MULTI-RESIDENTIAL PROPERTY TAXATION SUB-COMMITTEE
REPORT 08-001
March 11, 2008
9:30 a.m.
Room 207

Present: Chair Councillor R. Powers,
Councillors B. McHattie, B. Bratina
A. Cranbury, T. Cooper, T. Greco, A. Pathak, D. Horwood, L.
Handanovic, D. Grover

Absent with regrets: L. Laviolette, Councillor S. Merulla

Also Present: J. Rinaldo, M. Di Santo, M. Gallagher

THE MULTI-RESIDENTIAL PROPERTY TAXATION SUB-COMMITTEE
PRESENTS REPORT 08-001 AND RESPECTFULLY RECOMMENDS:

1. Multi-Residential Tax Ratio

   (a) That the following options respecting the Multi-Residential Tax
       Ratio be considered by Committee of the Whole:

       Option 1(a)
       That the Multi-Residential Tax Ratio be reduced from 2.74 to 1.00
       over 10 years at a total cost of $42.9M (municipal residential tax
       impact of 8.0%)
       - Tax ratio reduced to 2.3920 in Year 1
       - Year 1 = $8.0M (11.3%) reduction to the MT class
       - Year 1 Municipal Residential tax impact of 1.6%
       - Year 1 Municipal Commercial/Industrial tax impact of 1.6%

       Option 1(b)
       That 50% of the budgetary increase be passed onto the Multi-
       Residential Class (similar to Commercial/Industrial)
       - Ratio would reduce from 2.74 to 2.68
       - $1.4M (1.9%) reduction to the MT class
       - Municipal Residential tax impact of 0.3%
       - Municipal Commercial/Industrial Tax Impact of 0.3%

   (b) That $1 Million of the $2.3 million allocated to the Business Tax
       Reduction (HFF) be reallocated to a rent supplement program
(c) That Council forward a letter to the Province requesting opportunities to enhance the Ontario property tax credit and/or make changes to existing legislation to broaden delivery of rebate programs

(d) That the City of Hamilton commission a report to review municipal services for tenants in Hamilton in comparison to services received by home owners (i.e. Property standards, garbage collection etc.)

(e) That letters be sent to tenant households as part of the educating of tenants to provide information on average taxes per unit and municipal services provided by the City Of Hamilton at an estimated cost of $50,000

(f) That the Multi-Residential Property Taxation Sub-Committee reconvene in 2009 to evaluate the process and review the 2009 Re-assessment Impact Study

FOR THE INFORMATION OF COMMITTEE:


During their deliberations, the committee received a detailed presentation by MPAC, and received and reviewed information provided by staff and members of the sub-committee on provincial legislation, property taxation of Multi-Residential Properties and comparisons to other municipalities, Multi-Residential Tax ratios, Tax Policies, Relationship between reassessments and Tax ratios, correlation between Multi-Residential Ratios and Rents, use of Hamilton Future Funds, Rental Market Reports.

The Sub-Committee presents the subjoined recommendations for Committee of the Whole’s consideration during its 2008 budget deliberations.

Respectfully submitted,

Councillor Russ Powers
Chair

M. Gallagher, Co-ordinator
Council, Committee of the Whole/Budgets