



March 2007 Newsletter

Alderman Diane Colley-Urquhart

Property Assessments

On January 30, the City sent out the 2007 property assessments to Calgarians. The year 2006 saw record market increases in Calgary, with the average residential property value increasing by 43%. In 2006, the median single family home was valued at \$250,500 compared to \$361,000 in 2007. Meanwhile, the median condominium price jumped from \$151,000 in 2006 to \$225,000 in 2007.

Although property values have risen significantly in Calgary, property owners will not see an equal increase in their property taxes.

As a result of the 2007 property assessment; those properties whose value rose by **more** than the average increase (43%) will see an increase in their property taxes. Those properties whose value increased by **less** than the average increase (43%) will see a decrease in their property taxes. However, this is based on the assessment only, and before any decisions taken at City Council to establish the final tax rate for 2007.

What is 'market value' and how is it determined?

The market value is the most probable price that a property would sell for on the open market as of a given date. An assessor reviews and measures the real estate market to establish typical market rates. Your property assessment is based on the real estate market as of July 1, 2006 and the physical characteristics and condition of your property as of December 31, 2006.

Market value assessments are done annually using a mass appraisal technique and the market value standard as prescribed in the Municipal Government Act. Since 1999, the City of Calgary has employed this method, as it stabilizes taxes by allowing changes in the market to be reflected as they occur each year, rather than accumulating over longer periods of time.

The market value of your property is determined by a comparison and analysis of similar properties that have sold; analyses of the rental income properties generate; and the replacement cost of a building plus a value for land. The supply and demand for property of particular types or locations determines market value. Some factors that may affect market value include:

- Location (community, access, views) of community and within community;
- Lot size;
- Size of home;
- Basement development;
- Quality of home;

- Age of home;
- Existence and type of garage;
- Traffic influences; and
- Nearness to green space, golf courses, utility corridors, etc.

How are property taxes calculated?

Through the use of the revenue neutral calculation, property taxes are calculated so that the City Council only collects what it needs for its' budget. Based on the premise that there is no increase in the budget, the tax rate is adjusted up or down to account for the year to year change in market value. Revenue neutral adjusts the previous year's tax rate to account for the increase or decrease in assessments due to the changing market values. If the market value increases then the tax rate decreases; and if the market value decreases then the tax rate increases.

Your annual assessment simply indicates what your share of taxes will be based on City Council's budgetary decisions.

When you read your property notice, ask yourself, "*What would my home have sold for on July 1, 2006?*" If your answer is close to the value on your assessment notice, then most likely your assessment is fair. However, if you feel that your assessment is unfair you can visit the City's assessment website at www.calgary.ca/asesment where you will find information to allow you to compare your assessment to similar properties in your neighborhood. If you have other concerns or questions you can contact the Customer Service Center at 268-2888 and arrange for an in-person or telephone appointment with an assessor. But you must do this by March 2, 2007 as assessment can only be corrected between January 30, 2007 and March 2, 2007.

If you can not afford to pay your property taxes when the tax bills are mailed later this year, the City of Calgary may provide a credit/rebate for up to the increase in residential property taxes. More information on the Property Tax Assistance Program can be obtained by calling 311 or emailing propetytaxassistacnprogram@calgary.ca. Additionally, the Government of Alberta operates the Education Property Tax Assistance for Seniors Program, and they can be contacted at 1-800-42-3853 for more information.

Woodbine Recycling Depot

As many of you have recently noticed, the large green recycling bins at the Woodbine Safeway parking lot have been removed. I want to provide you with the background information on the removal of these bins.

The City of Calgary through the Waste and Recycling Service business unit has Courtesy Agreements with landlords throughout the city with respect to the large green recycling bins. The recycling bins are at the locations at the will of the property owners, and Waste and Recycling Services can not force property owners to have or keep the bins on their property.

Recently, the Woodbine Safeway has undergone renovations. At this time, Safeway feels that they required the additional parking stalls that were being consumed by recycling bins and requested that Waste and Recycling Services remove them.

After the request was made, Waste and Recycling Services contacted the management of the Woodbine shopping plaza to see if an alternative location on the site would be a possibility, however, no alternative was found to be suitable.

Waste and Recycling Services then branched out into the Woodlands and Woodbine area to try to find a new location for the recycling bins but no location in the area could accommodate the size of the bins and the accessibility requirements for the tandem trucks.

Unfortunately, this resulted in the removal of recycling bins from the area completely.

A map of all city-wide recycling depot locations can be found at www.calgary.ca/waste.