



Assessment Review Board

MANDATE

To hear formal complaints against the assessment of properties and local improvements.

COMPOSITION

Public Members:

- 24 Public Members, made up of 1 General Chair, 1 Vice-Chair & 22 part-time Members

MEETINGS

How many meetings did this BCC hold since May 2023, including subcommittee/working group/task force meetings? Were meetings held remotely, in-person or in hybrid format?

How was public participation in meetings incorporated (access to meetings, agendas, minutes)?

The questions as posed are not entirely applicable to the work of the Calgary Assessment Review Board (ARB), as the ARB is a quasi-judicial tribunal that conducts formal hearings of complaints from the Assessment & Tax Business Unit or taxpayers regarding property assessments.

In 2023, the ARB received 2,103 formal complaints, made up of 620 LARB (residential up to 3 units, condos and farm land) and 1,483 CARB (commercial, multi-residential of 4 or more units and non-residential) complaints. Of these, 424 resulted in full hearings before ARB panels, with evidence and written decisions. Only 3 of these are currently subject of judicial review. The balance of the formal complaints were resolved through mutual agreements or withdrawals, with the active cooperation of the Assessment & Tax Business Unit.

To date in 2024, the ARB has received 2,757 formal complaints, made up of 998 LARB and 1,759 CARB complaints. ARB Leadership estimates this will result in around 465 formal hearings based on 2023 settlement rates. The number of ARB members available to sit on these hearings was reduced from 31 to 22 for 2024, which removed several experienced Members and reduced the number available for hearings.

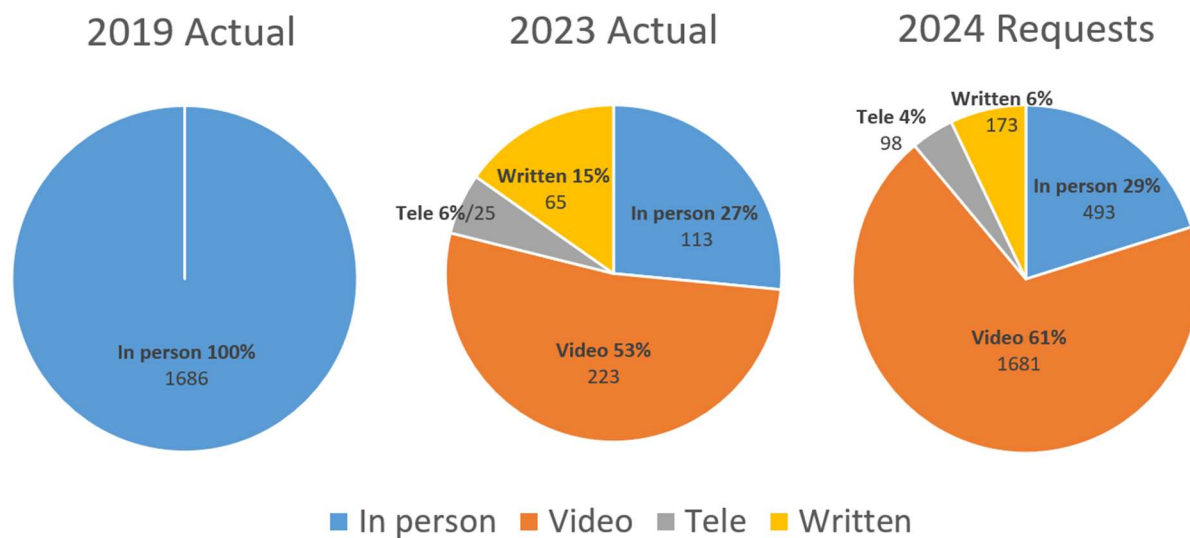


Assessment Review Board

Year	Complaints	CARB (non-residential)	LARB (residential)	Hearings held	Members available
2019	3234	2149	1083	1686	39
2020	3137	2226	910	1028	39
2021	2466	1910	556	467	40
2022	2037	1621	416	470	38
2023	2103	1483	620	424	31
2024	2447	1759	688	465 (est.)	22

ARB hearings are open to the public, with the hearing season running from the end of April to the end of October. Hearings are scheduled in various board rooms on a weekly rotation and run concurrently throughout the season. Decisions are delivered in writing within 30 days, and are posted on CanLII to ensure maximum transparency, efficiency and public access.

Four different hearing formats are offered: in-person, videoconference, teleconference and written. The most requested hearing format is videoconference, and the least is written. Both parties must agree to participate in the written hearing format. In 2019, all hearings were in-person. By 2023, that dropped to 27%, with a similar level expected based on 2024 requests. The default hearing type has been changed from in-person to videoconference for 2024, as this is the most requested format and reflects modern realities.





Assessment Review Board

Internally, the ARB Board Members who are assigned to hearings meet for 30 minutes either in-person or online each morning before the hearings to discuss salient matters concerning hearings, scheduling or administrative matters. Approximately 100 such meetings take place each year. Municipal Boards Administration is invited to these meeting when relevant. ARB Leadership and Members meet or interface daily with Municipal Boards Administration regarding scheduling, appointments, policy, IT support and ongoing administrative matters during the 6-month regular hearing season and as required during the other periods. Online and in-person training is provided as needed on numerous occasions throughout the hearing season. These meetings are held by in-person, videoconference or hybrid format as the circumstances allow. These meetings are not open to the public, as they involve internal matters that require the protection of privacy, legal privilege and the integrity of the hearing and deliberation process.

WORK, IMPACT & ACCOMPLISHMENTS

What tangible impacts has the work of this BCC had on making Calgary a great place to live and a great place to make a life? Provide a summary of the current projects and initiatives, and the work and accomplishments of this BCC since May 2023.

The ARB is established by City Council under s. 454 of the Municipal Government Act (MGA). To ensure fairness and independence, all ARB Members are public appointees chosen from applicable professional disciplines such as law, assessment, real estate and appraisal. Panels are selected to provide a balance of these disciplines in each hearing. Each member fulfills mandatory training established by the Land and Property Rights Tribunal (LPRT), which is renewed every 3 years. Emphasis is placed on meeting legal standards, principles of natural justice, fairness and equity in reviewing complaints.

The ARB Members are all Calgary residents whose diverse backgrounds reflect the City's vibrancy and energy. The ARB Members have been carefully selected to achieve broad diversity from a wide variety of background experiences and sectors, such as accounting, engineering, IT, policing, nursing, education, business owners and leaders, nonprofit and public service, while still maintaining the detailed level of professional knowledge and understanding of the law, assessment, appraisal, real estate and procedural fairness that is essential to conducting fair hearings and delivering competent decisions. They are a window on life in Calgary.

The Assessment & Tax Business Unit is mandated by the MGA and its related regulations to follow a mass appraisal methodology in deriving estimated market value for each property in Calgary. As with any statistical regression, the model is not perfect, so certain properties may not end up with an appropriate estimate of market value based on the model. The ARB provides taxpayers with an efficient and fair forum to challenge their individual assessments. This benefits the public as it provides a fair and transparent process by which to review the accuracy of an assessment and ensures that taxes which are derived from the assessment are fairly and equitably distributed among all taxpayers. This provides taxpayers with increased



Assessment Review Board

faith in the reliability of the system and reduces the number of hearings for the benefit of both taxpayers and the City.

There has been a marked decline in the number of hearings in the past few years, dropping from 1,686 in 2019 to 424 in 2023, reflecting a concerted effort on the part of the Assessment & Tax Business Unit to settle complaints in advance of a hearing. The ARB supports these efforts and will continue to encourage the Assessment & Tax Business Unit in keeping this number low. In 2023, this reflects less than 0.1% of the total number of assessed properties in Calgary. In 2023, less than 1% of the ARB hearings have been subject to applications for judicial review, representing the ARB's success in improving the quality and fairness of its decisions and more closely tracking legislation and case law.

MANDATE ALIGNMENT

How has the work and activities of this BCC aligned with its mandate since May 2023?

The mandate of the ARB originally provided was “To hear formal complaints against the assessment of properties, businesses, local improvements, and brownfield property exemptions and deferrals, as determined by The City of Calgary.” As the business tax was repealed in 2019 and there is no brownfield property bylaw, complaints are almost exclusively about assessed values. Accordingly, the “Mandate” section has been updated to that shown at the top of this report. Similarly, the “Composition” section at the top of this report has been corrected to show the actual makeup of public members.

There is a new Board Leadership team as of January of this year which has focused on using collegial and open discussion to make and implement decisions and strategies.

As communications with individual board members have suffered since Covid, ARB Leadership has taken steps to increase discussion and interaction among members. Emphasis has been placed on more communication to get increased feedback from, cooperation with and interaction among members.

Tasks have been realigned by moving administrative matters back onto Municipal Boards Administration. This has reduced conflict and duplication of effort for both teams. The Board and Municipal Boards Administration are now working in unison to achieve the organizational mandate to serve the public.

Questions and concerns raised by various stakeholders have been addressed by the new Board Leadership in 2024 to ensure a fairer hearing process and to ensure the safety and security of all participants. ARB Procedural Rules, ARB Member Code of Conduct and ARB Methods for Disclosure of Evidence have all been updated to reflect comments and input from ARB Board Members, Municipal Boards Administration and the Assessment & Tax Business Unit by incorporating by reference the City of Calgary's Respectful Workplace Policy and its related policies, such as the Harassment Prevention Plan and Workplace Violence Prevention Policy.



Assessment Review Board

There is also an emphasis being placed on neutrality by the Board and its members to ensure that all parties involved maintain faith in the reliability of the system.

The new ARB Leadership has streamlined the ARB website to make it easier to understand and use, with plans to make it more compatible with mobile phone users in the coming months. This aligns with updating the default hearing type from in-person to videoconference starting in 2024.

COLLABORATION & COMMUNICATION

What opportunities has this BCC had in the past year to collaborate or interact with other committees on projects or BCC work, to provide advice to Council or another body on City initiatives, or to present formal reports to Council or a Council Committee?

The new ARB Board Leadership participated in the BCC Remuneration Project Update by providing input on current compensation structures for its members and feedback on how suggested structures may fit within the ARB and other City Boards.

Board Leadership reviewed the Sage Analytics report which formed the basis for the recommendations contained in the remuneration project report. The ARB Leadership brought several material inaccuracies and discrepancies in this report regarding the ARB and its operations to the attention of the Deputy City Clerk and the Lead, Municipal Boards & Governance to try to ensure that they were appropriately dealt with when the report was presented to Council so that Council would be relying on accurate data.

WORKPLAN & PRIORITIES FOR 2024-2025

Provide an outline of this BCC's workplan for 2024-2025

ARB Board Leadership was replaced in January 2024 in conjunction with an overall reduction from 33 to 24 Board Members. Since the appointment of new Board Leadership effort has been placed upon getting ready for and ensuring a smooth hearing season which commences in the beginning of May.

No transition was provided from the previous Leadership team, so documents, procedures and systems had to be rebuilt or recreated for the Board to function properly. This was a team effort with Municipal Boards Administration to get everything up and working in time for the May hearing season.

Administrative duties that were previously done in part by ARB Leadership, such as payroll and scheduling, have been placed back in the hands of Municipal Boards Administration, who are better equipped to carry out these duties.

Effort has been made to restore and repair relationships between ARB Leadership, Municipal Boards Administration, Assessment & Tax Business Unit and the various parties. The ARB



Assessment Review Board

Procedural Rules and ARB Member Code of Conduct have been updated to incorporate by reference the City of Calgary's Respectful Workplace Policy and its related policies. In particular, the General Chair may now change the hearing format at any time if there is an actual, suspected or potential breach of those policies.

Neutrality between ARB Leadership and all parties is being emphasised to ensure a fair hearing process. In particular, ARB Leadership is avoiding one-sided engagement with professional agents, which may have been an issue in prior periods.

There has been a rationalization of the ARB office space in 2024 to reflect actual workflow, workload, needs and design. Two truckloads of old furniture, manuals and redundant documents were removed, and the ARB boardroom has been cleaned and painted. Old writing stations have been removed and one writing room repurposed as a kitchen/lunchroom. Hearing rooms have been reduced to 3 in-person and 3 videoconference rooms from 12 in-person hearing rooms, with the plan to redeploy unused hearing, writing and storage rooms to another City department.

ARB Members are in the process of being updated to the new Teams version. This is described in greater detail below under "Challenges". An IT support person has been designated to assist the ARB and other BCC boards to aid with this transition and to help with technical issues Members may face throughout the hearing season.

Once fully implemented, the new Teams environment, together with various procedural changes implemented by the new ARB Leadership, should ensure a smoother flow of document exchanges between ARB Members, with an emphasis on all work being done within Teams for increased IT security and efficiency.

Training has been implemented to acknowledge the challenges the Board may face with the introduction and potential use of Artificial Intelligence (AI) in the hearing process.

With the reduction in the size of the Board and a loss of many experienced Members, training has been implemented to improve the skills of the remaining Members. The Board is partnering with the LPRT to provide Presiding Officer and decision writing training at a lower cost and higher effectiveness than the more expensive training previously provided under the umbrella of the Council of Canadian Administrative Tribunals. Emphasis is on bringing Members forward on their learning journey to leverage their existing skills so the ARB can continue to operate effectively at its new leaner size. Members were all interviewed before the hearing season to establish their skills and needs to ensure appropriate training and opportunity for improvement to ensure a smoother hearing season and better continuity planning.

Review and application of relevant case law is being emphasized through training to ensure decisions are in line with established legal principles and to reduce the number of applications for judicial review. Outside legal counsel was also replaced in January 2024 with the change in ARB Leadership. Although not involved in the selection process, ARB Leadership believes the Municipal Boards Administration made an excellent choice. With the encouragement of ARB Leadership, the new legal counsel has been successfully working to clean up older outstanding cases.



Assessment Review Board

The ARB website (calgaryarb.ca) is being revised to provide clarity and brevity. Outdated references have been updated and large portions have been redrafted to be simpler and more concise. Key updates are targeted for completion before the hearing season starts early May to assist taxpayers in navigating the hearing process, with ongoing maintenance throughout the year. The next round of updates will target making the site more mobile phone compatible.

Due to isolation during Covid, and as many of our members are newer, training and events are being planned to renew connections between board members, as well as to renew working relationships with Municipal Boards Administration. The first of these initiatives, the 2024 ARB Spring Training Conference, was held on April 10, 2024.

The new ARB Leadership discovered several inconsistencies in the way remuneration was paid and accounted for among the various Board Members in the past few years. Payroll policies and procedures have been updated to ensure consistency going forward.

With the changeover of Board Leadership and leaner Board, priority is on implementing new ideas and strategies to streamline processes and improve efficiencies while being responsive to the needs of Board Members and other stakeholders.

CHALLENGES

Provide details of any challenges or limitations faced by this BCC since May 2023, including administrative support, barriers to accessibility or participation by Members or the public, inability to meet quorum, any operational issues, etc.

Although there was no transition plan, the new ARB Leadership was sufficiently familiar with Board processes. Through collaboration with Municipal Boards Administration, missing information has been recreated or restored and systems have been put in place to ensure a smooth hearing season. This has also provided the opportunity to listen to new ideas and implement new systems to increase Board effectiveness.

In conjunction with the City's IT department, the Board was scheduled to move from Board Members logging in as guests to being registered users on the City's network. This would provide ARB email addresses for Board Members for professionalism and anonymity, and increased technical support and cybersecurity protection for both the Board and the City.

The IT department had set up the required e-mail addresses and was partway through dismantling the internal Board infrastructure when it decided to reverse itself based on internal security concerns and technical difficulties defining and maintaining users who were not City employees. In-person hearing rooms were removed from the network and then had to be reconnected to the former setup, which proved to be challenging because the former City employee who set up the independent network outside of the City's IT parameters was no longer available. A great deal of time has been spent by ARB Leadership, ARB Members, Municipal Boards Administration and the IT department in trying to restore the original functionality. Board Leadership preferred the IT department's original plan to move the Board within the City's IT infrastructure and hopes that this may be accommodated in the future.



Assessment Review Board

A related challenge has been that these changes occurred during the transition of ARB Members to the new Teams environment. The combination of all these changes has been an arduous process for some Members. As guests rather than users on the system, each Member is responsible for their own download and installation of new Teams on their personal devices, which vary based on brand, operating system, capabilities and restrictions. Some members have spent many unpaid hours trying to complete this task, which can be very stressful. IT has provided support, but in the long run being within the City's infrastructure should simplify these types of processes, increase functionality and security, and reduce stress. Board Leadership has been tracking the progress of each member and providing support to ensure everyone is up and running for the hearing season. These changes have also created connectivity issues for the LPRT Members, who are not able to log into the Board's systems to access hearing files, write decisions, and participate in videoconference hearings when they use their Government of Alberta accounts and computers.

MEMBER PERFORMANCE ASSESSMENT

How are the members of this BCC assessed for their performance on the BCC and contributions to the mandate and workplan of the BCC?

The new ARB Leadership was not provided with prior evaluations of ARB Members. Prehearing interviews have therefore been conducted with each Member to evaluate each Member's skill set, learning journey and contribution level. As many of the current Members are newer to the Board, there are fewer experienced Members available. Accordingly, training will focus on broadening the skill sets of the current Members to fill in the gaps created by the downsizing. Having a more diverse set of skills for current members will ensure better continuity and a more stable membership going forward. A benefit of the prehearing interviews of each member has been the opportunity provided for each member to bring forward new ideas to improve the hearing season. Many great ideas have been suggested and will be implemented.

Through this process many Members have noted that this is the first time since joining the Board that an interview process has occurred. The progress of each Member will continue to be tracked throughout the season with a post hearing season interview to obtain feedback on how the season went and to solicit any recommendations or improvements for the next hearing season.

In addition to the standard training provided to ARB Members through the LPRT, the ARB has partnered with the LPRT to deliver enhanced training for newer Members in writing decisions and managing hearings as a presiding officer. This is to be run concurrently with the training of the LPRT's new members at the Calgary board office.



Assessment Review Board

BCC COMMENTS

Please include any other information that you wish to share with Council. This can include feedback from the BCC on Council initiatives, strategic direction, and policies as they related to the mandate and work of the BCC.

City Council and Municipal Board Administration enacted many changes to the ARB which took effect in January 2024, including removal of the General Chair and Vice-Chair, reduction of the ARB from 34 to 24 Members, and replacement of ARB outside legal counsel. This led to a great deal of systemic change that has been embraced and expanded by the new ARB Leadership, who have worked with the Municipal Board Administration to fix relationships, improve the overall performance and establish a strong strategic direction for the ARB going forward. This has been achieved with few resources in a short period of time. Council's changes have been effective at realizing their intended objectives. The ARB looks forward to seeing these initiatives continue to blossom.

ATTACHMENTS

None.

Respectfully submitted by

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General Chair

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Vice-Chair