Agenda – Council – February 20, 2008

Report – Executive Policy Committee - February 13, 2008

Item No. 1 Reactivation for Stage IV Properties of Local Improvement Taxes Deferred for Fairfield Park Local Improvement District Stages I, II, III, and Pond Local Improvement Taxes
File SL-3

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 13, 2008, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submits the following to Council:

1. That deferments of the local improvement taxes for Fairfield Park Local Improvement District Stage IV properties authorized under By-laws Nos. 137/2006, 106/2007, 107/2007, 108/2007, 156/2007, 157/2007 and 158/2007 cease effective immediately.

2. That the assessments pursuant to By-laws Nos. 70/2006, 67/2007, 68/2007 and 69/2007 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 implement the intent of the foregoing.

Report – Executive Policy Committee - February 13, 2008

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 13, 2008, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

RE: REACTIVATION FOR STAGE IV PROPERTIES OF LOCAL IMPROVEMENT TAXES DEFERRED UNDER BY-LAWS 137/2006, 106/2007, 107/2007, 108/2007, 156/2007, 157/2007 AND 158/2007 FOR FAIRFIELD PARK LOCAL IMPROVEMENT DISTRICT STAGES I, II, III AND POND LOCAL IMPROVEMENT TAXES (BY-LAWS 70/2006, 67/2007, 68/2007 AND 69/2007).

FOR SUBMISSION TO: Executive Policy Committee

ORIGINAL REPORT SIGNED BY: Chief Financial Officer

REPORT DATE: February 11, 2008

RECOMMENDATION:

1. That deferments of the local improvement taxes for Fairfield Park Local Improvement District Stage IV properties authorized under By-laws 137/2006, 106/2007, 107/2007, 108/2007, 156/2007, 157/2007 and 158/2007 cease effective immediately.

2. That the assessments pursuant to by-laws 70/2006, 67/2007, 68/2007 and 69/2007 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 achieve the intent of the foregoing.

Report Summary

Key Issues:

- Deferment By-laws 137/2006, 106/2007, 107/2007, 108/2007, 166/2007 which amended By-laws 156/2007, 157/2007 and 158/2007 granted some of the Stage IV property owners of the Fairfield Park Local Improvement District , deferment of payment of the local improvement taxes for various local improvements in Stage I, II, III and the Pond.

- The deferment by-laws provided that the deferments would cease upon the installation of services in the applicable Stage and Council reactivating the local improvement taxes that had been deferred.

- The services are now installed for the Stage IV properties and the composite Local Improvement taxes for those various district local improvements in the Stage IV area of the Fairfield Park Local Improvement District will be imposed in 2008 against the properties in the Fairfield Park Local Improvement District.

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 Assessment and Taxation Department to collect the taxes and apply payment to the property owners' accounts.

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 installed 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.

Some of the Stage IV property owners opted to defer the local improvement taxes for the district local improvements 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. By-law No. 137/2006 authorized these deferments.

On February 21, 2007, Council passed By-laws Nos. 67/2007, 68/2007 and 69/2007 to impose local improvement taxes for various local improvements installed in the Stage II, III and Pond areas of the Fairfield park Local Improvement District..

Some of the Stage IV property owners opted to defer the local improvement taxes for the Composite Local Improvements installed in the Stage II, III and Pond areas of the Fairfield Park Local Improvement District as per conditions set forth in the Fairfield Park Local Improvement District By-Law No. 125/2003. By-laws Nos. 106/2007, 107/2007, 108/2007, 156/2007, 157/2007 and 158/2007 authorized these deferments.

The Fairfield Park Local Improvement District Stage IV Properties Deferment By-laws noted above permitted deferment of local improvement taxes for various local improvements installed in the Stage I, II, III and Pond areas of the Fairfield Park Local Improvement District are listed as follows:

By-Law No.	Date Passed by Council
137/2006	April 26, 2006
106/2007	April 25, 2007
107/2007	April 25, 2007
108/2007	April 25, 2007

156/2007	July 18, 2007 (amended by By-law No. 166/2007)
157/2007	July 18, 2007 (amended by By-law No. 166/2007)
158/2007	July 18, 2007 (amended by By-law No. 166/2007)

DISCUSSION:

The Condition set forth in Deferment By-laws 137/2006, 106/2007, 107/2007, 108/2007, 156/2007, 157/2007 and 158/2007 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 IV and Council enacts a by-law reactivating the local improvement taxes deferred by this by-law."*

The services were installed in Stage IV in 2007 and accordingly the properties in Stage IV are no longer entitled to deferment of the local improvement taxes.

Upon Council approval of the reactivation by-law, the local improvement taxes will be imposed on the subject properties. Property owners will be sent cash cost statements and be given an opportunity to pay the local improvement taxes in full. The unpaid local improvement taxes will be collected beginning with the 2008 Tax Statement.

The Notices of Deferment that had been registered in the Winnipeg Land Titles Office on the titles for the Stage IV properties will be discharged.

In addition, by-laws to impose local improvement taxes against the properties in the Fairfield Park Local Improvement District, for various local improvements in the Stage IV area will be presented to Council on February 20, 2008.

Financial Impact Statement **Date:** January 28, 2008

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 Brad Cull
Brad Cull
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:

Assessment and Taxation Department
Prepared by: Robert Weselowski, Manager of Taxation & Revenue
File No. Local Improvement\Fairfield Reactivation Report Stage IV.doc