 5,700 spaces to the Marlins for an average of \$10 a spot to help pay off debt service. House staff cited a 2001 Florida Supreme Court decision that regular for-profit use of a government building by a private entity, such as the Marlins, disqualifies a building from tax breaks. Attorney Julie Bru argued that even if fans used the parking garages for 10 hours during game days, that leaves 14 hours a day for public use, as well as other times.

## Calendar

### Mineral Property Valuation

June 4, 2012

Toronto, Canada

Examines approaches and methods of developing valuations for mineral properties and projects as well as mining companies. International standards are reviewed, and the Canadian CIMVAL standard is discussed in more detail. The three valuation approaches (cost, market, income) are examined along with the methods within each approach. Techniques for risk assessment are described. Reporting requirements are examined and suggested contents for a valuation report discussed. Sandra Wunsch, Educational Events Manager  
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[www.edumine.com](http://www.edumine.com)

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