

**Ref: 2008-MM24.23**

September 30, 2008

**EXECUTIVE COMMITTEE:**

City Council on September 24 and 25, 2008, referred the following Motion to the Executive Committee:

**MM24.23 Evaluating and Mitigating Impacts of Property Assessments Following the Lift of the 2 year Freeze**  
*Moved by Councillor Fletcher, seconded by Councillor Davis*

**SUMMARY:**

In the beginning of 2006, Ontario Ombudsman André Marin released a scathing report, called "Get it Right", on the Municipal Property Assessment Corporation (MPAC) and the entire system of property assessment and appeals. The Ombudsman outlined how "never in the 30 year history of (the Ombudsman) office have so many complaints been received in so short a period about a single public agency". Subsequent to his finding, the Ombudsman issued 22 recommendations to overhaul the current assessment and appeals system.

This report was well received by the City of Toronto, who had been arguing for some time that the property tax assessment had been creating numerous problems for the City and residents. In late June of 2006, City Council passed a motion endorsing the 22 recommendations and requesting that MPAC consult the City prior to the implementation of any of the recommendations.

Just following this, the Ontario Liberal government announced the cancellation of property tax reassessments for 2006 and 2007. This two year 'freeze' was supposed to have given MPAC time to review and implement the recommendations made by the Ombudsman.

At the time, much concern was expressed around the impact that the freeze would have on property taxes have once it was lifted. Two years after "Get it Right" the anxiety over the impact of the freeze remains (particularly in older, established neighbourhoods) while the extent to which the system has been changed to reflect the widespread concerns of Ontario residents remains uncertain.

**RECOMMENDATION:**

1. That City Council direct the City Manager to report to the Executive Committee on the expected increases to property tax assessments after the freeze has been lifted, outlining the following:
  - a. the anticipated impact that the lifting of the two-year freeze will have on assessments and property taxes;
  - b. the status of implementation of the 22 recommendations made by the Ombudsman in "Get it Right";
  - c. actions that the City can take and resources available to assist residents in appealing their assessments; and
  - d. further actions that the City can take and resources available to assist residents in mitigating the impact of the assessments, particularly in the areas most affected.

for City Clerk

M. Toft/cd