17 November 2008

The Honourable Dalton McGuinty
Premier of Ontario
Queen’s Park
Room 281
Main Legislative Building
Toronto, ON M7A 1A4

Dear Premier:

Re: Provincial Review of Property Assessment System

Please be advised that the Council of the City of Ottawa, at its meeting held on 12 November 2008, adopted the following resolution.

WHEREAS the City of Ottawa’s property taxes are based on a rate set by the municipality (for local purposes) and the provincial government (for education purposes) applied against the assessed value of a property, as determined by rules set by the provincial government;

WHEREAS the provincial government’s property assessment system is based on current market value of a property, as assessed by the Municipal Property Assessment Corporation, based on market sales;

WHEREAS Ottawa’s housing market has led to significantly higher housing prices, leading to higher assessments of residential properties, leading in turn to higher property taxes for many homeowners, despite no increase in City services and unrelated to any change to the homeowner’s income;

WHEREAS the current provincial re-assessment of residential properties will lead to over 90,000 homes in Ottawa (over one-third) facing property tax increases as a result of higher assessments, causing distress particularly to young families with children and seniors with retirement incomes, who now face tax increases through no action of the City of Ottawa and no change in their financial circumstances;
WHEREAS this creates a taxation system that lacks accountability, creates financial hardship without relation to either the value of municipal services being provided or the taxpayer’s ability to pay;

THEREFORE BE IT RESOLVED that the City of Ottawa urge the Provincial Government, through the Premier of Ontario, the Minister of Finance, and the Minister of Municipal Affairs & Housing, to begin a public review of its system of property assessment, including review of possible alternatives;

AND that the Association of Municipalities in Ontario be requested to endorse this request by the City of Ottawa for such a public review of Ontario’s system of property assessment;

AND that this motion be copied to Ottawa-area M.P.P.s and the Municipal Affairs critics of the two opposition parties, and other municipalities in Ontario.

Should you have any questions in this regard, please do not hesitate to contact the undersigned.

Yours truly,

P.G. Pagé
City Clerk

cc: Area M.P.P’s
Ontario Municipalities