

May 29, 2009

Mr. Brad Butt
Greater Toronto Apartment Association
20 Upjohn Road, Suite 103
Toronto, ON M3B 2V9

Dear Mr. Butt:

Re: Property Tax Rent Reduction Notification Program

Thank you for meeting with us on April 27, 2009. From this meeting, we understand that your Association is concerned about the automatic tenant notification of property tax reduction required under the Residential Tenancies Act (RTA), in light of significant municipal tax decreases anticipated on the multi-residential class for the 2009 tax year, and which may be compounded by potential cost increases arising from the recent implementation of the City's new municipal solid waste user fees.

We have reviewed the legislation and it is clear under the RTA that the notices required under the automatic tenant notification process are to be based only on municipal property taxes and does not include 'other municipal charges'. Accordingly, we have no discretion in regard to when automatic notification is required. Your legal opinion does not appear to directly address this issue.

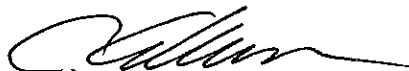
The legislation provides for a separate process for landlords to apply for increases arising from other operating costs, including 'other municipal charges', such as the new municipal solid waste user fees. Landlords can apply for such Above Guideline Increase (AGI) if they demonstrate the amount is an extraordinary operating cost increase.

We agree that some landlords and tenants may be confused by notices of automatic property tax reductions when at the same time applications and/or notices are being made with respect to AGI's which may include increases from the municipal solid waste user fees. Although they are completely different matters, both are costs associated with the City of Toronto. To that end, we plan on establishing a tenant hotline and a landlord hotline to support this year's notification program, and will ensure that hotline staff are able to respond to these types of inquiries. We will also include this information on the Shelter Support and Housing Division's website, and staff are looking at ways to address it on the cover letters that are sent out with the notices.



We trust these actions help address some of your concerns. If you wish to meet again to discuss this issue, please contact my office at the above noted number.

Sincerely,



Cam Weldon
Deputy City Manager and Chief Financial Officer

- c. Katherine Chislett, Director, Housing & Homelessness Supports & Initiatives Shelter,
Support & Housing Administration Division
- Len Brittain, Director, Corporate Finance
- Adir Gupta, Manager, Financial Policy
- Casey Brendon, Acting Director, Revenue Services