IPTI Xtracts
Property Tax and Assessment News from Around the World

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DOES IT PAY TO OWN MULTIPLE HOMES IN CANADA?

Higher costs on title transfers, capital gains and foreign ownership make it a more expensive proposition from a tax perspective

Q. Are there any tax benefits to owning multiple homes in Canada?

A. The quick answer? Not really.

That's according to Mark Feigenbaum, a lawyer and accountant based in Toronto.

Canada has higher tax rates, especially compared to the U.S., making it particularly more challenging for U.S.-based homeowners who are looking to buy a second property, or a rental property, in Canada.

"The tax rates are higher in Canada," Mr. Feigenbaum said.

Canada, unlike the U.S., taxes individuals based on residency, not citizenship status. Regardless of whether an owner's primary residency is in the U.S. or Canada, second homes and rental properties are subject to a capital gains tax on 50% of the gain or loss of the property when it's sold.

A property is subject to this tax on a second property even if the owner died.

Not to mention, provinces have land transfer taxes as well. In Ontario, for instance, properties are taxed by a median rate of 1.5% of their value when a title is changed, Mr. Feigenbaum said.

As for foreign buyers, they are subject to additional taxes compared to Canadian residents. For instance, foreign buyers who own a rental property in Canada have to pay a withholding tax—typically 25% of gross rental income.

There is also a foreign buyers tax, put in place several years ago to discourage non-Canadian residents from picking up properties in places where there is a housing shortage. In Ontario, for instance, the rate is 20%; it's also 20% in British Columbia.

There is also a new tax on vacant or underused residential homes owned by non-residents in Canada.

"The prices of our properties have gone up multiple, multiple times over the last two years," Mr. Feigenbaum said. "So people are not able to afford homes anymore."

ALBERTA

Banff looking to regional assessment board

The Town of Banff is investigating options for joining a regional assessment review board.

Banff's assessment review board – a quasi-judicial body set up to hear complaints against local property assessments – last saw an appeal in 2021.

"I am interested in learning more about the regional assessment review board and what that could look like," said Mayor Corrie DiManno during council's Sept. 12 meeting.

"If it's relatively not too time consuming, I think it would be interesting to gather the information just for the long-term efficiency of this board."

The Municipal Government Act (MGA) requires every municipality to have a local assessment review board.

However, the legislation also allows two or more councils to jointly establish assessment review boards to have jurisdiction in their respective municipalities.

Town of Banff officials say a regional board would allow for continued access to qualified, experienced and unbiased board members from a pool of members with expertise on quasi-judicial boards or those with assessment, legal or valuation backgrounds.

"I do know that there are quite a few municipalities that make use of these regional boards and there's a lot of benefits of doing so," said Libbey McDougall, municipal clerk for the Town of Banff.

"The biggest one for a municipality such as Banff that doesn't see a lot of appeals is that you would have a pool of very experienced individuals to choose from."

Improvement District No.9, which covers areas of Banff National Park outside the Banff townsite, is a participating municipality within the Central Alberta Regional Assessment Board. Based in Red Deer, that board supports more than 30 partner municipalities.

Coun. Hugh Pettigrew said he understands it is difficult to fill positions from members of the public but would want to make sure locals could still participate if they choose.

"I think it's a reasonable way to make sure that we offer the service that the residents might need," he said.

"As crazy as assessments go sometimes, I am surprised that there's not more appeals and it's probably a matter of time before we have one."

ONTARIO

Mayor encouraged by AMO talks

It was a whirlwind tour of provincial ministries at the Association of Municipalities Ontario annual general meeting held Aug 14-17 in Ottawa, but Oliver Paipoonge Mayor Lucy Kloosterhuis feels they made some inroads on some key issues.

Kloosterhuis, who went to Ottawa with current councillor and fellow mayoral candidate Brandon Postuma and municipality chief administrative officer Wayne Hanchard, had face-to-face time with the ministers in Finance, Health, Transportation, Infrastructure, Municipal Affairs/Housing as well as Environment, Conservation and Parks.

The biggest concern Kloosterhuis voiced to Ontario Minister of Finance Peter Bethlenfalvy was the levees being charged to municipalities for exterior ministries with the formula based on municipality and property tax assessments.

"Being taxed on an assessment system on property assessment is very unfair," said Kloosterhuis, who has been mayor of Oliver Paipoonge since 2003. "That's the wrong way to tax us on the value of our home. There's got to be a different way to do it.

"Whatever the assessment is of the municipality, that's the amount we have to pay to exterior agencies such as (the District of Thunder Bay Social Services Administration Board), ambulance and the health unit.

"If the assessment of the municipality goes up, we have to pay more to those exterior agencies, then we have to charge people more on taxes, but your income hasn't gone up. The higher our assessment goes, the less grant money we get from the province. The poor taxpayer is the one caught in the middle."

The veteran politician did get the ear of the finance minister, leading to a rare occurrence at a AMO general meeting regarding property tax assessment.

"We're just asking them to do a tax review and just reassess the process," said Kloosterhuis, who will go up against Postuma and current councillor Rick Potter for the mayor's seat on Oct. 24. "We're not saying people shouldn't pay tax. What we're saying is please take the people stuff (ambulance, health unit, etc.) off our property tax. Those are people things, those aren't property things.

"There's various ministries that are involved with property tax, but we had a very good discussion with (Bethlenfalvy). He asked for more material on this topic, so we're putting together a package for them with some more information coming from our perspective. We were encouraged. That's the first time ever that they have asked for a little more input on the topic."

Kloosterhuis and her crew also met with Environment, Conservation and Parks Minister David Piccini regarding the producer pay recycling program where product producers will have to foot the bill for recycling.

Kloosterhuis said her municipality spent almost $114,000 in 2021 collecting blue box materials and only received $34,000 from Stewardship Ontario, the operators of the province's blue box program.

The producer-pay model starts kicking in next year and is supposed to be wrapped up sometime during 2025 with Kloosterhuis feeling the program won't be implemented in Northwestern Ontario until the latter part of that window.

“The future promise was that the producer will be paying for the recycling system,” Kloosterhuis said. “(The producers) will be paying for the blue boxes and all the recycling that we do.

“We were promised that the time will come where our residents will not be paying for that, the producers will.

“They told us that it will change around in the future, but it’s going to take some time, longer up here (in Northwestern Ontario) than in southern Ontario because they have the recycling plant so close by, but it is going to change.”

QUEBEC

Jump in Montreal property valuations won't mean same jump in taxes, city assures

The average assessed value of a single-family house in the agglomeration is now $840,000, up from $600,000 three years ago.

Assessments for property tax are up by 32.4 per cent on the island of Montreal.

That’s a precipitous jump from the 2020-2022 tax roll, which showed a 13.7 per cent increase in values from the previous one. Three years before that, the increase was 5.9 per cent.

Residential properties have jumped in value by an average of 35.6 per cent from three years ago. Single-family homes are up 38.6 per cent, while condominiums went up 30.7 per cent, according to the 2023-2025 valuation roll for Montreal, unveiled Wednesday.

The assessments reflect the estimated value of properties in Montreal and its 15 on-island suburbs as of July 2021. The new valuations will come into effect on Jan. 1.

The average assessed value of a single-family house in the agglomeration is now $840,000, up from $600,000 three years ago. The average value of a condominium is $492,400.

It was the largest jump in valuations since 2007, when home prices went up by 38.6 per cent.

The rapid rise in assessments won’t mean a corresponding jump in tax bills, Dominique Ollivier, president of the city’s executive committee and member responsible for finance, was quick to note.

“It’s no surprise, given that the real estate market has been booming on the island of Montreal and property values are rising,” she said. “To reassure you right away, the significant rise in the valuation of properties will certainly not mean property taxes will increase by 32 per cent.

"As with every new valuation roll, the city will readjust the tax rate downward in their budgets so that in the end, the tax bills of Montrealers will be close to previous years."

Historically, municipal tax hikes have stayed close to the rate of inflation, at around two per cent. Ollivier noted that with inflation rates now at eight per cent, putting pressure on the city to pay more to its suppliers and contractors, Montreal's tax rate will likely rise by more than two per cent, but would not reach eight per cent. She said it was too early to estimate the figure, which will be revealed when the city releases its budget in the fall.

Bernard Côté, chief evaluator and head of the city's tax assessment department, explained that if a resident's property valuation rises more than the average in their region, they could see a tax increase. Normally the city will spread out any tax hikes due to increased valuations over three years to ease the financial pain. In 2007, when the increase was 38.6 per cent, the city spread any increases over four years.

Residents of boroughs and demerged suburbs where prices have risen the fastest, particularly in the West Island, could see tax increases. For the agglomeration of Montreal, which includes the city of Montreal and the 15 on-island suburbs, the average value increase was 32.4 per cent. For Montreal and its 19 boroughs, the average increase was 31.4 per cent. The on-island suburb Montréal-Est saw the largest increase in values at 52.5 per cent, largely due to its large industrial base; industrial valuations were up 60.5 per cent overall on the island.

Senneville saw an increase of 45.9 per cent, and Dollard-des-Ormeaux 45.1 per cent. Montreal West, Ste-Anne-de-Bellevue and Baie-D'Urfé all saw hikes above 40 per cent.

Montreal boroughs that saw the highest hikes include Lachine (42.6 per cent), Pierrefonds-Roxboro (40.8 per cent) and St-Laurent (39 per cent). Most boroughs saw a rise in values of 30 to 35 per cent. Ville-Marie had only a 15.7-per-cent increase due to its high level of commercial buildings and office towers, which suffered during the pandemic.

"As Montrealers, we are experiencing anxiety because of this," said Aref Salem, leader of the Ensemble Montréal opposition party. "We know there is going to be pressure on the taxes in the city, there will be pressure on new owners in the city. … For elderly people living on fixed revenue, it will be a problem for them. And especially, if we go to the industrial field, we know there is an increase of 60 per cent in the roll … so I don't know how Montreal will stay attractive for industries and economic development."

Salem criticized the administration for not giving an indication of the coming tax hike. He said a rise of three per cent would be reasonable, given that most of the city's expenditures are on personnel and salary hikes were capped at around two per cent in recent collective agreements.

The total value of the 502,789 properties assessed for tax purposes grew to $526.3 billion, an increase of $142 billion over the last roll. The increase is caused by the addition of new buildings, the improvement of others and rising real-estate prices.

The value of residential buildings with two to five units (plexes) increased by an average of 35.6 per cent, while buildings with six or more units went up by 35.1 per cent. Non-residential buildings increased by an average of 23 per cent, with office towers seeing a 6.5 per cent rise in prices. Malls battered by the pandemic saw their valuations drop 2.1 per cent, while industrial buildings saw the highest increase, at 60.5 per cent.

The areas with the highest average prices for homes were Westmount ($2.6 million), Outremont ($2.1 million), Hampstead ($1.96 million), Mont-Royal ($1.94 million) and Ville-Marie ($1.5 million).

The tax roll includes 14,274 single-family homes evaluated at more than $1.5 million.

The highest valued single-family home listed on the roll was $32.6 million, while the property commanding the highest value was the Centre hospitalier de l'Université de Montréal, listed at $1.97 billion.

Valuations are supposed to reflect the market value of properties. They are calculated by comparing real-estate sales in different areas, rental revenues, depreciation of aging buildings, construction costs for new buildings and other factors.

The valuation rolls for all properties can be seen at montreal.ca.

SASKATCHEWAN

Big box retailers win tax appeal case against City of Prince Albert

Five big box retailers have won a five-year old tax assessment appeal case against the City of Prince Albert, leaving taxpayers to cover a whopping $652,000 in tax revenue reductions.

Out of the 15 commercial properties in Prince Albert in 2017 that challenged their tax assessments at the Court of Appeal level, only Walmart, JYSK Canada, Canadian Tire Corporation, Sport Check, and Marks Work Warehouse were successful.

After several decisions moving through appeal bodies including the Board of Revision (BOR), Sask Municipal Board (SMB) and the Court of Appeal (COA), the companies were ultimately successful in challenging how the Cost Approach appraisal method for commercial property assessments is applied in Saskatchewan.

“City assessors applied the rules fairly and correctly as it was set out in legislation and guides,” City Assessor for the City of Prince Albert Vanessa Vaughn said in a press release. “We followed the process of mass appraisal but are now dealing with the burden of a significant loss.”

The City of Prince Albert issued a press release on Thursday arguing that major corporate businesses have in recent years started to engage professional tax agents to aggressively challenge cities across Canada. Since the assessment appeal process can take several years to complete, these business strategies have created a great deal of uncertainty for municipal fiscal planning.

“The assessment system is set up to allow for property owners to appeal and it’s their right to go through the process,” said Mayor Greg Dionne. “It’s just incredibly disappointing. These businesses are some of the most profitable in Prince Albert and the result of their appeal is that our residents, who are the customers that support them, will need to pay more. With the obvious exception of Canadian Tire, there is very little, if any, support these corporations offer to our community.”

When contacted on Friday, Associate Dealer of Prince Albert Canadian Tire Malcolm Jenkins said he was kept in the dark about the appeal by Canadian Tire head office, but believes its standard procedure across large retail businesses.

The Daily Herald attempted to contact the corporate offices of Walmart, JYSK Canada, Sport Check, and Canadian Tire Corporation, but did not receive responses by press time.

The City said there are taxation tools available to protect other taxpayers from having to continue to absorb the impact of the decision benefitting the big box retailers.

“The property tax bylaw for this classification of commercial properties was adjusted in 2020 to protect revenues of $430,000 in 2020, a measure which has already contributed to the City’s fiscal stabilization. These tools will be considered in future years to fairly address revenue impact going forward,” said the media release.

At the upcoming Council meeting on Monday, the City’s elected officials will debate a report from City Assessor Vanessa Vaughan that recommends that the combined appeal impact from these appeals and other outstanding commercial appeals of $829,553 since 2017 be funded from fiscal stabilization.

The five big box retailers that were granted their application for leave to appeal will see a reduction in tax assessments for these commercial properties after the final decision. That means a decrease of $652,000 in municipal taxation revenue for the City of Prince Albert.

According to the report, the assessment principles in these five cases were applied fairly and correctly by City assessors as set out in province-wide legislation and guides. However, the COA found they are incorrect for these appeals.

There were also 18 outstanding commercial property appeals from 2019 waiting to be heard at the SMB level. The appeals were recently withdrawn by the appellant after a review of the Board Record based on these decisions.

The Cities Act requires that refunds be administered once a decision is received. The initial impact for the five properties will result in a municipal refund of $652,165. The remainder of the taxation revenue loss is for the outstanding SMB appeals still waiting to be heard. The total potential municipal taxation revenue loss is $923,213.76.

“Administration is aware that in the past City Council has expressed the sentiment that the public should be aware that multinational corporations profiting from our community are challenging their assessment values, which in turn impact their property taxes. Some of these corporations do contribute back to the community,” reads the report. “It is notable, however, that appeals are legislated right, and the risk of an appeal loss is part of the process.”

Because the appeal process can take several years to complete, it has created a great deal of uncertainty for municipal fiscal planning, according to the report.

The City of Prince Albert budgeted $100,000 for Board of Revision appeal losses in 2022 and there is currently $93,661 remaining in this account. The remainder of the $829,552.76 will be funded by fiscal stabilization.

In March of 2020, a Tax Tools and Communication Follow Up to Assessment Appeals Risk report provided information on the development of the five commercial tiers that were created to provide the ability to use tax tools to adjust the mill rate factor for the properties that affect taxation revenue loss due to assessment appeals. This method allows the tax burden loss to be recovered from the appealed properties, rather than having it passed on to the local and smaller commercial businesses.

In 2020, City Council’s intention from the Assessment Appeal Risks report was the Property Tax Bylaw would generate an additional $430,500 from the commercial tiers that would be put aside for these potential losses. These extra taxation dollars then flowed into fiscal stabilization at the end of the year as part of the surplus.

According to Vaughan's report, the intention was then to budget an additional $430,000 in following years to set aside for these potential appeal losses but given the uncertainty around the outcome of appeals, the additional revenue was used to fund other budget priorities in 2021 and 2022.

The report ends by stating that the tax tools available through the commercial tier method will be considered again in the future to address revenue impacts these losses have had on municipal operations.

Big Box stores win appeal of Prince Albert property tax assessment

According to a news release from the City of Prince Albert, a tax assessment appeal process from 2017 sided with the big box stores, meaning the City has to pay back $652,000 in total to Walmart, JYSK Canada, Candian Tire, Sport Check and Marks Work Wearhouse.

The court case moved through the Board of Revision, Sask Municipal Board and the Court of Appeal, with the companies successfully challenging how the Cost Approach appraisal method for commercial property assessments is applied in this province. Mayor Greg Dionne says, "The assessment system is set up to allow for property owners to appeal and it's their right to go through the process." He considers it incredibly disappointing, and says they are some of the most profitable in Prince Albert and the result of the appeal is that their customers who support them will need to pay more.

The city says the property tax bylaw for this classification of commercial properties was adjusted in 2020, and these tools will be considered in future years. A report from Administration to be presented to Prince Albert's City Council recommends the combined appeal impact from these appeal and other outstanding commercial appeals totaling almost $830,000 since 2017 be funded from fiscal stabilization.

'Doesn't make sense': Concerns over SAMA's property assessment model

The owner of Charlotte's Catering, Dombowsky brought evidence to city council on Monday night that there are issues with the way the Saskatchewan Assessment Management Agency (SAMA) assesses properties.

He shared a letter he received from a SAMA appraiser saying that during the last re-assessment cycle, there was one cap rate of 6.81 per cent. During this cycle, SAMA moved to a different market rent and cap rate model that results in "multiple stratification groups."

Dombowsky noted that there were 17 different groups in Moose Jaw that had cap rates ranging from 3.09 per cent to 9.3 per cent. When it comes to property taxes, the higher the cap rate percentage, the lower you pay in taxes. Meanwhile, in Regina, there is one standard cap rate of 6.967 per cent.

His business fell under general retail with a cap rate of 3.09 per cent, while medical offices, law offices, high-rise offices and funeral homes had a cap rate of 9.3 per cent.

Dombowsky shared a few examples including a law office on High Street compared to a smaller vacant retail space right across the street.

The vacant space was assessed with a total market rent of $16,824 and an assessed value of $600,200. That building saw its property taxes increase by $3,701 from 2020 to 2021. The property taxes were approximately $11,058 in 2021.

Meanwhile, the law office across the street was given a total market rent of $62,106 and an assessed value of $571,000. Their property tax decreased by $7,000 to $10,354 in 2021.

"Once you start losing small retailers on Main Street, tourists are coming to see the tunnels but they are also coming to visit the little shops and once you've lost them, they are gone," Dombowsky said.

In fact, Dombowsky found that the new model resulted in over $56,000 in lost tax revenue in 2021 versus 2020 on five properties alone.

Coun. Dawn Luhning said she had been in contact with Dombowsky several times before his presentation and, as a member of the SAMA board, she was concerned and wants to understand why there is such a discrepancy.

"I want to, as a board member of SAMA, get a better understanding of the cap rates and how they are implemented in the manuals with SAMA because as a board member we don't necessarily get into the nitty gritty of how these cap rates in the Moose Jaw or Regina," she said.

Councillors Heather Eby, Crystal Froese, Kim Robinson and Jamey Logan agreed that what was presented to them doesn't make sense.

Logan said he recently talked to another business owner with a small business of 2,500 sq ft and was assessed at $460,000, triple from the last assessment based on the cap rate of 3.09 per cent and the size of the building. According to Logan, the business owner could have pulled a minimum $100,000 loan from the bank, added 301 sq ft and the assessed value would have dropped by $250,000.

"Do the math, it makes no sense," Logan said.

Mayor Clive Tolley said it is a very serious issue, but also reminded business owners to complete their business report forms so that SAMA has more information when doing assessments.

“You can help be a part of the solution by completing your business report forms and returning them to SAMA, which gives them more information on which to base their assessment decisions on,” Tolley said.

City manager Jim Puffalt did add that the city did reach out to SAMA with the information Dombowsky presented. SAMA has replied but the city administration is following up with SAMA for more clarity.

It was also released on Monday afternoon that the Saskatchewan Urban Municipalities Association (SUMA) engaged the International Property Tax Institute to review the property assessment and taxation system in Saskatchewan.

The completed report was entitled “Review of the Property Tax System in Saskatchewan, April 2022.” The report does provide options for change on several assessments and taxation policies. The SUMA board of directors will review the report on Sept. 23, followed by the SUMA City Mayors’ Caucus on Sept. 27.

Any potential changes will be brought forward to stakeholders in the future, but no changes are expected to be immediate.

Change to property assessment model forces small business owner to pay higher property taxes

Business owner Bernie Dombowsky is frustrated with how commercial properties are assessed in Moose Jaw and believes the new model that determines assessment rates is broken, considering he paid more in property taxes last year than larger businesses.

Business owner Bernie Dombowsky is frustrated with how commercial properties are assessed in Moose Jaw and believes the new model used to determine assessment rates is broken.

Dombowsky — owner of Charlotte’s Catering — appeared before city council on Sept. 12 and presented his research into assessment values and market capitalization rates of several community businesses, including his own.

He highlighted that he plans to focus on growing his business in Regina because of the assessment issues here.

Assessment cycles

The Saskatchewan Assessment Management Agency (SAMA) sets the market capitalization rates — or “cap rates” — and operates on a four-year assessment cycle. Its past cycle was 2017 to 2021, while its current cycle is 2021 to 2025.

SAMA’s previous cap rate for Moose Jaw was 6.61 per cent for all property types, Dombowsky said. However, the current cycle has a different cap rate model, resulting in “multiple stratification groups.”

This means warehouses of various sizes have four cap rates, while general retail, convenience stores, halls, large commercial venues, restaurants, banks, funeral homes, high-rise office buildings, medical centres and low-rise offices have two cap rates for 17 total new property classifications.

Conversely, Regina only has one cap rate for all property types.

Increase in property taxes

Small businesses now have a lower cap rate than larger businesses, which means the former have higher assessment values and face higher increases in property taxes, said Dombowsky. The cap rate for Charlotte’s Catering is 3.09 per cent, which is worse than the 9.3 per cent for other businesses in the general retail category.

He pointed out that his business is not closing, but they want to sell the building. However, they can’t because the property taxes are too high.

“When property taxes are raised, the rent has to be raised, and then you lose tenants. When you lose tenants on a block, the traffic flow to other businesses diminishes, and you eventually get a ghost lot,” he stated.

Comparing businesses

Dombowsky compared eight businesses to illustrate the problem: the former Cranberry Consignment venue versus Chow and McLeod Law Office on High Street West, Rings & Things versus Aspen Dental Clinic, Charlotte’s Catering versus Fifth Avenue Collection and Charlotte’s Catering versus Sun Life Financial.

The former Cranberry Consignment location, Rings & Things, and Charlotte’s Catering all saw their taxes increase last year while the other four businesses — larger by total market rent — saw their property taxes decline.

For Charlotte's Catering, under the previous cap rate of 6.61 per cent, it paid $4,475 in property taxes in 2020. Under the new cap rate of 3.09 per cent, its taxes increased last year to $7,843.

Meanwhile, Sun Life Financial's property taxes two years ago were $11,613 under the standard cap rate. Under the new cap rate of 9.30 per cent, its property taxes last year dropped to $5,807, even though its total market rent is double Charlotte's.

"It just shows you the injustice that has been created by SAMA's new model that stratified the cap rate. Basically, what is happening is smaller retailers … now are subsidizing the property taxes of the banks, the law office, medical centres, (and) vet clinics," said Dombowsky.

Loss of taxes

In his report to council, Dombowsky — who wrote that SAMA's new model is broken — noted that these changes affect how much property taxes city hall receives. He presented eight businesses — somewhat different from the others above — that paid $178,665 in property taxes two years ago under the old cap rates. Under the new rates, their taxes dropped to $111,746, a loss in municipal tax revenue of $67,189.

"The bottom line is, as a small business, it's a hopeless situation, almost. Once you start losing businesses, they're gone," Dombowsky added.

Council reaction

Many council members admitted they did not have good knowledge of cap rates but agreed that changes were needed.

"It's a complicated system, but there are things that look like they need to be fixed or adjusted," said Coun. Dawn Luhning.

Luhning is a member of the SAMA board and said they "don't get into the nitty-gritty" about the cap rates in Moose Jaw or Regina. However, she promised to research the issue and bring her results to council.

"I am listening and I'm taking it very seriously. And I want to be able to try and represent you guys as property owners and also, as an elected official … I'm trying to do my best to hear what you have to say," she added.

Helpful visuals

Coun. Heather Eby appreciated Dombowsky's report to council — which contained pictures of the businesses and their assessment numbers — since it illustrated his points better.

"… I'll be honest, the cap rate is over my head. I don't understand how they do that. We've had SAMA present to us and I still can't understand it all," she said. "I feel the part missing is common sense, and I don't understand how they can put out these assessed values and not understand that it doesn't make sense."

Eby added that addressing property assessment issues was important to her during the 2021 municipal election campaign and is something she wants to address before her term ends.

Supporting the community

"It's a real shame that (this is) causing you to take your business elsewhere because you have been a long-standing businessperson in our city," said Coun. Crystal Froese. "Charlotte's is a well-loved business that supports many organizations."

The pandemic negatively affected businesses, but for them to face different cap rates and "drastic swings in assessment" afterward is unsustainable, she added. There is a weakness in the model that needs to be addressed.

City administration is taking this issue seriously and reviewing the information Dombowsky provided, while they will meet with SAMA and attempt to find future solutions, said Mayor Clive Tolley. He encouraged companies to submit their business report forms to SAMA so it could make better decisions about property assessments.

What concerned Coun. Kim Robinson was that, while Dombowsky was telling his tale, there were likely eight to 10 other businesses closing and leaving because of this problem. He hoped to see this issue addressed soon.

The next city council meeting is Monday, Sept. 26.