



Eastern Ontario Wardens' Caucus

## Briefing/Speaking Note

### Bank Towers

ROMA/OGRA 2009

**Issue:**

On February 22, 2008 the Assessment Review Board issued a decision regarding the appeal of assessment of bank towers in Toronto. These towers have a 1999 current value assessment of \$5 billion.

This decision resulted in the rejection of the method, long-employed by MPAC, of including the value of leasehold improvements for these and other tenanted commercial properties across Ontario.

If this decision is not set aside there will be a significant reduction in the value of all tenanted commercial properties and this will have as, AMO has said, a monumentally negative affect on municipal assessment bases and our financial situations.

Both the City of Toronto and MPAC have been forced to appeal this decision through the courts and were granted that right in October, 2008.

**Action Requested:**

The EOWC firmly supports the positions of AMO, the City and MPAC that the Province must make the necessary legislative and regulatory changes to the Assessment Act to reaffirm MPAC's methodology. We believe, as AMO does, that the Legislature never intended this when it made changes to the Act in 1997.

The EOWC is very concerned that forcing MPAC and the City of Toronto to continue through the courts is an uncertain and very expensive route to take. Property taxpayers should not have to foot the costs this exercise nor should they be forced to manage the severe financial impacts if the Courts ultimately side with the ARB.

The EOWC urges the Minister of Finance to make these changes in his upcoming 2009 Budget bill.