

Municipal Property Assessment Corporation (MPAC)

Current Market Value

Wind Turbine Influence

MPAC is a non-share capital, not-for-profit Corporation funded by all 444 municipalities in Ontario. Every Ontario municipality is a member of the Corporation. MPAC is a non-profit corporation hired by the province to oversee property assessments.

The valuation system used by MPAC is based on current value assessment (CVA). The current value assessment of a property is determined by all the buildings, improvement and land that comprise the property.

“current value” means, in relation to land, the amount of money the fee simple, if unencumbered, would realize if sold at arm’s length by a willing seller to a willing buyer; (“valeur actuelle”). (Assessment Act, R.S.O. 1990, CHAPTER A.31)

Assessors use the standard approaches to value to estimate the market value. And as stated within the Assessment Act, the property’s assessed value should be based on what it would likely have sold for on a specific valuation date.

For each assessment, MPAC uses Computer Assisted Mass Appraisal techniques to analyze sales and property data across the province. The primary valuation tool within the Computer Assisted Mass Appraisal is **Multiple Regression Analysis**, a statistical tool used by assessing authorities to automate the sales comparison approach to value in a mass appraisal setting.

For assessment purposes, the value of a property reflects market conditions as of **that day**.

Some of the reasons for receiving a Property Assessment Notice in between assessment updates include*:

1. a change to property ownership or legal description, classification or school support; or
2. a change to the property’s value resulting from a Request for Reconsideration (RfR) or Assessment Review Board decision; or
3. **a property value increase or decrease** reflecting a change to the property, for example, a new structure, addition, or removal or demolition of an old structure.

*Source: Municipal Property Assessment Corporation

Aaron: ARB ruling on wind power noise sets precedent

January 9, 2010 Bob Aaron, Toronto Star

In a precedent setting move, a recently discovered decision of the provincial Assessment Review Board (ARB) has cut a homeowner's assessment in half because the house is located near a noisy hydro substation. The hydro plant serves a nearby wind farm producing "clean" electricity.

The decision of ARB member Ana Cristina Marques was issued following an appeal by Paul Thompson of the assessment on his house.

Thompson's one-storey home is located on the 10th Line in Amaranth Township. It was built in 1989 and sits on a lot with a frontage of 183 feet (55.7 meters) and a depth of 240 feet (73.15 meters).

In 2008, the Municipal Property Assessment Corp. assessed the 1,320-square-foot house at \$255,000. Thompson agreed with the assessment except for one thing: The house sits across the road from a Canadian Hydro Developers transformer station. The station converts the output of the nearby Melancthon I wind plant into electricity for the Ontario power grid.

Thompson told me last month that the station emits a "wicked buzz" all day, every day, and that's what prompted him to appeal his assessment.

Evidence presented to the board at Thompson's appeal revealed that in April 2005, the township of Amaranth rezoned a 6.07 hectare (15-acre) parcel across the road from Thompson's home for the purpose of construction of a transformer station.

The station was built 360 meters (1,181 feet) away from Thompson's house. According to the Ontario Power Authority website, it serves the Melancthon I Wind Plant, a 67.5 MW facility in the southern portion of the Melancthon Township, Dufferin County, near the Town of Shelburne.

The first phase of the project utilizes 45 wind turbines. It became operational in March 2006, and the second and much larger phase (88 turbines) began producing electricity in March 2008.

The Ontario Power Authority website says that "manufacturers of modern wind turbines have ... reduced noise levels to that of a quiet whisper."

That may be so, but evidence at the ARB hearing showed that the power station associated with Melancthon I produced a constant hum measured at more than 40 decibels in Thompson's home. (According to a 1999 World Health Organization report, sleep disturbance occurs when there is a continuous noise exceeding its indoor guideline value of 30 decibels.)

Thompson introduced evidence at the hearing showing that the transformer station noise was audible within the house with the windows closed. He described the noise as a “nightmare” and a constant nuisance that not only affects his day-to-day activity, but also impacts the sales value and marketability of his property.

In reaching its decision to cut his assessment in half, board member Marques wrote,

“The Board finds that the constant hum alleged by Mr. Thompson does exist and significantly reduces the current value of the subject property. The best evidence is the audio portion of the CD (Exhibit No. 1) and the testimony of both parties.

“Having heard this nuisance, apparently sanctioned by the Municipality, the Board accepts Mr. Thompson’s testimony that the stigma of noise contamination has a negative impact on the value and marketability of the property, and that after learning of the hum, prospective purchasers will quickly lose interest in purchasing the property. The Board is satisfied that a very substantial reduction is warranted.”

As I see it, Thompson’s successful appeal of his assessment is only the first of many similar cases that are certain to follow. The result, of course, will be a significant reduction in the tax base of municipalities like Amaranth, which play host to wind turbine farms.

And now that the ARB, an arm of the Ontario government, has upheld a claim for loss of property value due to the proximity of a hydro substation and a wind farm, can a host of court cases and class action lawsuits for noise contamination and property devaluation be far behind?

Bob Aaron is a Toronto real estate lawyer and board member of the Tarion Warranty Corp. bob@aaron.ca.

Source: <http://www.yourhome.ca/homes/columnsblogs/article/747191--aaron-arb-ruling-on-wind-power-noise-sets-precedent>

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214242 10th line Amaranth Township, Thompson's Property



Land Registry Information - PIN: 341650050




[Print](#)

[Store](#)

[Parcel Register](#)

Address:	N/A		
Municipality:	N/A	LRO:	07
Land Registry Status:	ACTIVE	Registration Type:	LT
Description:	PT LT 14, CON 10, PT 1, 7R3083 ; AMARANT		
Party To:	THOMPSON, PAUL DOUGLAS;		
	Area:	4,064 m2	
	Perimeter:	259 m	

Assessment Information

Assessment Roll Number	220800000227050	 Store  Assessment Reports	
2012 Tax Year, Phased In Assessment:	\$160,000	Depth: 240.00 F	Frontage: 183.00 F
Assessed Value based on January 1, 2008:	\$160,000	Property Type:	301 Single-family detached (not on water)

Sales History Information

DATE:	TYPE:	AMOUNT:
03/29/1989	T	\$2
PARTY TO:	THOMPSON, PAUL DOUGLAS;	

ARB: Palcic / Morrison vs. The Municipal Property Assessment Corporation

Decision of the Assessment Review Board (ARB) February 19, 2010, released May 11, 2010, is quoted in part:

The subject property is 1.04 acres with a one and a half storey, single-family home, built 1946. The easement's edge is 20 feet from their house and the easement itself affects approximately half of their 1.04 acres. They cannot build on or alter the land that is subject to the easement.

In support of their argument the appellants submitted A Case Study: "Injurious Affection, Lazar v. Hydro One" by Ben Lansink, AACI, P.App. of Lansink Appraisals and Consulting prepared for the Appraisal Institute of Canada. (Also see Ontario Municipal Board (OMB) File LC010005, June 11, 2002, OMB Decision No. 0781).

The Board gives weight to the Lansink study as it is an independent analysis of an OMB decision regarding the effect road and hydro easements have on market values. The Board accepts the report's estimate that the external obsolescence value of easements falls between 30% and 54%.

Based on the Lansink case study, the Board finds that 54% more suitably reflects the diminution of value as a result of this particular easement.

Appellants were Palcic / Morrison, 2092 Hansler Road, Thorold. See ARB File WR85716.

Conclusion

As stated in the *Assessment Act*, the property's assessed value should be based on what it would likely have sold for on a specific valuation date.

The most recent current valuations were carried out in the 2010-11 period leading up to January 1, 2012. There was virtually NO evidence of value diminution available to MPAC, hence they could not make an adjustment for the influence of a Wind Turbine. Wind Turbines are a NEW phenomenon in Ontario. The first turbines were constructed circa 2005-2008 in Melancthon.

However, with the passage of time, and with appeals to the Assessment Review Board, and as sale-resale evidence is documented, MPAC will read the market place and make adjustments resulting from the influence of Wind Turbines.



Nov 19-12