



STAFF REPORT ACTION REQUIRED

Municipal Property Assessment Corporation's Tenant Information Program

Date:	November 30, 2009
To:	City Council
From:	City Clerk
Wards:	All
Reference Number:	

SUMMARY

Under the *Assessment Act*, the penalty for property owners failing to provide the tenant information under the Municipal Property Assessment Corporation's (MPAC) Tenant Information Program is a fine of up to \$1,000 plus \$100 for each day of continuing non-compliance.

The *Assessment Act* requires owners of property with seven or more residential units to report tenant information annually to MPAC. The 2009 MPAC Tenant Information Program (TIP) response rate for Toronto landlords was 73.5 percent, which was higher than the province-wide return rate of 68.7 percent. MPAC follows up with property owners who fail to submit the tenant information; first with a reminder letter, followed by a lawyer's letter, if necessary. Six Toronto property owners were identified for prosecution for non-compliance in 2007/2008 (out of fifteen province-wide), with two prosecutions pending (see Table 3).

The City Manager and City Clerk will be meeting with MPAC's Chief Administrative Officer on December 3, 2009 to discuss MPAC's preparation of the Preliminary List of Electors for the City of Toronto.

RECOMMENDATIONS

The City Clerk recommends that City Council receive this report for information.

Financial Impact

There is no financial impact from this report.

DECISION HISTORY

At its special meeting of November 24, 2009 to consider various election-related reports, the Executive Committee requested the City Clerk to submit a report directly to the Special Meeting of City Council on December 2, 2009 on:

1. the penalty for landlords who fail to comply with tenant notification along with the number of charges levied against landlords leading to the 2006 election; and
2. what tools are available to MPAC to ensure landlord compliance, and a plan to ensure these tools are used.

2010 Election Community Engagement Program

(<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-25318.pdf>)

COMMENTS

Under the *Assessment Act*, MPAC has the sole responsibility for the conduct of an enumeration for the purposes of compiling the Preliminary List of Electors for the City of Toronto. The Tenant Information Program is a component of MPAC's enumeration activities.

In preparing this report, staff has relied on information provided by MPAC staff.

MPAC's Tenant Information Program

Owners of property with seven or more residential units are required under legislation to report tenant information annually. Section 16.1 of the *Assessment Act* specifically requires that by July 31 of every calendar year, owners of multi-residential properties submit the names of all tenants who reside in their buildings on July 1.

The penalty for property owners failing to provide the tenant information under the Tenant Information Program (TIP) is a fine of up to \$1,000 plus \$100 for each day of continuing non-compliance. (The relevant sections of the *Assessment Act* are set out in Appendix 'A'.)

Each year MPAC sends request letters to owners of nearly 16,000 multi-residential properties province-wide for tenant and assessment information. Request letters are sent each year on or about May 19 with a legislated due date of July 31.

TIP Return Rates

Tables 1 and 2 show the return rates from the landlords, province-wide and for the City of Toronto.

Table 1 – TIP Results – Multi-residential Properties – Province-wide

Program Year	Total Mail Out	Total Returned	% returned
2009 (as of Nov 27)	15,676	10,765	68.7%
2008	15,758	12,377	78.5%
2007	15,807	11,576	73.2%
2006	14,835	11,529	77.7%
2005	15,521	12,927	83.3%

Table 2 – TIP Results – Multi-residential Properties – City of Toronto

Program Year	Total Mail Out	Total Returned	% returned
2009 (as of Nov 27)	3,897	2,866	73.5%
2008	3,930	2,781	70.7%
2007	3,932	3,117	79.3%
2006	3,923	2,744	70.0%
2005	4,153	3,316	79.8%

Prosecutions for Non-Compliance

MPAC's objective is 100 percent compliance for tenant information requests. To achieve this, property owners are informed of their responsibilities in each mail out and provided several different methods of returning the information. Property owners who miss due dates are sent a reminder letter from MPAC's Vice President of Property Values, advising that MPAC has not received the information and that it is required within a month of letter's receipt. If the information is still not received by the specified date, a letter is sent from MPAC's legal counsel, advising that if the information is not received by a specified date, legal proceedings may be commenced.

In any given year, 3,200 to 4,000 multi-residential owners, province-wide, do not comply with MPAC's requirements. In an effort to effectively address this issue, MPAC will focus prosecution efforts on the most blatant, non-compliant owners, usually those who have been in default for three consecutive years. While owners often delegate the processing of information requests to property management companies or certain staff in specific departments, a summons must be served on the actual property owner, of which there may be more than one. Experience has shown that significant evidence is required for successful prosecution.

For other non-compliant property owners, MPAC works through various industry groups to ensure that they fully understand the objectives of the TIP program. For example, MPAC advises that they have had particular difficulty obtaining information from the non-profit housing sector primarily due to a lack of understanding on the part of the owners of the importance process. Rather than initiating prosecutions, in these instances special attention has been directed to their industry organization to explain the requirements in the *Assessment Act* and importance of providing the tenant information.

The following table provides a summary of the latest TIP prosecution activity.

Table 3 – Prosecution Profile 2007/2008

	Total Properties	Data Received before mailing	MPAC Letters Sent	Lawyer Letters Sent	Prosecutions proceeding
Province-wide (including Toronto)	15	3	12	12	7
City of Toronto	6	3	3	3	2

It should be noted that through the TIP Program, MPAC is only able to require landlords to provide the tenant name on the lease. This is the only information that the property owner would have available even though there may be other occupants within the apartment / unit.

Where the property owner provides MPAC with a tenant name that does not match what is in its database, a Request for Occupancy information is sent to the household. The intent is to capture information for all occupants within the unit. Through this process, tenants are contacted directly to obtain the information required for each occupant such as citizenship, age and school support. The return of this form by the tenant is voluntary and MPAC has no authority to require tenants to provide the information. Hence, while the average annual return rate from Toronto landlords is 75 percent, the average return rate from tenants is only 20 percent. (Note: this is comparable to the 18 percent response rate Elections Canada experienced this year with its verification mailing.)

MPAC has committed to work with the City of Toronto to find ways to improve the Preliminary List of Electors, delivered by MPAC to the City for preparation of the voters' list. The City Manager and City Clerk will be meeting with MPAC's Chief Administrative Officer on December 3, 2009 to continue these discussions.

CONTACT

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SIGNATURE

Ulli S. Watkiss
City Clerk

ATTACHMENT

Appendix ‘A’ – Extracts from the *Assessment Act*

APPENDIX 'A'

EXTRACTS FROM THE ASSESSMENT ACT

- 13(1) Every person who, having been required to furnish information under section 10 or 11 makes default in delivering or furnishing it, every person who fails to provide information as required under section 16.1 and any corporation that makes default in delivering the statement or notice mentioned in section 25 or 30, is guilty of an offence and on conviction is liable to a fine of not more than \$1,000 and an additional fine of \$100 for each day during which default continues.
- (2) Every person who knowingly states anything false in any such statement or in furnishing the information is guilty of an offence and on conviction is liable to a fine of not more than \$2,000.
- 15(1) For the purposes of the *Municipal Elections Act, 1996*, the assessment corporation shall conduct an enumeration of the inhabitants of a municipality and locality at the times and in the manner directed by the Minister and for the purpose of section 18 of that Act, the Minister may establish different dates for different municipalities.
- 16(1) Every year, the assessment corporation shall prepare a list showing, for each municipality or locality, name of every person who is entitled to support a school board and the type of school board that the person supports. The corporation shall deliver the list to the secretary of each school board in the municipality or locality on or before September 30 in the year.
- 16.1(1) For the purposes of sections 15 and 16, on or before July 31 in each year, every owner of a property with seven or more self-contained residential units shall provide the assessment corporation with the information described in subsection (2).
- (2) The information referred to in subsection (1) is the names and unit numbers of the persons who, during the 12-month period that ends with, and includes, July 1 in the year in which the information is provided,
- (a) have become residential tenants of the property;
 - (b) have ceased to be residential tenants of the property; or
 - (c) have continued to be residential tenants of the property but have changed units.