

Gord PERKS

City Councillor
Ward 14
Parkdale-High Park

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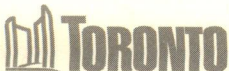
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CONSTITUENCY OFFICE

Parkdale Public Library
1303 Queen Street West
Toronto, ON M6K 1L6
Saturdays only
9:30 am - 12:30 pm
Call 416.392.7919
for an appointment



March 16, 2009

CITY CLERK'S OFFICE
SECRETARIAT SECTION

2009 MAR 17 A 9:06

Tenant Defence Sub-Committee
City Clerk's Secretariat
100 Queen Street West
10th Floor, West Tower
Toronto, Ontario M5H 2N2

RE: The Residential Tenancies Act and the Tax Notification Program

Dear Councillor Perruzza and members of the sub-committee:

A few months ago an issue was brought to my attention regarding automatic rent reductions due to decreases in property taxes in rental residential properties in the Parkdale area. Under the former *Tenant Protection Act* and the current *Residential Tenancies Act*, when the property taxes of a rental residential property decrease by more than 2.49%, the rent for the tenants must be reduced automatically. The legislation also requires municipalities to send out notices to landlords and tenants in the properties that are subject to the automatic rent reductions and contain 7 or more units.

Some properties in the Parkdale area had been converted from multi-residential tax class to residential tax class under the Parkdale Pilot Project. As a result of the tax reclassification, they would have been eligible for significant tax decreases, and the tenants would have received rent reductions. However, I was informed that the rents were not reduced. When tax classes change or there are appeals, or where taxes change mid year, there is no mechanism to inform tenants of the change, and the onus to enforce the rent reduction only applies to tenants—if the landlord knows the rent must be reduced and fails to do so, unless every tenant in the building applies for a rent reduction within one year of the reduction, their rent will not be reduced.

I was also advised by staff that there have been problems with the administration of the rent reduction notification program as set out by the Province, despite the fact that Council has previously recommended changes to the regulations to the Province.

As a result of what I have learned about administration of the program, I am requesting that the Tenant Defence Sub-Committee request staff to report on recommended changes to the Residential Tenancies Act that would improve the notification program on tax decreases and rent reductions.

Sincerely,

Gord Perks
Councillor, Ward 14, Parkdale-High Park