Minute No. 765
Report – Executive Policy Committee – September 13, 2006

Item No. 3 **Deferment of Fairfield Park Stage 1 Local Improvement Taxes – 11 Colebrook Drive**
File SL-3

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the property outlined below be granted a deferment of the Local Improvement Taxes imposed by By-law No. 70/2006 until such time as the Fairfield Park Local Improvement District services are installed in Stage II.

Roll Number	Lot	Block	Plan	Taxable Measurement	Annual LI Tax Levy	Total LI Tax
03091230600	21	29	1991	50.000	341.50	3,891.00

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

3. 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 – September 13, 2006

DECISION MAKING HISTORY:

Moved by His Worship Mayor Katz,
That the recommendation of the Executive Policy Committee be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 13, 2006, the Executive Policy Committee concurred in the administrative recommendation and submitted the matter to Council.

ADMINISTRATIVE REPORT

RE: DEFERMENT OF FAIRFIELD PARK STAGE I LOCAL IMPROVEMENT TAXES IMPOSED BY BY-LAW 70/2006 FOR 11 COLEBROOK DRIVE.

FOR SUBMISSION TO: Executive Policy Committee

ORIGINAL REPORT SIGNED BY: Acting Chief Financial Officer

REPORT DATE: August 16, 2006

RECOMMENDATION (S):

1. That the property outlined below be granted a deferment of the Local Improvement taxes imposed by By-law 70/2006 until such time as the Fairfield Park Local Improvement District services are installed in Stage II.

Roll Number	Lot	Block	Plan	Taxable Measurement	Annual LI Tax Levy	Total LI Tax
03091230600	21	29	1991	50.000	341.50	3,891.00

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

3. That the Proper Officers of the City be authorized to do all things necessary to effect 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 the ability to defer payment of the composite Local Improvement taxes for earlier Stages until the installation of services in their Stage and imposition of their Stage's composite Local Improvement taxes.

- The Stage I composite Local Improvement taxes were imposed in 2006 under by-law 70/2006.

- The Stage II composite Local Improvement taxes will likely be imposed in 2007.

- Application for deferral must be made by December 31 of the year in which the Local Improvement was assessed.

- A deferral was granted to Twenty-two (22) Stage II properties under By-law 135/2006

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 and two 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 22, 2006 Council passed by-law 70/2006 imposing the Stage I composite Local Improvement taxes on all properties in the Fairfield Park Local Improvement District.

On February 28, 2006 a letter was sent to all Stage II property owners reminding them of their option to defer the Stage 1 assessment. In order to simplify the process a form was attached for property owners to return indicating their desire to defer the assessment. The deadline for the form was March 17, 2006. A form for this property was not received.

On April 26, 2006 Council passed By-law 135/2006 granting a deferral to Twenty-two (22) Stage II properties.

On June 19, 2006 Jasbir S. & Harjit K. Maan filed an application for deferment of Local Improvement Levies.

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 I services have been imposed under By-Law No. 70/2006 on all properties in all Stages. It is anticipated that Stage II & III works and the Land Drainage Pond will be completed in 2006 and those taxes imposed in 2007 and 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 II are eligible to have their Stage I Fairfield Park Local Improvement District taxes deferred until services are installed in their Stage (probably for one (1) year to 2007).

In order to simplify the deferral process a letter was sent to all Stage II property owners reminding them of their option to defer the Stage 1 assessment with an attached form for property owners to return indicating their desire to defer the assessment. It was recognized that some property owners may miss the deadline for the simplified method and that these owners would then be required to use the normal process for requesting a deferral.

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: August 16, 2006

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 Department
Division: Taxation & Revenue
Prepared by: Robert Weselowski, Manager of Taxation and Revenue
File No. Fairfield Park Stage I Deferment Report 11 Colebrook.doc