

MUNICIPAL PROPERTY ASSESSMENT CORPORATION (MPAC)
CURRENT VALUE ASSESSMENT PROCESS (CVA)

Recommendation

That Regional Councillor Joyce Frustaglio in consultation with the Commissioner of Finance & Corporate Services and the Director of Finance recommends:

That the following resolution be adopted.

Whereas the Provincial Government adopted in 1998, Current Value Assessment as a property valuation system for Ontario;

And Whereas the Current Value Assessment is the base which provides the foundation on which a municipality levies property taxes;

And Whereas the Municipal Property Assessment Corporation (MPAC) was charged with the authority of assessing all properties in Ontario;

And Whereas the City of Vaughan Council has received correspondence and complaints from property owners concerning the current value assessment system;

And Whereas property owners including seniors could find Current Value Assessment (CVA) difficult as a result of annual reassessment;

Now, therefore be it resolved that the Province of Ontario immediately begin a process to review the issues relating to the CVA system and property tax legislation which should include a review of the following:

- The quality of the property valuation and service provided by MPAC;
- An assessment of the impact on current value assessment of subsequent legislation that introduced property tax mitigation tools, such as capping and clawback, etc.;
- The frequency of property reassessment, which is currently done on an annual basis; and
- The valuation date used in the reassessment of properties, currently June of each year.

And that the Province as part of the review process consider:

- The elimination of the capping and clawback and other mitigation tools;
- Decrease the frequency of property reassessment by MPAC to every three years which will permit sufficient time for appeals, inspections, will provide a longer stable valuation period and reduce costs;
- The property valuation date used in the process of property assessment should be changed from June 30th to January 1st of each reassessment year thereby permitting sufficient time for inspection, review and the timely provision of assessment data to local municipalities; and
- A review of MPAC's staffing requirements and processes to improve the quality of the assessment data and ensure a cost effective assessment system.

And that MPAC continue to meet with all the stakeholders to better understand the current issues so that a positive change can be made to improve customer service and the CVA system.

And that the Province strengthen the Ministry of Finance/MPAC Joint Committee that will be addressing MPAC service issues to include municipal and municipal association representatives.

And that a copy of this resolution be forwarded to the Minister of Municipal Affairs and Housing, John Gerretsen, the Minister of Finance Greg Sorbara, Chairman Peter Hume, MPAC Board of Directors, local Members of Provincial Parliament and the Association of Municipalities of Ontario (AMO) the Region of York and municipalities in the Province of Ontario with a population over 50,000.

Purpose

To provide Council with a resolution regarding the current value assessment process, as directed at the Council meeting of March 8, 2004.

Background - Analysis and Options

At the request of Councillor Frustaglio, correspondence received from JB Galway, AT Hodges and CA Ballantyne was placed before Committee of the Whole March 1, 2004. In addition Committee of the Whole received deputations from Mr. Carl Isenburg, Vice-President, Customer Relations of MPAC and Mr. Gaetano luorio, a resident of Maple.

The resolution addresses a number of issues concerning MPAC, the assessment system and property tax legislation.

MPAC is currently addressing their service issues through a Ministry of Finance/MPAC Joint Committee; the City's resolution supports this effort but requests that municipal and municipal associations also be included.

The resolution supports changing the CVA system so that "reassessment" takes place every three years. This approach will provide a stable base for a longer period so that property owners, including seniors can adjust to and understand their assessment. However if a longer period was implemented i.e. five (5) years, the reassessment impact over that period in property valuation could be considerable therefore this timeframe is not recommended.

The resolution also recommends the elimination of the capping and clawback legislation and this recommendation is also supported by the Association of Municipal Tax Collectors of Ontario (AMTCO).

Relationship to Vaughan Vision 2007

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Conclusion

Adoption of the resolution contained in this report will send a clear message that Council has heard the concerns relating to MPAC and the current value system.

Attachments

None

Report prepared by:

Clayton Harris, ext. 8475
Commissioner of Finance & Corporate Services

Barry Jackson, Director of Finance, ext. 8272

Grace Marsh, Manager of Property Tax & Assessment, ext. 8268

Respectfully submitted,

Joyce Frustaglio
Regional Councillor