

**2009 Reassessment Impacts and the Municipal Property Assessment Corporation's progress in implementing the Provincial Ombudsman's recommendations**

<b>Date:</b>	March 10, 2009
<b>To:</b>	Executive Committee
<b>From:</b>	Acting Treasurer
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2009\Internal Services\rev\ec09006rev (AFS#8942)

**SUMMARY**

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This report provides a summary of impacts related to the 2008 property reassessment for the 2009 to 2012 taxation years. All properties province-wide were reassessed in 2008 to reflect a Current Value Assessment (CVA) based on a January 1, 2008 valuation date that will be used for taxation years 2009 to 2012. Information is also provided on recent changes to the *Assessment Act* that provide for a four-year reassessment cycle, with Current Value Assessment (CVA) increases being phased-in over four years.

This report also provides a status update of the Municipal Property Assessment Corporation's (MPAC) progress in implementing the Provincial Ombudsman's recommendations contained within the March 2006 report: "Getting it Right: Investigation into the Transparency of the Property Assessment Process and the Integrity and Efficiency of Decision-Making at the Municipal Property Assessment Corporation."

**Financial Impact**

There are no financial impacts arising from this report.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

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## DECISION HISTORY

At its meeting of November 10, 2008, the Executive Committee referred Member Motion 2008-MM24.23 entitled "*Evaluating and Mitigating Impacts of Property Assessments Following the Lift of the 2 year Freeze*", to the City Manager and the Acting Deputy City Manager and Chief Financial Officer for appropriate consideration and report back to the Executive Committee (ref: EX26.37).

<http://www.toronto.ca/legdocs/mmis/2008/cc/bgrd/mm24.23.pdf>

Motion MM24.23 requested information on:

- 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 "Getting 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."

The Executive Committee decision document can be accessed at:

<http://www.toronto.ca/legdocs/mmis/2008/ex/decisions/2008-11-10-ex26-dd.pdf>

Previously, at its meeting on June 27, 28 and 29, 2006, Council considered a report dated June 5, 2006, from the City Manager and the Deputy City Manager and Chief Financial Officer entitled "Provincial Ombudsman's Report on the Municipal Property Assessment Corporation (MPAC)," which summarized the key findings of the Ombudsman's report and MPAC's response, and the implications of the Ombudsman's recommendations to the City of Toronto (re: Clause 2 of Report 5 of the Policy and Finance Committee). This report can be accessed at:

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060627/pof5rpt/cl002.pdf>

At its meeting on September 25, 26 and 27, 2006 Council considered a report dated September 1, 2006, entitled, "Provincial Ombudsman's Report on the Municipal Property Assessment Corporation: MPAC's Progress in Implementing the Ombudsman's Recommendations," which reported on the effectiveness of measures the Municipal Property Assessment Corporation (MPAC) had taken to date to implement the recommendations contained within the Provincial Ombudsman's March 2006 report "Getting it Right," and on the most effective means to gather ongoing public input in issues concerning MPAC and MPAC's implementation of the Ombudsman's recommendations. This report can be accessed at:

<http://www.toronto.ca/legdocs/2006/agendas/council/cc060925/pof7rpt/cl007.pdf>

## ISSUE BACKGROUND

The assessment of all property in Ontario is carried out by the Municipal Property Assessment Corporation (MPAC). For the 2009 to 2012 taxation years, properties have been reassessed to reflect a January 1, 2008 valuation date. This updates Current Value Assessments (CVA) from the previous valuation date of January 1, 2005, following a moratorium on reassessments that arose from a critical review of the property assessment process by the Provincial Ombudsman in 2006. Amendments to the *Assessment Act* introduced by the Province of Ontario provide for a four-year reassessment cycle beginning in 2009, with Current Value Assessment (CVA) increases being phased-in in equal increments over the four-year period 2009 to 2012. Any CVA decreases are not subject to phase-in and will be applied in the 2009 tax year.

The next assessment update will take place for taxation years 2013-2016, with the valuation basis being January 1, 2012. Table 1 below provides the valuation dates used for each taxation year from 1998 through 2016.

Table 1: Reassessment Cycle

Taxation Year	Valuation Date		
1998, 1999, 2000	June 30, 1996		
2001, 2002	June 30, 1999		
2003	June 30, 2001		
2004, 2005	June 30, 2003		
2006, 2007, 2008	January 1, 2005		
2009, 2010, 2011, 2012	January 1, 2008	✓	CVA increases phased-in over 4 years
2013, 2014, 2015, 2016	January 1, 2012		

In June 2005, the Provincial Ombudsman undertook an investigation into the operations of the Municipal Property Assessment Corporation (MPAC), in response to complaints from taxpayers that MPAC was not taking into account previous assessment reductions arising from requests for reconsideration and decisions of the ARB in subsequent year assessments. A full investigation was announced on October 17, 2005 to examine the integrity and efficiency of MPAC's decision making, and a perceived lack of transparency in MPAC's property assessment processes.

The Provincial Ombudsman's final report "Getting it Right: Investigation into the Transparency of the Property Assessment Process and the Integrity and Efficiency of Decision-Making at the Municipal Property Assessment Corporation" was released on March 28, 2006. The report presented 22 recommendations for improving the integrity and efficiency of decision-making at MPAC.

## COMMENTS

### Current Value Assessment Changes for 2009

All properties province-wide were reassessed in 2008 to reflect a Current Value Assessment (CVA) based on a January 1, 2008 valuation date that will be used for taxation years 2009 to 2012. Table 2 provides a summary by property class of the percentage change in CVA values from the previous valuation date of January 1, 2005 to the new CVA values based on a January 1, 2008 valuation date, and the phased-in percentage CVA change that will be used in 2009.

Table 2: 2009 CVA Changes in Toronto

Property Tax Class	% CVA Change Jan. 1/05 – Jan. 1/08	Phased-In % CVA Change to be used for 2009 Taxation*
Residential	22.0%	5.4%
Multi-Residential	9.3%	1.7%
New Multi-Residential	8.9%	1.8%
Commercial	35.1%	8.5%
Industrial	41.9%	10.4%
Pipeline	11.8%	2.9%
Farmland	52.6%	13.1%
Managed Forest	0.0%	0.0%
All Property Classes	23.5%	5.7%

\*not exactly one-quarter because decreases are phased-in immediately.

CVA changes arising from a reassessment do not result in additional taxation revenue for municipalities. Following a reassessment, municipalities are required by legislation to reduce their tax rates in proportion to the increase in total assessed value following a reassessment, such that the total taxation revenue from all classes does not increase as a result of the reassessment.

A reassessment will, however, result in tax shifts between properties within a property class, with some properties increasing and others decreasing, as a result of relative changes in CVA values within the class. In general, where the CVA of a property has increased by more than the average for the property class, the property will experience an increase in tax burden due to the reassessment, and conversely, where the percentage increase in the CVA of a property is lower than the class average, a decrease in tax burden will result. Therefore, a reassessment will result in some properties experiencing reassessment-related tax increases, while others will see reassessment-related tax decreases.

In a similar way, during reassessments, tax shifts between property classes will also occur – property classes that appreciate at a rate greater than the City-wide average will experience an increase in tax burden, and conversely, property classes that appreciate at a rate less than the City-wide average will experience a decrease in tax burden. Tax shifts between property classes, pursuant to Provincial regulation, are necessary to maintain tax ratios at the pre-reassessment level as the starting point for determining the general tax rates for the coming year.

## **Residential Class**

The residential property class has appreciated by 22.0% between the January 1, 2005 valuation date and the January 1, 2008 valuation date. The average assessed value for all residential property types is now \$448,831, up from \$367,802 from the older base.

For the 2009 tax year, one-quarter of the CVA increase will be reflected in a property's assessment for 2009 taxation purposes. Any CVA decreases arising from the 2008 reassessment will be applied fully in the 2009 taxation year. The average phased-in CVA increase for 2009 is 5.4 per cent. For the 2009 taxation year, the average assessed value for all residential property types is \$387,680.

For 2009, 57.4% of residential properties (365,803 properties) have appreciated at a rate less than 5.4%, and 42.6% of properties (272,005 properties) have appreciated at a rate greater than 5.4%. The average tax decrease for those properties facing a CVA-related decrease as a result of the reassessment is estimated at \$61 for 2009 (includes both municipal and education portions of taxes, prior to any budgetary or education levy changes). The average tax increase for those properties facing a CVA-related increase is estimated at \$82 for 2009.

Attachments 1 through 3 to this report provide ward-by-ward summaries of the CVA changes for the residential property class and estimated tax impacts. The tax impacts within these tables reflect tax changes due to reassessment only, before any budgetary levy increases that may be adopted by Council for 2009, and exclusive of any additional tax rate impacts arising from levies required to fund charitable rebates within the commercial and industrial classes, any education levy changes, or any impacts arising from Council's approved tax policy target ratios. The tax rates used to estimate impacts reflect a revenue-neutral position.

## **Non-Residential Classes**

Properties within the non-residential classes (commercial, industrial and multi-residential) will experience varying degrees of taxation impacts as a result of the reassessment, depending on whether properties are paying taxes at full CVA taxation levels, or whether the amount of taxes payable are subject either to caps on allowable tax increases, or claw-backs of tax decreases. Capping/claw-back provisions within the non-residential classes have been in place since 1998, and were adopted to mitigate the tax impacts that would have resulted from the introduction of the new Current Value Assessment system in 1998.

Limits on allowable annual tax increases (caps) have applied in each year since 1998 for those properties that historically had been taxed at less than full CVA taxation levels – taxes on these properties are being increased gradually each year until they reach full CVA taxation levels. Conversely, non-residential properties that would have experienced CVA-related tax decreases as a result of reassessment have had a portion of the tax decrease withheld each year (clawed-back) in order to fund the capping program – taxes on these properties are being gradually reduced until full CVA taxation levels are reached. CVA-related tax impacts on non-residential properties that are subject to either caps or claw-backs, therefore, will not be fully reflected in the amount of taxes payable, as the actual taxes payable in any year are based either on the previous year's tax (for capped properties), or on the claw-back rate established for the class in each year (for properties subject to claw-back).

A small percentage of properties within each of the commercial, industrial and multi-residential classes are taxed at full CVA taxation levels, such that the taxes payable are based on the product of the CVA value times the applicable tax rate (i.e., neither caps nor claw-backs apply). Notably, since 2008, any newly constructed property, once assessed, is taxed at the full CVA taxation level, with no adjustments for capping or claw-back. For properties taxed at full CVA taxation levels, the taxation impact arising as a result of reassessment will reflect the relative increase in CVA since the last reassessment – those properties that have experienced CVA increases higher than the average percentage CVA increase for the class will see a CVA-related tax increase as a result of the reassessment. Those properties that have experienced a CVA increase below the average percentage CVA increase for the class will see a CVA-related tax decrease. In 2008, approximately 10 per cent of all non-residential properties were taxed at full CVA taxation levels. The following paragraphs summarize the impacts on each class as a result of the most recent reassessment.

**Multi-residential Class:** Consisting of 4,462 properties, the multi-residential property class has appreciated by 9.3 per cent between the January 1, 2005 valuation date and the January 1, 2008 valuation date. For 2009, the phased-in increase in CVA for the class will be 1.7 per cent.

**Commercial Class:** The commercial property class has appreciated by 35.1 per cent between the January 1, 2005 valuation date and the January 1, 2008 valuation date. For 2009, the phased-in increase in CVA for the class will be 8.5 per cent. The commercial class comprises 37,425 properties.

**Industrial Class:** The industrial property class, containing 4,642 properties, has appreciated by 41.9 per cent between the January 1, 2005 valuation date and the January 1, 2008 valuation date. For 2009, the phased-in increase in CVA for the class will be 10.4 per cent.

## **Municipal Property Assessment Corporation's progress in implementing the Provincial Ombudsman's recommendations**

The Provincial Ombudsman's March 2006 report "Getting it Right" contained 22 recommendations to address issues identified by the Ombudsman's investigation. These included a number of suggested improvements to the information contained on MPAC's *Property Assessment Notice* form, enhancements to provide greater access to assessment information by property owners, procedural changes to increase the effectiveness of the property inspection process, and recommended changes to ensure that valuations reflect actual selling prices, and that decisions of the Assessment Review Board are appropriately reflected in subsequent property assessments.

Of the 22 recommendations made by the Ombudsman, 20 fell within MPAC's control, and two (recommendations no. 8 and no. 21), were deemed to fall within the responsibility of the Government of Ontario to address. Of the twenty recommendations within the assessment corporation's control, MPAC reports that they have fully implemented 19 of the Ombudsman's recommendations, and partially implemented the remaining recommendation (recommendation no. 2).

Recommendation no. 2 recommended that where MPAC has used 'multiple regression analysis' techniques to determine property assessments (e.g. residential properties), the *Property Assessment Notice* should provide both the average municipal assessment increase or decrease percentage following a reassessment, as well as the average percentage change within the particular neighbourhood zone the property falls within. MPAC advises that their *Property Assessment Notice* form has been enhanced to provide substantially more information, including the municipal average percentage change, but not an average percentage change for the neighbourhood zone. MPAC reports that further changes to the *Property Assessment Notice* form to include the average percentage change within the neighbourhood zone have been planned to be implemented in mid-2009.

Attachment 4 to this report provides a detailed status of the implementation of each of the Ombudsman's recommendations, based on recent information provided by MPAC.

Of the two recommendations (no.s 8 and 21), that fell under the purview of the Government of Ontario to implement, both have been addressed. Recommendation No. 8 requested that the Government of Ontario undertake a review of whether the public interest is better served by permitting confidentiality over its intellectual products, or by requiring full disclosure of property assessment methodology to Ontario taxpayers. Although the Province has not issued a formal statement in this regard, MPAC has responded to this recommendation by providing full disclosure of its property assessment methodology on its website, and has posted all of its internal procedures on its website.

Recommendation no. 21 also fell within the jurisdiction of the Province to implement, and recommended that the initial onus of proof in assessment matters before the Assessment Review Board be placed on MPAC to substantiate its assessments when they are challenged. In response, the Government of Ontario introduced amendments to the *Assessment Act* in Bill 44, *The Budget Measures and Interim Appropriation Act, 2008*, enacted May 14, 2008. The *Assessment Act* now provides that, for 2009 and subsequent taxation years, where the CVA value of a property is the basis for the appeal, the burden of proof as to the correctness of the current value of the land rests with MPAC, rather than with the property owner, as in the past. Also, at any hearing, the person whose assessment is the subject of the appeal is given the opportunity to make a closing statement after all other parties have made their submissions. It remains unclear how the reversal of the “onus of proof” and other procedural changes will affect actual hearing proceedings at the Assessment Review Board, as these changes have only recently come into effect.

In summary, 21 of the Ombudsman’s original 22 recommendations have been implemented fully, either by MPAC or by the Province. The remaining one recommendation has been partially implemented by MPAC to date, with full implementation expected in mid-2009, with further amendments to MPAC’s *Property Assessment Notice* form.

### **City Actions and Resources Available to Assist Residents in Appealing Assessments**

Recent amendments to the *Assessment Act* introduced changes to the assessment appeal process, coming into effect for the 2009 taxation year. Property owners who feel that their property has been valued incorrectly, or that other information identified on the Property Assessment Notice 2008 for the 2009 – 2012 property tax years is inaccurate, can contact MPAC any time before March 31, 2009 to ask them to review the assessment (known as a Request for Reconsideration, or RfR).

There is no fee for this review. Previously, the deadline to file a Request for Reconsideration was December 31 of the taxation year. In the case of amended assessment notices issued by MPAC, property owners may request a RfR within 90 days following the mailing of the notice.

Beginning in 2009, filing a Request for Reconsideration (RfR) is a mandatory first step for properties in the residential, farm and managed forest property classes. Property owners wishing to dispute their assessment, where any portion of the property contains a residential tax class designation, must first file a Request for Reconsideration with MPAC as a pre-condition to filing an appeal with the Assessment Review Board.



If the ratepayer is dissatisfied with the outcome of the RfR review, they have 90 days from MPAC's mailing of the results of the Request for Reconsideration to file an appeal to the Assessment Review Board. Where a request for reconsideration has been made, MPAC must mail a notice of decision by September 30 of the taxation year, unless the parties mutually agree to an extension to November 30. Where the RfR relates to supplementary or omitted assessments, MPAC must mail a notice of decision within 180 days of the request.

If a property is assessed within the commercial, industrial or multi-residential property classes, owners are not required to file a Request for Reconsideration with MPAC and may choose to file an appeal only with the Assessment Review Board (ARB). The date to file with the Assessment Review Board is March 31 of each taxation year. The fee for an appeal to the ARB is currently \$75.00 for a residential property and \$150.00 for a Commercial, Industrial or Multi-Residential property.

As previously discussed, the *Assessment Act* now provides that, for 2009 and subsequent taxation years, where the CVA value of a property is the basis for the appeal, the burden of proof as to the correctness of the current value of the land rests with MPAC. Also, at any hearing, the person whose assessment is the subject of the appeal is given the opportunity to make a closing statement after all other parties have made their submissions.

A briefing note entitled "Changes to the *Assessment Act* and Four-Year Phase-in of Assessment Increases" dated December 18, 2008 was distributed to members of Council to highlight the new deadlines and the changes to the assessment appeal and RfR processes, such that this information could be communicated to residents. Additionally, posters provided by MPAC advising of the new Request for Reconsideration deadline were distributed to members of Council on February 6, 2009 for posting within their offices.

These posters will also be displayed at all City Clerk locations (City Hall and Civic Centres) where the assessment roll is made available for public viewing, or where terminals are provided that allow residents to access the Toronto Property System to obtain assessment information via a touch screen terminal. Posters will also be displayed at all of Revenue Services' property tax and utility enquiry and payment counters at City Hall and Civic Centre locations.

The brochure accompanying the City's interim property tax bill (mailed in January 2009) also includes information to residents on what to do if they disagree with their assessed value, how to contact MPAC, and how to file an assessment appeal or a Request for Reconsideration, giving details of the new process and deadlines for filing.

The City of Toronto website provides information on how to file an assessment appeal or Request for Reconsideration on the Property Tax page under “Tax and Assessment Appeals,” and under the “Frequently Asked Questions” section, and includes links to websites for both MPAC and the Assessment Review Board.

To further assist residents in appealing their assessments, and recognizing that not all residents may have internet access, staff from Revenue Services, City Clerks and Information and Technology divisions are investigating the feasibility of implementing dedicated internet terminals at City Clerks location where the assessment roll is made available for public viewing. These terminals would allow members of the public to access MPAC’s website and to make use of MPAC’s *About My Property*<sup>TM</sup> on-line assessment information. MPAC’s *About My Property*<sup>TM</sup> application allows residents to use a personal identification number (PIN) supplied by MPAC to look up assessment information about their own property, and to request detailed assessment information on up to 24 additional properties, to use as comparators. The *About My Property*<sup>TM</sup> application features an interactive map function that allows a user to select properties, view their statistics, and to produce reports. Users can also submit an on-line Request for Reconsideration. Staff hope to have internet access available in 2 pilot locations in early March, and to roll out further terminals in other Civic Centre locations where facilities and space permit.

### **Further Actions to Assist Residents in Mitigating Reassessment Impacts**

Given that the reassessment will result in varying degrees of tax impacts to residents, and recognizing that the current economic climate may also affect the ability of residents to shoulder any additional tax burden, Council will be asked to approve measures that offer increased levels of tax relief to vulnerable groups. A staff report titled “2009 Property Tax Rates and Implementing Enhancing Toronto’s Business Climate Strategy” will be considered at a special meeting of the Executive Committee on March 24, 2009 that contains recommendations to expand the eligibility criteria for programs for low-income seniors and low-income persons with disabilities that allow tax increases to be deferred or cancelled.

Enhancements to these programs include:

- (i) increasing household income threshold to \$30,000 (from \$26,000) for the Tax Increase Cancellation Program;
- (ii) increasing the property CVA threshold to \$525,000 (from \$454,000) for the Tax Increase Cancellation Program; and,
- (iii) increasing household income threshold to \$50,000 (from \$40,000) for the Tax Increase Deferral Program.

A number of other administrative and process changes are also recommended to streamline the process and to make it easier for applicants to receive assistance.

It is anticipated that these enhancements will result in 20 per cent (2,400) more households being eligible for the tax increase cancellation program, and a 35 per cent increase (20,000) in the number of households eligible for the tax increase deferral program.

## **CONTACT**

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## **SIGNATURE**

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Giuliana Carbone  
Acting Treasurer

## **ATTACHMENTS**

Attachment 1: 2009 Preliminary CVA Assessment Changes (Roll Based Values as at December 2008) – Average Assessed Values – Residential Class

Attachment 2: 2009 Preliminary CVA Tax Impacts (City + School) – 2009 Phased-in CVA Tax Impacts – Residential Property Class – Total Taxes

Attachment 3: CVA Related Municipal Tax Increases and Decreases – 2009 Phased-in CVA Tax Impacts (One-Quarter of CVA Change) – Residential Class

Attachment 4: Update on the Status of the Implementation of the Provincial Ombudsman's Recommendations by MPAC – February 2009

# ATTACHMENT 1

## 2009 Preliminary CVA Assessment Changes (Roll Based Values as at December 2008)

### AVERAGE ASSESSED VALUES - RESIDENTIAL CLASS

Ward	No. of Properties	2008		2009-2012			2009 Phased-In CVA		
		2008 Total Assessed Value (Jan. 01/05 Base)	2008 Average Assessed Value	2009-2012 Total Assessed Value (Jan. 01/08 Base)	2009-2012 Average Assessed Value	Percent Change	2009 Phased-In Assessed Value	2009 Average Phased-In Assessed Value	Percent Change
01	11,325	2,850,324,535	251,684	3,089,309,380	272,787	8.4%	2,908,507,388	256,822	2.0%
02	13,710	3,923,506,427	286,178	4,464,656,630	325,650	13.8%	4,053,633,983	295,670	3.3%
03	14,772	5,241,932,100	354,856	6,417,129,800	434,412	22.4%	5,533,408,027	374,588	5.6%
04	12,387	6,572,706,960	530,613	8,050,987,800	649,955	22.5%	6,940,121,672	560,275	5.6%
05	19,363	7,921,975,577	409,130	9,829,991,122	507,669	24.1%	8,397,459,564	433,686	6.0%
06	17,985	5,744,642,256	319,413	6,873,212,150	382,164	19.6%	6,017,865,390	334,605	4.8%
07	9,848	2,868,905,520	291,319	3,132,732,080	318,108	9.2%	2,933,244,203	297,852	2.2%
08	7,680	1,855,814,385	241,642	1,986,867,700	258,707	7.1%	1,872,197,714	243,776	0.9%
09	9,336	2,885,314,665	309,053	3,245,298,130	347,611	12.5%	2,973,680,801	318,518	3.1%
10	12,729	4,885,800,825	383,832	6,019,888,630	472,927	23.2%	5,166,888,936	405,915	5.8%
11	14,578	3,793,350,853	260,211	4,383,494,070	300,692	15.6%	3,937,264,341	270,083	3.8%
12	10,273	3,216,161,150	313,069	3,749,415,560	364,978	16.6%	3,346,597,559	325,766	4.1%
13	14,376	6,294,951,920	437,879	7,993,772,880	556,050	27.0%	6,716,577,701	467,208	6.7%
14	9,168	3,699,425,022	403,515	4,753,398,205	518,477	28.5%	3,959,268,763	431,857	7.0%
15	13,722	4,526,567,325	329,877	5,453,195,860	397,405	20.5%	4,752,632,125	346,351	5.0%
16	14,905	10,440,106,542	700,443	13,360,550,690	896,380	28.0%	11,167,868,247	749,270	7.0%
17	13,626	4,025,269,900	295,411	4,844,947,800	355,566	20.4%	4,229,522,684	310,401	5.1%
18	10,829	3,318,439,166	306,440	4,138,124,760	382,134	24.7%	3,521,762,354	325,216	6.1%
19	18,136	5,957,443,190	328,487	7,670,553,338	422,946	28.8%	6,384,095,575	352,012	7.2%
20	22,593	8,217,056,197	363,699	10,368,043,750	458,905	26.2%	8,742,562,745	386,959	6.4%
21	9,772	6,104,748,198	624,718	7,565,779,940	774,230	23.9%	6,465,338,159	661,619	5.9%
22	14,489	9,891,323,197	682,678	12,626,702,830	871,468	27.7%	10,568,971,185	729,448	6.9%
23	30,513	10,388,616,435	340,465	12,949,806,600	424,403	24.7%	11,026,439,059	361,369	6.1%
24	17,561	6,906,577,800	393,291	8,540,197,020	486,316	23.7%	7,310,833,080	416,311	5.9%
25	16,170	14,022,064,767	867,165	17,651,709,260	1,091,633	25.9%	14,925,309,278	923,025	6.4%
26	11,713	4,401,754,953	375,801	5,394,702,290	460,574	22.6%	4,644,867,047	396,557	5.5%
27	23,488	11,375,522,937	484,312	14,262,447,490	607,223	25.4%	12,085,717,640	514,549	6.2%
28	14,993	4,801,033,727	320,218	5,879,331,600	392,138	22.5%	5,037,832,088	336,012	4.9%
29	11,654	4,406,375,392	378,100	5,617,209,240	481,998	27.5%	4,707,233,648	403,916	6.8%
30	14,887	4,889,097,502	328,414	6,522,616,005	438,142	33.4%	5,296,114,751	355,754	8.3%
31	13,389	3,878,129,021	289,650	4,804,154,240	358,814	23.9%	4,101,978,622	306,369	5.8%
32	16,966	6,696,905,376	394,725	8,564,878,000	504,826	27.9%	7,161,743,688	422,123	6.9%
33	11,984	3,760,481,215	313,792	4,469,136,530	372,925	18.8%	3,936,865,795	328,510	4.7%
34	10,098	3,444,656,045	341,123	4,243,238,531	420,206	23.2%	3,640,346,169	360,502	5.7%
35	12,480	3,051,933,355	244,546	3,525,716,850	282,509	15.5%	3,167,691,125	253,821	3.8%
36	13,537	4,330,744,723	319,919	5,233,011,296	386,571	20.8%	4,547,284,058	335,915	5.0%
37	14,811	3,916,197,985	264,411	4,420,263,250	298,445	12.9%	4,039,009,938	272,703	3.1%
38	15,620	3,904,492,885	249,968	4,336,122,030	277,601	11.1%	4,006,712,709	256,512	2.6%
39	14,806	4,137,881,945	279,473	4,727,245,700	319,279	14.2%	4,280,874,532	289,131	3.5%
40	13,626	3,810,560,255	279,654	4,349,659,999	319,218	14.1%	3,938,146,068	289,017	3.3%
41	17,376	5,073,503,151	291,983	5,793,064,405	333,395	14.2%	5,249,271,079	302,099	3.5%
42	18,100	4,719,045,055	260,721	5,199,055,700	287,241	10.2%	4,813,913,118	265,962	2.0%
43	11,235	3,135,234,775	279,060	3,548,941,600	315,883	13.2%	3,230,241,378	287,516	3.0%
44	17,199	5,305,152,147	308,457	6,217,989,890	361,532	17.2%	5,527,867,710	321,406	4.2%
<b>Total</b>	<b>637,808</b>	<b>234,591,727,356</b>	<b>367,809</b>	<b>286,268,550,631</b>	<b>448,832</b>	<b>22.0%</b>	<b>247,265,761,696</b>	<b>387,681</b>	<b>5.4%</b>

## ATTACHMENT 2

### 2009 Preliminary CVA Tax Impacts (City + School)

#### 2009 Phased-In CVA Tax Impacts

#### Residential Property Class - Total Taxes

Ward	No. of Properties	2008 Average Assessed Value	2008 Average Total Taxes	2009 Average Assessed Value	2009 Average Phased-In Municipal Taxes	2009 Average Tax Impact \$	2009 Average Tax Impact %
01	11,325	251,684	2,202	272,787	2,132	(70.22)	-3.2%
02	13,710	286,178	2,504	325,650	2,454	(49.55)	-2.0%
03	14,772	354,856	3,105	434,412	3,109	4.65	0.1%
04	12,387	530,613	4,642	649,955	4,651	8.25	0.2%
05	19,363	409,130	3,580	507,669	3,600	20.36	0.6%
06	17,985	319,413	2,795	382,164	2,777	(17.14)	-0.6%
07	9,848	291,319	2,549	318,108	2,472	(76.41)	-3.0%
08	7,680	241,642	2,114	258,707	2,024	(90.66)	-4.3%
09	9,336	309,053	2,704	347,611	2,644	(60.03)	-2.2%
10	12,729	383,832	3,358	472,927	3,369	11.17	0.3%
11	14,578	260,211	2,277	300,692	2,242	(34.75)	-1.5%
12	10,273	313,069	2,739	364,978	2,704	(35.00)	-1.3%
13	14,376	437,879	3,831	556,050	3,878	47.08	1.2%
14	9,168	403,515	3,530	518,477	3,585	54.31	1.5%
15	13,722	329,877	2,886	397,405	2,875	(11.18)	-0.4%
16	14,905	700,443	6,128	896,380	6,220	91.18	1.5%
17	13,626	295,411	2,585	355,566	2,577	(8.05)	-0.3%
18	10,829	306,440	2,681	382,134	2,700	18.43	0.7%
19	18,136	328,487	2,874	422,946	2,922	47.96	1.7%
20	22,593	363,699	3,182	458,905	3,212	29.97	0.9%
21	9,772	624,718	5,466	774,230	5,492	26.14	0.5%
22	14,489	682,678	5,973	871,468	6,055	82.07	1.4%
23	30,513	340,465	2,979	424,403	3,000	20.83	0.7%
24	17,561	393,291	3,441	486,316	3,456	14.71	0.4%
25	16,170	867,165	7,587	1,091,633	7,662	74.79	1.0%
26	11,713	375,801	3,288	460,574	3,292	3.76	0.1%
27	23,488	484,312	4,237	607,223	4,271	33.79	0.8%
28	14,993	320,218	2,802	392,138	2,789	(12.50)	-0.4%
29	11,654	378,100	3,308	481,998	3,353	44.73	1.4%
30	14,887	328,414	2,873	438,142	2,953	79.67	2.8%
31	13,389	289,650	2,534	358,814	2,543	8.88	0.4%
32	16,966	394,725	3,454	504,826	3,504	50.41	1.5%
33	11,984	313,792	2,745	372,925	2,727	(18.55)	-0.7%
34	10,098	341,123	2,985	420,206	2,992	7.88	0.3%
35	12,480	244,546	2,140	282,509	2,107	(32.67)	-1.5%
36	13,537	319,919	2,799	386,571	2,788	(10.69)	-0.4%
37	14,811	264,411	2,313	298,445	2,264	(49.75)	-2.2%
38	15,620	249,968	2,187	277,601	2,129	(57.78)	-2.6%
39	14,806	279,473	2,445	319,279	2,400	(45.17)	-1.8%
40	13,626	279,654	2,447	319,218	2,399	(47.69)	-1.9%
41	17,376	291,983	2,555	333,395	2,508	(46.98)	-1.8%
42	18,100	260,721	2,281	287,241	2,208	(73.41)	-3.2%
43	11,235	279,060	2,442	315,883	2,387	(54.95)	-2.3%
44	17,199	308,457	2,699	361,532	2,668	(30.84)	-1.1%
<b>City-Wide</b>	<b>637,808</b>	<b>367,809</b>	<b>3,218</b>	<b>448,832</b>	<b>3,218</b>	<b>(0.00)</b>	<b>0.0%</b>

## ATTACHMENT 3

### CVA Related Municipal Tax Increases and Decreases 2009 Phased-in Tax Impacts (One-Quarter of CVA Change) Residential Property Class

Ward	Total No. Properties	Decreases				Increases			
		No. of Decreases	% of Total	Average \$ Impact	Average % Impact	No. of Increases	% of Total	Average \$ Impact	Average % Impact
01	11,325	11,279	99.6%	\$ (70.60)	-3.2%	46	0.4%	\$ 21.67	1.1%
02	13,710	11,775	85.9%	\$ (67.43)	-2.9%	1,935	14.1%	\$ 59.21	1.7%
03	14,772	6,508	44.1%	\$ (56.87)	-2.2%	8,264	55.9%	\$ 53.10	1.5%
04	12,387	6,590	53.2%	\$ (50.55)	-1.3%	5,797	46.8%	\$ 75.11	1.4%
05	19,363	7,535	38.9%	\$ (58.01)	-1.8%	11,828	61.1%	\$ 70.28	1.8%
06	17,985	9,017	50.1%	\$ (75.09)	-2.6%	8,968	49.9%	\$ 41.12	1.5%
07	9,848	9,796	99.5%	\$ (77.35)	-3.0%	52	0.5%	\$ 100.23	5.2%
08	7,680	7,615	99.2%	\$ (91.73)	-4.4%	65	0.8%	\$ 34.41	1.0%
09	9,336	9,168	98.2%	\$ (61.80)	-2.3%	168	1.8%	\$ 36.62	1.7%
10	12,729	5,478	43.0%	\$ (56.62)	-2.2%	7,251	57.0%	\$ 62.39	1.6%
11	14,578	13,796	94.6%	\$ (38.29)	-1.7%	782	5.4%	\$ 27.77	1.3%
12	10,273	9,302	90.5%	\$ (43.01)	-1.6%	971	9.5%	\$ 41.67	1.7%
13	14,376	3,397	23.6%	\$ (70.03)	-1.8%	10,979	76.4%	\$ 83.31	2.2%
14	9,168	1,945	21.2%	\$ (73.24)	-2.1%	7,223	78.8%	\$ 88.65	2.5%
15	13,722	8,282	60.4%	\$ (46.07)	-1.7%	5,440	39.6%	\$ 41.93	1.3%
16	14,905	3,286	22.0%	\$ (85.43)	-1.5%	11,619	78.0%	\$ 141.13	2.2%
17	13,626	8,603	63.1%	\$ (28.11)	-1.1%	5,023	36.9%	\$ 26.30	1.0%
18	10,829	2,722	25.1%	\$ (32.20)	-1.2%	8,107	74.9%	\$ 35.43	1.3%
19	18,136	3,116	17.2%	\$ (39.27)	-1.6%	15,020	82.8%	\$ 66.06	2.2%
20	22,593	8,297	36.7%	\$ (66.76)	-2.3%	14,296	63.3%	\$ 86.11	2.6%
21	9,772	2,838	29.0%	\$ (121.48)	-1.7%	6,934	71.0%	\$ 86.56	1.8%
22	14,489	4,274	29.5%	\$ (106.81)	-1.8%	10,215	70.5%	\$ 161.11	2.7%
23	30,513	15,361	50.3%	\$ (54.46)	-2.3%	15,152	49.7%	\$ 97.15	2.7%
24	17,561	8,529	48.6%	\$ (65.06)	-2.5%	9,032	51.4%	\$ 90.04	2.1%
25	16,170	5,156	31.9%	\$ (122.95)	-1.7%	11,014	68.1%	\$ 167.36	2.2%
26	11,713	7,048	60.2%	\$ (63.21)	-2.9%	4,665	39.8%	\$ 104.93	2.1%
27	23,488	9,077	38.6%	\$ (73.08)	-1.9%	14,411	61.4%	\$ 101.11	2.3%
28	14,993	6,703	44.7%	\$ (110.75)	-3.7%	8,290	55.3%	\$ 66.94	2.5%
29	11,654	1,820	15.6%	\$ (58.64)	-1.4%	9,834	84.4%	\$ 63.86	2.0%
30	14,887	1,521	10.2%	\$ (50.12)	-1.9%	13,366	89.8%	\$ 94.44	3.3%
31	13,389	5,047	37.7%	\$ (64.34)	-2.8%	8,342	62.3%	\$ 53.19	2.0%
32	16,966	3,524	20.8%	\$ (64.47)	-1.7%	13,442	79.2%	\$ 80.53	2.4%
33	11,984	8,567	71.5%	\$ (45.70)	-1.9%	3,417	28.5%	\$ 49.52	1.4%
34	10,098	4,874	48.3%	\$ (56.55)	-2.5%	5,224	51.7%	\$ 68.00	1.9%
35	12,480	10,940	87.7%	\$ (41.85)	-1.9%	1,540	12.3%	\$ 32.47	1.8%
36	13,537	9,382	69.3%	\$ (56.03)	-2.2%	4,155	30.7%	\$ 91.69	2.7%
37	14,811	14,699	99.2%	\$ (50.53)	-2.2%	112	0.8%	\$ 52.33	2.1%
38	15,620	15,470	99.0%	\$ (59.11)	-2.7%	150	1.0%	\$ 80.07	4.7%
39	14,806	13,405	90.5%	\$ (54.13)	-2.3%	1,401	9.5%	\$ 40.61	1.2%
40	13,626	12,052	88.4%	\$ (57.17)	-2.4%	1,574	11.6%	\$ 24.91	0.8%
41	17,376	16,513	95.0%	\$ (50.40)	-2.0%	863	5.0%	\$ 18.62	0.7%
42	18,100	17,680	97.7%	\$ (75.60)	-3.3%	420	2.3%	\$ 18.54	1.1%
43	11,235	10,327	91.9%	\$ (66.15)	-2.8%	908	8.1%	\$ 72.38	2.3%
44	17,199	13,489	78.4%	\$ (45.38)	-1.7%	3,710	21.6%	\$ 22.03	0.8%
<b>City-Wide</b>	<b>637,808</b>	<b>365,803</b>	<b>57.4%</b>	<b>\$ (61.01)</b>	<b>-2.2%</b>	<b>272,005</b>	<b>42.6%</b>	<b>\$ 82.04</b>	<b>2.1%</b>

**Attachment 4:**

**Update on the Status of the Implementation of the Provincial Ombudsman’s Recommendations by MPAC – February 2009**

Rec. No.	Subject	Ombudsman’s Recommendation	Status (February 2009)	Detail
1	Brochure	That MPAC should amend the brochure that accompanies its Notice of Assessment to describe the importance to taxpayers of ensuring that MPAC has accurate information about the taxpayer’s property, and describing alternative means for learning about <i>all</i> of the information that MPAC has relating to the subject property.	Completed	<p>The brochure has been enhanced, as recommended.</p> <p>The enhanced brochure, which was included with the delivery of the Property Assessment Notice for approximately 4.7 million property owners, provides information with respect to the 2008 assessment process and legislative changes to the process stemming from the 2007 and 2008 Ontario Budget Implementation. Information is provided with respect to the Request for Reconsideration and appeal processes.</p> <p>In addition to MPAC’s Information Insert, MPAC has partnered with the Province and provided a Government of Ontario insert that speaks specifically to a new Ontario Senior Homeowner’s Property Tax Grant.</p>
2	Property Data & Property Assessment Notice	That MPAC should amend the Notice of Assessment to describe, for cases where “multiple regression analysis” techniques have been used, not only the average municipal assessment increase or decrease but also the average percentage change within the particular neighbourhood zone the property falls within.	Partially completed	<p>The Property Assessment Notice has been enhanced to include:</p> <ul style="list-style-type: none"> <li>• The assessed value of the property for each of the next four tax years;</li> <li>• The percentage by which the property has increased; or decreased in value since the last assessment update in 2005;</li> <li>• The average percentage by which properties across the municipality have changed in value;</li> <li>• A history of past adjustments, if any, made by MPAC through the Request for Reconsideration process or the Assessment Review Board to the assessed value of the property and whether these are reflected in the current assessment;</li> <li>• Details about the property including lot size, square footage, and year of construction used by MPAC to help determine the assessed value of a property;</li> <li>• A User ID and Password that can be used to access AboutMyProperty™; and</li> <li>• The address of the nearest MPAC local office where questions can be answered and concerns addressed in person; and a toll-free phone number for MPAC’s Customer Contact Centre.</li> </ul> <p>Following were mailed with the Property Assessment Notice:</p> <ul style="list-style-type: none"> <li>• A brochure explaining how property owners can determine if their assessment is accurate and, if they feel it is not, what options are available to have it corrected;</li> <li>• A brochure describing the new Ontario Senior Homeowners’ Property Tax Grant to help eligible senior homeowners with low and moderate incomes pay their property taxes; and</li> <li>• An interactive Property Assessment Notice with details on each section has been posted on MPAC’s website at <a href="http://www.mpac.ca">www.mpac.ca</a>, and is available in 10 different languages.</li> </ul>

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**Update on the Status of the Implementation of the Provincial Ombudsman’s Recommendations by MPAC – February 2009**

Rec. No.	Subject	Ombudsman’s Recommendation	Status (February 2009)	Detail
				At this time, the assessment notice contains the average change for the municipality, and not the zone/community in which the property falls within. This is planned for implementation in mid-2009.
3	Brochure	That MPAC should amend the Brochure that accompanies its Notice of Assessment to describe how information about comparable properties can be useful on appeal, furnish accurate and complete information as to exactly how many comparables can be secured and how these comparables can be accessed, making particular note that the six comparables that MPAC selects are likely to be relied on by MPAC in the event of an appeal to the ARB.	Completed	<p>The brochure has been enhanced, as recommended.</p> <p>The enhanced brochure, which was included with the delivery of the Property Assessment Notice for approximately 4.7 million property owners, provides information with respect to the 2008 assessment process and legislative changes to the process stemming from the 2007 and 2008 Ontario Budget Implementation.</p> <p>Information is also provided with respect to the Request for Reconsideration and appeal processes.</p> <p>In addition to MPAC’s Information Insert, MPAC has partnered with the Province and provided a Government of Ontario insert that speaks specifically to a new Ontario Senior Homeowner’s Property Tax Grant.</p>
4	Property Data & Property Assessment Notice	That MPAC should include a box on the Notice of Assessment provided to property owners recording the previous years where Requests for Reconsideration (RfR) settlements or ARB reassessments were achieved. The box should record “No” if MPAC believes there are none. Where MPAC is aware that reassessments have occurred, the years in question and type of review used should be recorded.	Completed	<p>The Property Assessment Notice has been redesigned, as recommended.</p> <p>MPAC held stakeholder interviews and workshops in June 2007 and property owner/customer research through several focus groups in August 2007 and December 2007 in many cities.</p> <p>The revised Property Assessment Notice was delivered in the fall of 2008 with significant changes as a result of the 2007 and 2008 Ontario Budget announcements.</p> <p>Changes to the Notice have been made in conjunction with the implementation of a property owner portal on MPAC’s website to determine the most effective approach for providing all of the appropriate information.</p> <p>MPAC has developed a History of Requests for Reconsideration and Assessment Review Board Appeals document that was included with the assessment notices where a property owner has filed a RfR or an appeal prior to June 30, 2008 that affects any or all of the 2006, 2007 and/or 2008 taxation years.</p> <p>The purpose of this document is to provide confirmation to the property owner regarding the filing history and outcomes and to advise whether the outcome/adjustment has been carried forward.</p>



**Attachment 4:**

**Update on the Status of the Implementation of the Provincial Ombudsman’s Recommendations by MPAC – February 2009**

Rec. No.	Subject	Ombudsman’s Recommendation	Status (February 2009)	Detail
5	Property Data & Property Assessment Notice	That MPAC provide a copy of the Property Profile Report relating to the property when it sends out its property assessment notices.	Completed	This information is now readily accessible via AboutMyProperty™ or when requested. MPAC will also include this information with the acknowledgement letter when the property owner files an appeal or RfR.
6	Property Data & Property Assessment Notice	That MPAC, in providing information about comparables, should include all relevant information about those properties that may be relevant to the evaluation of the property.	Completed	<p>The property owner portal is now available to residential property owners. AboutMyProperty™ is a secure, online service available on the Municipal Property Assessment Corporation (MPAC) website at <a href="http://www.mpac.ca">www.mpac.ca</a>.</p> <ul style="list-style-type: none"> <li>• MPAC has enhanced the residential side of this service with a new, interactive map option that will allow property owners to obtain information such as lot size, dimensions and assessed value of properties on their street and the surrounding neighbourhood with the click of a mouse. This is available in those areas of the province that have been electronically mapped.</li> <li>• Property owners will be able to review information on up to 100 properties and request a Properties of Interest Report on up to 24 properties online.</li> <li>• The information can be used by property owners to compare their assessment to similar properties in their area and determine if their assessment is accurate.</li> <li>• Property owners may also choose to file a Request for Reconsideration through AboutMyProperty™.</li> <li>• When property owners access AboutMyProperty™, they will see a map of their neighbourhood.</li> <li>• By clicking on a property on the map, property owners will be able to view a Property Detail Snapshot with basic information such as lot size, dimensions, the sale price if it has been recently sold, and the assessed value.</li> <li>• Property owners can then compare the assessed value of the subject property to their own to help determine if their value is accurate.</li> <li>• To help property owners use the new features, an online video tutorial has been prepared that will walk users through the system.</li> </ul>
7	Property Data & Property Assessment Notice	That MPAC implement the changes in its Proposal for Release of MRA (Multiple Regression Analysis) Related Data, dated Nov. 17, 2005.	Completed	<p>MPAC has made various reports available through its website:</p> <ul style="list-style-type: none"> <li>• A report identifying the individual components contributing to property value was developed in a format that is easy to understand and is being made available to property owners on MPAC’s website, through the Customer Contact Centre and at field offices.</li> <li>• Sample market reports were posted on MPAC’s web site in December 2006.</li> <li>• A detailed information guide has been developed describing the residential property data collected, and how multiple regression analysis is used in property valuation. This guide also outlines the key contributors to value and other examples and</li> </ul>

**Attachment 4:**

**Update on the Status of the Implementation of the Provincial Ombudsman’s Recommendations by MPAC – February 2009**

Rec. No.	Subject	Ombudsman’s Recommendation	Status (February 2009)	Detail
				<p>illustrations of how property characteristics are identified. The guide is available for review at the 33 MPAC locations across Ontario to address the need for greater transparency for property owners, and was posted on MPAC’s website in December 2006.</p> <ul style="list-style-type: none"> <li>• Prototypes for displaying aggregate sales information were developed and posted on MPAC’s website for all municipalities in December 2006.</li> <li>• Updated aggregate sales information has been posted on MPAC’s website for all municipalities.</li> </ul>
8	Disclosure of Property Assessment Methodology	That the Government of Ontario undertake a review of whether the public interest is better served by permitting MPAC to maintain confidentiality over its intellectual products, or by requiring full disclosure of property assessment methodology to Ontario taxpayers.	Completed	MPAC provides full disclosure of information on property assessment methodology on its website. Internal procedures have been posted online. (Also see Rec. No 9).
9	Procedures & Compliance	That MPAC ensure that its administrative procedures regarding assessments and inspections, disclosure of information, RfRs and ARB appeals be set out in writing and made available to the public on its website. The procedures should include those administrative procedures incorporating the recommendations set out in this report.	Completed	<p>Internal procedures have been posted online, as recommended.</p> <p>All internal procedures have been posted online.</p> <p>Property owner-/customer-focused online videos, to supplement MPAC’s Residential Data Collection, Request for Reconsideration and Assessment Review Board Complaint Procedures were posted in November 2007 and March 2008.</p>
10	Field Staffing	That MPAC review its current Customer Contact Centre practices with a view to ensure that property owners gain access to those staff who can most appropriately address their enquires.	Completed	<p>A review of Customer Contact Centre practices has been completed.</p> <p>The results of the pilot projects were analyzed and resulted in the following changes to current business practices. MPAC Customer Service Representatives have received increased technical training to increase their knowledge of assessment practices to enable them to more effectively answer customer questions and as a result enhance our first point of contact customer service solutions. MPAC has made our local office telephone numbers more readily available when requested at our Customer Contact Centre.</p>

**Attachment 4:**

**Update on the Status of the Implementation of the Provincial Ombudsman’s Recommendations by MPAC – February 2009**

Rec. No.	Subject	Ombudsman’s Recommendation	Status (February 2009)	Detail
11	Field Staffing	That MPAC undertake a review of its staffing needs to determine whether staffing strategies can be identified and pursued for improving the accurate collection of property data.	Completed	<p>A review of staffing needs was conducted, data collection procedures were established and temporary staff were hired to perform the data collection, in addition to existing MPAC staff. Approximately 570,000 residential property visits occurred in 2007.</p> <p>This recommendation is undergoing further review in light of the 2007 and 2008 Ontario Budget announcements regarding the four-year cycle and its business implications, including the length of the inspection cycle.</p>
12	Procedures & Compliance	That MPAC standardize its inspection audit reports, and provide the Ombudsman with the results of its inspection audits and quality reviews for 2006, as they become available.	Completed	<p>Inspection audit reports have been standardized, as recommended.</p> <p>The results of these audits and quality reviews were submitted to the Ombudsman’s office in December 2006.</p>
13	Valuation Reviews & Appeals	That when a property assessment is challenged based on an actual sale price proximate to the valuation date, MPAC should generally accept that sale price as the best evidence of the property assessment. The actual sale prices should also be treated as an important factor in assessing the current value of the particular property in future years. MPAC should deviate from these general rules only if there are concrete, cogent reasons for believing that the sale has not been made under market conditions or does not otherwise reflect actual market value.	Completed	<p>MPAC has taken action to ensure that greater weight is being given to the actual selling price of homes in determining assessed values when an assessment is challenged, and for future assessment updates.</p> <p>After consultation with the Assessment Review Board, a pilot project occurred in Mississauga in late June 2007 to enhance and validate the process for addressing this recommendation and to ensure consistent application. A second pilot project occurred in October 2007 and a third in April 2008.</p> <p>Focus groups held in April 2008 received input from property owners regarding the use of plain language in the material.</p>
14	Valuation Reviews & Appeals	That MPAC should apply ARB findings of value at specific valuation dates when carrying out assessments for future years based on the same date.	Completed	<p>MPAC has taken a number of steps to ensure that Assessment Review Board findings are applied in future taxation years based on the same valuation date, as recommended.</p> <p>Results of this Recommendation are being reported quarterly through MPAC’s Key Performance Indicator process.</p>

**Attachment 4:**

**Update on the Status of the Implementation of the Provincial Ombudsman’s Recommendations by MPAC – February 2009**

Rec. No.	Subject	Ombudsman’s Recommendation	Status (February 2009)	Detail
15	Valuation Reviews & Appeals	That MPAC should be bound to apply any assessment reductions imposed by the ARB to future years’ market value assessments of the same property, unless they have been determined to be wrong by a court of law or MPAC can clearly demonstrate that the circumstances justifying the assessment reduction have changed. In such case the reasons justifying the change should be set out in the taxpayers’ assessment notice.	Completed	<p>MPAC has reviewed and carried forward Request for Reconsideration and Assessment Review Board decisions where appropriate so that property owners are not forced to appeal the same issue every year.</p> <p>History of past adjustments, if any, made by MPAC through the Request for Reconsideration process or the Assessment Review Board to the assessed value of the property, will be included with the property assessment notice, and whether these are reflected in the current assessment.</p> <p>MPAC has levelled the playing field when an assessment is appealed. Specifically, MPAC will make any offer of settlement at least seven days in advance of an Assessment Review Board hearing so that there are no surprises. MPAC is providing property owners the same information that will be used at the Appeal before the Assessment Review Board at least seven days in advance of the hearing.</p> <p>MPAC has posted policies and procedures on its website for review by property owners.</p> <p>MPAC has developed information materials that explain how residential, farm, commercial and industrial properties, waterfront and newly built homes are assessed. This information is available on MPAC’s website, in the field offices, municipal offices, and Service Ontario offices.</p>
16	Valuation Reviews & Appeals	That MPAC should ensure that all minutes of settlement it enters into relating to assessment reductions contain reasons clearly explaining why a reduction has been agreed to, and that these reasons are recorded.	Completed	Refer to Recommendation 15
17	Valuation Reviews & Appeals	That MPAC should be bound to apply reductions agreed to in minutes of settlement to future years’ assessment of the same property unless MPAC can clearly demonstrate that the circumstances justifying the assessment reduction have changed. If so the reason justifying the change should be set out in the taxpayer’s assessment notice.	Completed	Refer to Recommendation 15

**Attachment 4:**

**Update on the Status of the Implementation of the Provincial Ombudsman’s Recommendations by MPAC – February 2009**

<b>Rec. No.</b>	<b>Subject</b>	<b>Ombudsman’s Recommendation</b>	<b>Status (February 2009)</b>	<b>Detail</b>
18	Valuation Reviews & Appeals	That MPAC should request reasons for ARB decisions if the basis for an assessment decision is unclear, and record all ARB reasons.	Completed	New guidelines for requesting reasons behind Assessment Review Board decisions have been developed and directives issued to all MPAC staff.  Changes have been made to MPAC’s database to document reasons for Assessment Review Board decisions.
19	Valuation Reviews & Appeals	That MPAC immediately cease the practice of bringing new property comparables to ARB hearing without sufficient prior disclosure.	Completed	MPAC has ceased the practice of bringing new property comparables to Assessment Review Board hearings without sufficient prior notice to property taxpayers, as recommended.  Results of this recommendation are being reported quarterly through MPAC’s Key Performance Indicator process.  MPAC has levelled the playing field when an assessment is appealed. Specifically, MPAC will make any offer of settlement at least seven days in advance of an Assessment Review Board hearing so that there are no surprises. MPAC is providing property owners the same information that will be used at the Appeal before the Assessment Review Board at least seven days in advance of the hearing.
20	Valuation Reviews & Appeals	That MPAC give direction to its staff to ensure that challenges to assessments are seriously considered and resolved at the earliest opportunity and that last minute settlements before the ARB are discouraged.	Completed	A directive has been issued that all offers of settlement must be made by MPAC staff at least seven days in advance of an Assessment Review Board hearing, as recommended.  Results of this recommendation are being reported quarterly through MPAC’s Key Performance Indicator process.
21	Onus of proof in ARB proceedings	That the initial onus of proof in assessment matters before the ARB be placed on MPAC to substantiate its assessments when they are challenged.	Completed	For 2009 and subsequent taxation years, where value is a grounds of appeal, the burden of proof as to the correctness of the current value of the land rests with the assessment corporation. (Paragraph 17 of Section 40 of the <i>Assessment Act</i> )
22	Report on Progress	That MPAC report back to the Ombudsman’s Office in six months time on its progress in implementing the Ombudsman’s recommendations.	Completed	The report detailing MPAC’s progress in implementing the Ombudsman’s recommendations was delivered September 28, 2006, as recommended.