Agenda – Executive Policy Committee - November 29, 2006

REPORTS

Item No. 17 **Reactivation of Local Improvement Levy deferred on 1110 Fairfield Avenue pursuant to By-law No. 136/2006**
File SL-3

ADMINISTRATIVE RECOMMENDATION:

1. That deferment of the local improvement taxes on 1110 Fairfield Avenue (Roll No. 03062146000), authorized under By-law No. 136/2006, cease effective December 1, 2006.

2. That the assessment be reactivated and the local improvement taxes be imposed with a requirement for payment.

3. That the City Solicitor/Manager of Legal Services be requested to prepare the reactivation by-law.

4. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

RE: REACTIVATION OF LOCAL IMPROVEMENT LEVY DEFERRED ON 1110 FAIRFIELD AVENUE PURSUANT TO BY-LAW 136/2006

FOR SUBMISSION TO: Executive Policy Committee

ORIGINAL REPORT SIGNED BY: Acting Chief Financial Officer

REPORT DATE: November 23, 2006

RECOMMENDATION:

1. That deferment of the local improvement taxes on 1110 Fairfield Avenue (Roll No. 03062146000), authorized under By-law 136/2006, cease effective December 1, 2006.

2. That the assessment be reactivated and the local improvement taxes be imposed with a requirement for payment.

3. That the City Solicitor/Manager of Legal Services be requested to prepare the reactivation by-law.

4. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Report Summary

Key Issues:

- By-law 136/2006 granted the property owner of 1110 Fairfield Avenue, a Stage I property, deferment for payment of the Composite Local Improvement installed for the Fairfield Park Local Improvement District.

- Payment in full of these local improvement taxes has been remitted to the Taxation and Revenue Division.

- Reactivation is required in order to apply payment.

Implications of the Recommendation(s):

General Implications

( ) None

( ) For the organization overall and/or for other departments

(x) For the community and/or organizations external to the City

( ) Involves a multi-year contract

Comment(s): The reactivation by-law will impose local improvement taxes on the tax roll, thereby allowing the Taxation and Revenue Division to apply payment to the property owner's account.

Policy Implications

(x) No

( ) Yes

Comment(s):

Regulatory Implications

(x) None

( ) Eliminates or reduces regulatory impact

( ) Proposes regulatory impact

Comment(s):

Environmental Implications

(x) No

( ) Yes

Comment(s):

Human Resources Implications

(x) No

( ) Yes

Comment(s):

Financial Implications

(x) Within approved current and/or capital budget

( ) Current and/or capital budget adjustment required

Comment(s): There is no financial impact to the City of Winnipeg. The deferment for this property was recorded as a receivable on the Balance Sheet.

Report

REASON FOR THE REPORT:

Council approval is required for a by-law to reactivate deferred local improvement taxes.

HISTORY:

On February 22, 2006, Council passed By-law 70/2006 to impose local improvement taxes for various local improvements in the Stage I area of the Fairfield Park Local Improvement District. One of the conditions of this by-law is that property owners may at any time commute the annual local improvement taxes at a specified rate of interest at the date of commutation.

On March 20, 2006 the property owner of 1110 Fairfield Avenue opted to defer the local improvement taxes for the Composite Local Improvement installed in the Stage I area of the Fairfield Park Local Improvement District as per conditions set forth in The Fairfield Park Local Improvement District By-Law No. 125/2003.

The Fairfield Park Local Improvement District Stage III Properties Deferment By-law 136/2006 was passed on April 26, 2006. This by-law permitted deferment of various local improvements installed in the Stage I area of the Fairfield Park Local Improvement District.

On June 27, 2006, the property owner of 1110 Fairfield Avenue paid the full cost of the local improvement taxes imposed pursuant to By-law No. 70/2006, being the amount of $8,700.28.

DISCUSSION:

The Condition set forth in Deferment By-law 136/2006 states:

> *"The deferments permitted under this by-law shall cease at such time as the Fairfield Park Local Improvement District services are installed in Stage III and Council enacts a by-law reactivating the local improvement taxes deferred by this by-law."*

Although the above mentioned condition has not occurred, reactivation of the levy is necessary in order to allow the cost of the District Composite Local Improvement to be added to the tax roll. Payment for these local improvement taxes has already been remitted.

Upon Council approval of the reactivation by-law, the local improvement taxes will be imposed on the subject property. The payment that has been received will be processed and a discharge will be provided to the property owner. Once the discharge has been registered, the Winnipeg Land Titles Office will cancel the Notice of Deferment that is currently registered on the title.

Financial Impact Statement **Date:** November 10. 2006

Project Name: Composite - Local Improvement District

COMMENTS:

There is no financial impact to the City of Winnipeg. The deferment for this property was recorded as a receivable on the Balance Sheet.

original signed by Carrie Erickson
Carrie Erickson
Manager of Finance & Administration

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

Corporate Services Department Legal Services Division

External Consultation With:

THIS REPORT SUBMITTED BY:

Corporate Finance Department
Taxation & Revenue
Prepared by: Robert Weselowski, Manager of Taxation and Revenue
File No. Fairfield Reactivn 1110 Fairfield Avenue.doc