Report – Executive Policy Committee – January 17, 2007

Item No. 5 Reactivation of Local Improvement Levies deferred on 18 and 20 Hastings Boulevard
File SL-3

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 17, 2007, the Executive Policy Committee concurred in the administrative recommendation and submits the following to Council:

1. That deferment of the local improvement taxes on 18 Hastings Boulevard (Roll No. 08003317000) authorized under By-law No. 2392/79 and 20 Hastings Boulevard (Roll No. 08003317500) authorized under By-law No. 2391/79, cease effective January 24, 2007.

2. That the assessments 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-laws.

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

Report – Executive Policy Committee – January 17, 2007

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 17, 2007, the Executive Policy Committee concurred in the administrative recommendation and submitted the matter to Council.

RE: REACTIVATION OF LOCAL IMPROVEMENT LEVIES DEFERRED ON 18 HASTINGS BOULEVARD PURSUANT TO BY-LAW 2392/79 AND 20 HASTINGS BOULEVARD PURSUANT TO BY-LAW 2391/79

FOR SUBMISSION TO: **EXECUTIVE POLICY COMMITTEE**

ORIGINAL REPORT SIGNED BY: **ACTING CHIEF FINANCIAL OFFICER**

REPORT DATE: **January 2, 2007**

RECOMMENDATION:

1. That deferment of the local improvement taxes on 18 Hastings Boulevard (Roll No. 08003317000) authorized under By-law 2392/79 and 20 Hastings Boulevard (Roll No. 08003317500) authorized under By-law 2391/79, cease effective January 24, 2007.

2. That the assessments 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-laws.

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 2392/79 granted the property owner, a deferment for payment of the Local Improvements installed on 18 Hastings Boulevard.

- By-law 2391/79 granted the property owner, a deferment for payment of the Local Improvements installed on 20 Hastings Boulevard.

- 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 these properties 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 April 5, 1978, Council passed By-laws for local improvements installed on 18 Hastings Boulevard and 20 Hastings Boulevard. Section 1 of these By-laws lists the following:

By-law No.	Improvement Type	Term	Annual Levy
1862/78	Wastewater Sewer	1978-97	$61.37
1864/78	Land Drain Sewer	1978-97	$167.38
1871/78	Watermain	1978-97	$81.42
1876/78	Street Pavement	1978-97	$257.36

The above local improvements were deferred on August 15, 1979 by By-law 2392/79 for 18 Hastings Boulevard and By-law 2391/79 for 20 Hastings Boulevard.

On December 13, 2006 the solicitor, acting on behalf of the property owner, paid the full cost of the local improvement taxes in the amount of $8,243.24 and requested the deferment on both properties be discharged.

DISCUSSION:

The Conditions set forth in Deferment By-laws 2392/79 (18 Hastings Boulevard) and 2391/79 (20 Hastings Boulevard) state:

> *"The deferment permitted under this by-law shall cease and the special assessments provided in the By-laws set out in Section 1 shall be paid at the same cash value or amortized cost as required in the original subject assessment By-law upon the occurrence of any of the following:*

i. *Registration of a plan of subdivision or resubdivision affecting part or all of the property where deferment has been allowed;*

ii. *Where part or all of a property enjoying deferment is rezoned permitting a change in land use. The effective date upon which the special assessments shall become due and payable under this clause shall be the day the rezoning permitting a change of land use comes into force and effect under the appropriate by-law;*

iii. *Any other condition which, in the opinion of Council, would remove or alter the reasons originally advanced to support the deferment, such as a consent to convey a portion of the site to a developer, where a change in land use is contemplated;*

iv. *Granting of a variance, allowing change in land use. The effective date upon which the special assessments shall become due and payable under this clause shall be the date of the variance order.*

Although none of the above mentioned conditions have occurred, By-Laws 2392/79 and 2391/79 also contain provision which enable the property owner to pay the cash cost or commuted value of the deferred local improvements at any time.

The City has been notified that the current owner requires the discharge of Notices of Deferment due to the sale of both properties. Reactivation of the levies is necessary in order to allow the cost of the Local Improvements to be added to the tax roll and the Notices of Deferment discharged. Payment for these local improvement taxes has already been remitted.

Upon Council approval of the reactivation by-laws, 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 Notices of Deferment that are currently registered on the titles.

Financial Impact Statement

Date: December 28, 2006

Project Name:

Reactivation of Local Improvements Deferred on 18 & 20 Hastings Blvd.

First Year of Program

	0	1	2	3	4
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: There is no financial impact to the City of Winnipeg. The deferment for these properties was recorded as a receivable on the Balance Sheet.

original signed by Melody Balane
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:

Department: Corporate Finance
Division: Taxation and Revenue
Prepared by: Mel Chambers, A/Manager of Taxation and Revenue
File No.