

City Clerk's Report to  
Priorities and Finance Committee  
2019 October 08

ISC: UNRESTRICTED  
PFC2019-1077

## **Assessment Review Board Fees**

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### **EXECUTIVE SUMMARY**

This report outlines recommended changes to Calgary Assessment Review Board (ARB) complaint fees.

#### **ADMINISTRATION RECOMMENDATION:**

That the Priorities and Finance Committee recommend that Council:

1. Approve the proposed fees, with new complaint filing fees to be effective 2021 January 01; and,
2. Direct the City Clerk's Office to prepare an amending bylaw with the proposed fees, to bring forward during Adjustments to One Calgary Service Plans and Budgets.

### **PREVIOUS COUNCIL DIRECTION / POLICY**

At its 2008 November 17 Special Meeting, Council considered report FCS2008-41 and subsequently passed a resolution to establish complaint filing fees for the ARB, as follows:

"1.a. (ii) A percentage-based filing fee equal to one percent of the revenue neutral tax levy calculated from the current year assessment, rounded down to the nearest dollar with a minimum fee of \$30;

1.a.(iii) That the maximum Assessment Review Board filing fee be \$5,000 per roll number/premises."

At its Strategic Meeting of Council on 2018 May 16, Council adopted recommendations in report C2018-0586 and deferred establishment of long-term tax support rates for the Appeals & Tribunals service to the 2019 service plans and budgets adjustment process.

### **BACKGROUND**

Section 481(1) of the *Municipal Government Act* (MGA) indicates that Council "...may set fees payable by persons wishing to make complaints..."; however, limits on assessment complaint filing fees were established by the Government of Alberta in 2009. These limits were established in Schedule 2 of the *Matters Relating to Assessment Complaints Regulation* (MRAC), and those same limits on complaint filing fees remain in effect today.

Complaints on single-residential, multi-residential properties with three or fewer units, and farmland properties that are heard by the Local Assessment Review Board (LARB) have a maximum filing fee of \$50. Complaints on non-residential and multi-residential properties with four or more units, are heard by the Composite Assessment Review Board (CARB) and have a maximum filing fee of \$650.

The legislation allows for refunds of complaint filing fees in some circumstances.

### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

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Assessment complaint filing fees are recommended at \$50 for LARB complaints and \$650 for CARB complaints, as set out in Schedule 2 of MRAC as the maximum allowable complaint filing fees. A \$40 early filing rate is recommended for annual LARB complaints filed on or before January 31<sup>st</sup> of each year. To allow sufficient time for changes to be made to the assessment notices, the new complaint filing fees would come into effect in 2021.

*Complaint fees in other jurisdictions*

Comparable jurisdictions operating under the same provincial assessment review legislation, such as Edmonton, Lethbridge, Red Deer and Fort McMurray, have set complaint fees at the provincially-regulated maximum rates (Attachment 1).

*Impact*

The fee revenue collected and retained (Attachment 2) varies depending on case outcomes that are determined by the ARB on a case-by-case basis.

Complaints on amended and supplementary assessments would not be considered for early complaint filing rates due to administrative complexity and smaller overall numbers of these types of complaints. Early complaint filing can create efficiencies in ARB scheduling and facility use, provide convenience for the public, with earlier resolution of their complaints, and lower the number of tax bill adjustments required.

The early filing deadline for LARB complaints has been set four weeks from the mailing date for assessment notices, and three weeks from the Assessment Notice date, in order to mitigate the risk that individuals will file complaints before attempting to resolve their differences with an assessor. Further, the City Clerk's Office will enhance its communication efforts, through its website and ePortal system, to ensure that prospective complainants are encouraged to discuss concerns about their assessments with the Assessment Business Unit (ABU) prior to filing a complaint. An early filing fee for CARB complaints is not recommended at this time.

*Fees for copies of a public record*

A new \$50 fee for a copy of a public record of a complaint, or a portion of that record, is also proposed. The \$50 fee would cover administrative costs of providing electronic copies, but will not cover printing costs for those who request paper copies of records.

**Stakeholder Engagement, Research and Communication**

The Chair of the Assessment Review Board, the City Assessor and the Manager of Tax, Receivables and Accounts Payable were engaged in development of the recommendations of this report.

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**Strategic Alignment**

The recommendations in this report align with Council's Directives relating to a Well-Run City: "Calgary has a modern and efficient municipal government that is focused on resilience and continuous improvement to make life better every day for Calgarians by learning from citizens, partners, and others" (One Calgary 2019-2022).

**Social, Environmental, Economic (External)**

The Appeals & Tribunals service provides a benefit to individuals who exercise legal rights, and a broad benefit to society in allowing the availability of a process for challenging some decisions of local government in a manner that is less formal, lower-cost and more efficient than seeking recourse through the courts.

**Financial Capacity**

***Current and Future Operating Budget:***

No impact to the current or future operating budget is anticipated.

***Current and Future Capital Budget:***

No impact to the current or future capital budget is anticipated.

**Risk Assessment**

None.

**REASONS FOR RECOMMENDATIONS:**

The proposed fees bring Calgary into better alignment with other comparable jurisdictions in Alberta and help offset operating costs.

Establishing a fee for copies of a public record of a complaint ensures that users requesting this service are covering an appropriate portion of the administrative costs.

**ATTACHMENTS**

1. Attachment 1 – Comparison of Assessment Review Complaint Fees in Other Jurisdictions
2. Attachment 2 – ARB Budget and Fee Revenue (2015-2018)