Agenda - Council - April 25, 2007

Report – Executive Policy Committee - April 18, 2007

Item No. 4 Deferment of Fairfield Park Stage II, III and Retention Pond Local Improvement Taxes imposed by By-law Nos. 67/2007, 68/2007 and 69/2007 for Stage IV Properties
File SL-3

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 18, 2007, the Executive Policy Committee concurred in the administrative recommendation and submits the following to Council:

1. That the properties listed in Appendix I be granted a deferment of the Local Improvement taxes imposed by By-law Nos. 67/2007, 68/2007 and 69/2007 until such time as the Fairfield Park Local Improvement District services are installed in Stage IV.

2. That the City Solicitor/Manager of Legal Services prepare the deferment by-laws.

3. That the Chief Administrative Officer be delegated authority to approve discharges of Notices of Deferments that are registered in the Winnipeg Land Titles Office pursuant to: (i) By-law No. 137/2006 (Fairfield Park Local Improvement District Stage IV Properties Deferment of By-law 70/2006 Taxes By-law), and (ii) the deferment by-laws passed in accordance with this report, upon receipt of payment in full of the applicable deferred Local Improvement taxes.

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

Report – Executive Policy Committee - April 18, 2007

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 18, 2007, the Executive Policy Committee concurred in the administrative recommendation and submitted the matter to Council.

RE: DEFERMENT OF FAIRFIELD PARK STAGE II, III and RETENTION POND LOCAL IMPROVEMENT TAXES IMPOSED BY BY-LAWS 67/2007, 68/2007 AND 69/2007 FOR STAGE IV PROPERTIES.

FOR SUBMISSION TO: **EXECUTIVE POLICY COMMITTEE**

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

REPORT DATE: **APRIL 11, 2007**

RECOMMENDATION (S):

1. That the properties listed in Appendix I be granted a deferment of the Local Improvement taxes imposed by By-laws 67/2007, 68/2007 and 69/2007 until such time as the Fairfield Park Local Improvement District services are installed in Stage IV.

2. That the City Solicitor prepare the deferment by-laws.

3. That the CAO be delegated authority to approve discharges of Notices of Deferments that are registered in the Winnipeg Land Titles Office pursuant to: (i) By-law No. 137/2006 (Fairfield Park Local Improvement District Stage IV Properties Deferment of By-law 70/2006 Taxes By-law), and; (ii) the deferment by-laws passed in accordance with this report, upon receipt of payment in full of the applicable deferred Local Improvement taxes.

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

Report Summary

Key Issue(s):

- The Fairfield Park Local Improvement District Proposal, passed under By-law 125/2003 as amended, granted the property owners in later Stages of the Fairfield Park development the ability to defer payment of the composite Local Improvement taxes for earlier Stages until the installation of services in their own Stage and imposition of their Stage's composite Local Improvement taxes.

- The Stage II composite Local Improvement taxes were imposed in 2007 under By-law 67/2007, the Stage III composite Local Improvement taxes were imposed in 2007 under By-law 68/2007 and the Retention Pond Local Improvement taxes were imposed in 2007 under By-law 69/2007.

- It is anticipated that the Stage IV composite Local Improvement taxes will be

imposed in 2008.

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):

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): The financial impact of the one year Local Improvement charge delay is the city's internal cost of borrowing and is considered minimal. The deferments for the properties will be recorded as a receivable on the Balance Sheet.

Report

REASON FOR THE REPORT:

The Fairfield Park Local Improvement District Proposal, passed under By-law 125/2003 and amended by By-law 184/2004, granted the property owners in later Stages the ability to defer the payment of the composite Local Improvement taxes for earlier Stages until the imposition of their Stage's composite Local Improvement taxes. Council approval and a by-law are required for deferment of the Local Improvement taxes.

HISTORY:

On October 22, 2003 Council passed By-law No. 125/2003 establishing the Fairfield Park Local Improvement District.

On February 23, 2005, Council passed By-law No.184/2004 to amend By-law No. 125/2003 to accelerate the timing of the installation of the services in response to the demand for and absorption of serviced lots in the southwest quadrant of the City.

On February 21, 2007 Council passed By-laws 67/2007, 68/2007 and 69/2007 imposing the Stage II, III and Retention Pond Local Improvement taxes on all properties in the Fairfield Park Local Improvement District.

DISCUSSION:

Conditions set forth in The Fairfield Park Local Improvement District By-law No. 125/2003 state:

> *"This local improvement district proposal calls for the services to be installed over four years and to have separate levies for the cost of the pond and the cost for each of the four stages. All properties within the district will be assessed all five levies, although properties in the latter stages will have their levies for earlier stages deferred until after the services are installed in their own stage."*

Local Improvement taxes for Stage II and III services and the Retention Pond have been imposed under By-laws No. 67/2007, 68/2007 and 69/2007 on all properties in all Stages. It is anticipated that Stage IV works will be completed in 2007 and those taxes imposed in 2008.

Therefore, under the provisions granted in By-law No. 125/2003 as amended, property owners in Stage IV are also eligible to have their Stage II, III and Retention Pond

Fairfield Park Local Improvement District taxes deferred until services are installed in their Stage.

Appendix I lists property owners from Stage IV who have requested in writing to exercise their option to defer payment of Stages II, III and Retention Pond Fairfield Park Local Improvement District taxes.

In accordance with The City of Winnipeg Charter, notice of any deferments approved will be filed in the Winnipeg Land Titles Office and an entry will be made on the affected certificates of title. The cost for filing these notices is included in the Fairfield Park Local Improvement District budget.

Financial Impact Statement - Date: April 10, 2007

The financial impact of the one and two year local improvement charge delay is the city's internal cost of borrowing and is considered minimal. The deferments for all properties will be 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:

Department: Corporate Finance
Division: Taxation & Revenue
Prepared by: Mel Chambers, Acting Manager of Taxation and Revenue
File No. Fairfield Park Stage II and III Deferment Report.doc

Appendix I
Stage IV Properties Deferral Requests

Roll Number	Lot	Block	Plan	Taxable Measurement* (Foot)	Stage II		Stage III		Retention Pond		
					Annual LI Tax Levy	Total LI Tax	Annual LI Tax Levy	Total LI Tax	Taxable Measurement* (Square Foot)	Annual LI Tax Levy	Total LI Tax
03061990000	16	17	1991	217	$2,189.53	$24,959.34	$2,035.46	$23,199.47	25,525.00	$510.50	$6,636.50
03062010000	16	18	1991	100	1,009.00	11,502.00	938.00	10,691.00	11,900.00	238.00	3,094.00
03062014000	21	18	1991	150	1,513.50	17,253.00	1,407.00	16,036.50	17,850.00	357.00	4,641.00
03062018000	24	18	1991	100	1,009.00	11,502.00	938.00	10,691.00	11,900.00	238.00	3,094.00
03062020600	25	18	1991	50	504.50	5,751.00	469.00	5,345.50	5,950.00	119.00	1,547.00
03062022000	2	26	1991	117	1,180.53	13,457.34	1,097.46	12,508.47	13,625.00	272.50	3,542.50
03062022400	3	26	1991	50	504.50	5,751.00	469.00	5,345.50	5,950.00	119.00	1,547.00
03062029500	7	26	1991	50	504.50	5,751.00	469.00	5,345.50	5,950.00	119.00	1,547.00
03062030000	1		21825	75	756.75	8,626.50	703.50	8,018.25	8,925.00	178.50	2,320.50
03062031000	2		21825	75	756.75	8,626.50	703.50	8,018.25	8,925.00	178.50	2,320.50
03062050000	1	27	1991	67	676.03	7,706.34	628.46	7,162.97	7,675.00	153.50	1,995.50
03062050500	3	27	1991	100	1,009.00	11,502.00	938.00	10,691.00	11,900.00	238.00	3,094.00
03062051000	5	27	1991	93.3	941.40	10,731.37	875.15	9,974.70	11,352.00	227.04	2,951.52
03062192000	2		6363	117	1,180.53	13,457.34	1,097.46	12,508.47	14,025.00	280.50	3,646.50
03091261800	18		44117	42.1	424.79	4,842.34	394.90	4,500.91	5,516.00	110.32	1,434.16
03091261900	19		44117	42	423.78	4,830.84	393.96	4,490.22	5,502.00	110.04	1,430.52
03091262000	20		44117	44	443.96	5,060.88	412.72	4,704.04	5,764.00	115.28	1,498.64
03091262100	21		44117	40	403.60	4,600.80	375.20	4,276.40	5,240.00	104.80	1,362.40

Roll Number	Lot	Block	Plan	Taxable Measurement* (Foot)	Stage II		Stage III		Retention Pond		
					Annual LI Tax Levy	Total LI Tax	Annual LI Tax Levy	Total LI Tax	Taxable Measurement* (Square Foot)	Annual LI Tax Levy	Total LI Tax
03091262200	22		44117	40	403.60	4,600.80	375.20	4,276.40	5,240.00	104.80	1,362.40
03091262300	23		44117	44	443.96	5,060.88	412.72	4,704.04	5,764.00	115.28	1,498.64
03091262400	24		44117	42	423.78	4,830.84	393.96	4,490.22	5,502.00	110.04	1,430.52
03091262500	25		44117	42	423.78	4,830.84	393.96	4,490.22	5,502.00	110.04	1,430.52
03091291800	1	1	44320	51.4	518.63	5,912.03	482.13	5,495.17	11,260.00	225.20	2,927.60
03091291900	2	1	44320	52.1	525.69	5,992.54	488.70	5,570.01	6,150.00	123.00	1,599.00
03091292000	3	1	44320	52.1	525.69	5,992.54	488.70	5,570.01	11,465.00	229.30	2,980.90
03091292100	4	1	44320	58.8	593.29	6,763.18	551.54	6,286.31	12,932.00	258.64	3,362.32
03091292200	1	2	44320	51.3	517.62	5,900.53	481.19	5,484.48	10,963.00	219.26	2,850.38
				1,963.10 ft.	**$19,807.69**	**$225,795.77**	**$18,413.87**	**$209,875.01**	**258,252.00 sq. ft.**	**$5,165.04**	**$67,145.52**

Note: *The Taxable Measurement is the Frontage Foot calculation for each property for Stage II and III and the Square Foot area calculation for each property for the Retention Pond.